SOTC Travel Management Private Limited
(Formerly known as Sita Travels and Tours Private Limited)
Balance Sheet as at 31 March, 2019

Amount (In Rs)

	Notes	2019	2018
ASSETS			
Current Assets			
Financial Assets			
- Cash and Cash Equivalents	3	8,96,973	42,090
Total Current Assets		8,96,973	42,090
TOTAL ASSETS		**8,96,973**	**42,090**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	4	1,00,000	1,00,000
Other Equity	5	(1,15,883)	:Dipak Deva
Total Equity		**(15,883)**	**1,00,000**
Current Liabilities			
Other Financial Liabilities			
- Trade payables	6		
Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		8,51,404	-
- Other Payables	7		
Total outstanding dues of Micro Enterprises and Small Enterprises		44,920	13,799
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		-	-
Other Current Liabilities	8	16,532	-
Total Current Liabilities		**9,12,856**	**13,799**
TOTAL EQUITY AND LIABILITIES		**8,96,973**	**1,13,799**

As per our attached report of even date **1-23**

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

For and on behalf of the Board of Directors of
SOTC Travel Management Private Limited
CIN : U63040MH2001PTC131693

Sanjay Kothari
Partner
Membership Number 048215

Director :Dipak Deva
DIN :02030005

Director: :Sanjay Shroff
DIN :03077455

Place: Mumbai

Place: Mumbai

Date: 15th May,2019

Date: 15th May,2019

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, 2019 **Amount (In Rs)**

	Notes	2019	2018
Revenue			
Revenue from operations	9	9,98,348	-
Interest income	10	-	1,009
Total Income		**9,98,348**	**1,009**
Expenses			
Direct operational Cost	11	8,67,936	-
Finance Cost	12	3,916	-
Other Expenses	13	1,70,670	20,661
Total Expenses		**10,42,522**	**20,661**
Profit / (loss) before tax		**(44,174)**	**(19,652)**
Less: Tax expense			
Current Tax		-	-
Deferred Tax		-	-
Profit / (Loss) after tax		**(44,174)**	**(19,652)**
Other comprehensive income		-	-
Total comprehensive income		**(44,174)**	**(19,652)**
Earnings per Equity Share face value of Rs 10 each	17		
Basic and diluted earning per share		(4.42)	(1.97)

As per our attached report of even date **1-23**

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

For and on behalf of the Board of Directors of
SOTC Travel Management Private Limited
CIN : U63040MH2001PTC131693

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SOTC Travel Management Private Limited
(Formerly known as Sita Travels and Tours Private Limited)

Statement of changes in Equity **Amount (In Rs)**

a) Share Capital	**2019**		**2018**	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**
Balance at the beginning of the year	10,000	1,00,000	10,000	1,00,000
Changes during the year	-	-	-	-
Balance at the end of the year	10,000	1,00,000	10,000	1,00,000

b) Other Equity	**Retained earnings**	**Total Equity**
Balance at 1 April , 2018	**(71,709)**	**(71,709)**
Profit/ (Loss) for the year	(44,174)	**(44,174)**
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(44,174)**	**(44,174)**
Balance at 31 March, 2019	**(1,15,883)**	**(1,15,883)**

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: 15th May,2019

For and on behalf of the Board of Directors of
SOTC Travel Management Private Limited
CIN : U63040MH2001PTC131693

Director **:Dipak Deva**
DIN :02030005

Director **:Sanjay Shroff**
DIN :03077455

Place: Mumbai
Date: 15th May,2019

SOTC Travel Management Private Limited
(Formerly known as Sita Travels and Tours Private Limited)
Statement of Cash Flow for the year ended 31 March 2019

Amount (In Rs)

	2019	2018
Cash flow from operating activities		
Profit/(Loss) before tax	(44,174)	(19,652)
Profit/ (Loss) before tax	**(44,174)**	**(19,652)**
Adjustments for		
Interest income	-	(1,009)
Operating profit before working capital changes	**(44,174)**	**(20,661)**
Increase/ (Decrease) in trade and other payables	8,99,057	6,899
Cash generated from operations	**8,54,883**	**(13,762)**
Direct Taxes paid (net)	-	-
Net cash from/ (used in) operating activities	**8,54,883**	**(13,762)**
Cash flow from investing activities		
Interest received	-	3,864
Investment in bank deposits for more than 3 months	-	50,000
Net cash flows from investing activities	**-**	**53,864**
Cash flow from financing activities	-	-
Net cash flows from financing activities	**-**	**-**
Net increase / (decrease) in cash and cash equivalents	8,54,883	40,102
Cash and cash equivalents at the beginning of the year	42,090	1,988
Cash and cash equivalents at the end of the year	**8,96,973**	**42,090**

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: 15th May,2019

For and on behalf of the Board of Directors of
SOTC Travel Management Private Limited
CIN : U63040MH2001PTC131693

Director :Dipak Deva
DIN :02030005

Director Sanjay Shroff
DIN :03077455

Place: Mumbai
Date: 15th May,2019

1 **Corporate information**

SOTC Travel Management Private Limited ('the Company") formerty known as SITA Travels and Tours Private limited is a Private Limited Company incorporated and domiciled in India The Company is engaged in travel and travel related businesses.

SOTC Travel Management Private Limited, is wholly owned subsidiary Thomas Cook (India) Limited.

2.1 **Significant accounting policies**

(a) **Basis of preparation of financial statements**

The financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules (as amended) from time to time and other relevant provisions of the Act and rules framed thereunder

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

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**

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfill these contracts.
The Company has adopted Ind AS 115 w.e.f. 1 April 2018 using the full retrospective approach. Impact on the financial statements upon adoption of Ind AS 115 is considered and disclosed in Note 23 to the financial statements.

A. Revenue -

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised only when it can be reliably measured and it is probable that future economic benefits will flow to the Company.
Transaction price is accounted net of GST. Since GST is not received by the company on its own account, rather, it is collected by the Company on behalf of the government. Accordingly, it is excluded from revenue.

i) The entity provides travel products and services to leisure and corporate travellers in India and abroad.Revenue on holiday packages is recognised on gross basis on the date of departure of the tour.
ii) Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

B Contract Costs

In accordance with Ind AS - 115, incremental costs to obtain a contract are capitalized and amortized over the contract term if the cost are expected to be recoverable. The Company does not capitalize incremental costs to obtain a contract where the contract duration is expected to be one year or less.

C Arrangements with Multiple Performance Obligations
The Company’s contracts with customers may include multiple performance obligations. For such arrangements, the Company allocates revenue to each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

D Contract assets and liabilities :
Contract assets relate primarily to the Company’s rights to consideration for work completed but not billed at each reporting date. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to a customer. Contract liabilities primarily relate to consideration received in advance from customers, for which the performance obligation is yet to be satisfied.

(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 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.

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.

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) **Recent Accounting Prouncements**

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

a) Ind AS 116 "LEASES"

The Ministry of Corporate Affairs (MCA) issued the companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Indian Accounting Standards (Ind AS) 116, "Leases", which is applicable to the Company w.e.f. 1 April, 2019. Ind AS 116 eliminates the current classification model for lessee's lease contracts as either operating or finance leases and, instead, introduces a single lessee accounting model requiring lessees to recognize right-of-use assets and lease liabilities for leases with a term of more than twelve months. This brings the previous off-balance leases on the balance sheet in a manner largely comparable to current finance lease accounting. Ind AS 116 is effective for financial year beginning on or after 1 April 2019. The Company will adopt the standard for the financial year beginning 1 April 2019. By applying Ind AS 116, straight-line operating lease expense will be replaced by depreciation expense on right-of-use assets and interest expense on lease liabilities. The Company is currently assessing the impact of adopting Ind AS 116 on the Financial Statements. It is intended to use most of the simplifications available under Ind AS 116.

b) Ind AS 12 "Income Taxes" (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

SOTC TRAVEL Management Private Limited
(Formerly Known as Sita Travels and Tours Private Limited)

Notes forming part of the financial statements

Amount (In Rs)

		2019	2018
3	**Cash and cash equivalents**		
	Balance with banks in current accounts	8,96,973	42,090
		8,96,973	**42,090**

		2019	2018
4	**Share Capital**		
a	**Authorised :**		
	10,000 Equity Shares of Rs. 10/- each	1,00,000	1,00,000
		1,00,000	1,00,000
b	**Issued Subscribed and Paid up:**		
	10,000 Equity shares of Rs 10 each fully paid up of Rs.10/- each	1,00,000	1,00,000
		1,00,000	1,00,000

c Reconciliation of number of Equity Shares outstanding at the beginning and end of the year

	2019	2018
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

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/- each 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, if any proposed by the Board will be paid 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 Equity shareholders 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.

	2019		2018	
	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs
Thomas Cook (India) Limited (w.e.f. 26 March 2018)	10,000	1,00,000	10,000	1,00,000

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

	2019		2018	
	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs
Thomas Cook (India) Limited (w.e.f. 26 March 2018)	10,000	1,00,000	10,000	1,00,000

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, 2019

5 Other Equity

(In Rupees)

	2019	2018
Retained earnings		
Balance at the beginning of the year	(71,709)	(52,057)
Profit/(Loss) attributable to owners of the Company	(44,174)	(19,652)
Other comprehensive income	-	-
	(1,15,883)	**(71,709)**

		2019	2018
6	**Trade and other payables**		
	Due to Micro, Small and Medium Enterprises	-	-
	Due to others	8,51,404	-
		8,51,404	**-**

		2019	2018
7	**Other financial liabilities (refer note 15)**		
	Due to Micro, Small and Medium Enterprises	44,920	13,799
	Due to others	-	-
		44,920	**13,799**

		2019	2018
8	**Other current liabilities**		
	Statutory dues	16,532	-
		16,532	**-**

SOTC TRAVEL Management Private Limited
(Formerly Known as Sita Travels and Tours Private Limited)

Notes forming part of the financial statements

9 Revenue from operations **Amount (In Rs)**

	2019	2018
Income from tours	9,98,348	-
	9,98,348	**-**

10 Other Income

	2019	2018
Interest Income- Deposits with bank	-	1,009
	-	**1,009**

11 Direct Operational cost

	2019	2018
Tour Package costs	8,67,936	-
	8,67,936	**-**

12 Finance cost

	2019	2018
Bank charges	3,916	-
	3,916	**-**

13 Other Expenses

	2019	2018
Rates and Taxes	636	-
Payment to Auditors- Audit fees	29,500	6,900
-Certification and other matters	1,17,080	-
Legal and Professional charges	23,454	13,761
:Dipak Deva	**1,70,670**	**20,661**

14 Dues to Micro, Small and Medium Enterprises:

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA),which came into force from 2 October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium Enterprises, which have registered with the competent authorities.

	31 March 2019	31 March 2018
Principal amount remaining unpaid to any supplier as at the year end	44,920	13,799
Interest due thereon	Nil	Nil
Amount of interest paid by the company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	Nil	Nil
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil

15 Taxes on Income

(a) In the absence of taxable income during the year, provision for current tax is not required

(b) In accordance with AS – 22 on "Accounting for Taxes on Income" issued by the ICAI, deferred tax assets and liability should be recognized for all timing differences, in accordance with the said standard. However, considering the requirement of the accounting standard regarding virtual certainty, the same is not provided for. This will be reassessed at a subsequent Balance Sheet date and will be accounted for in the year of certainty, in accordance with the aforesaid accounting standard.

16 Related party disclosures

a. Name of the Related Parties by whom control Exists

Name of Parties	Relationship
Fairfax Financial Holdings Limited, Canada	Ultimate Holding Company
Thomas Cook (India) Limited	Holding Company

b. Fellow Subsidiarieswith whom transaction has taken place during the year

Relationship	Name of the Parties
Fellow Subsidiary	Travel Corporation (India) Limited

Directors -Mr. Vishal Suri, Mr.Dipak Deva,Mr Sanjay Shroff

Other related parties with whom transactions have taken place during and balance outstanding as at 31 March 2019

(Amount in Rs.)

	2019	2018
Transactions		
Purchase of services		
Fellow Subsidiary		
Travel Corporation (India) Limited	8,67,936	-
Balances as at 31 March 2019		
Trade Payables		
Fellow Subsidiary		
Travel Corporation (India) Limited	8,51,404	-

17 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to Equity Shareholders of the parent by the weighted average number of Equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to Equity Shareholders 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 conversions of all the dilutive potential Equity shares into Equity shares.

Profit attributable to Equity Shareholders **(In Rupees)**

	2019	2018
Profit / (Loss) after tax	(44,174)	(19,652)
Weighted average number of Equity Shares	10,000	10,000
Nominal value per share	10	10
Basic and Diluted earnings per share	(4.42)	(1.97)

18 Financial Instruments

The fair value to the financial Assets and Liabilities are included at the amount at which the instrument can be exchanged in the current transaction between willing parties, other than in a forced or liquidation sale.

The carrying amount of cash and cash equivalents, and other current financial instruments are considered to be approximately equal to the fair value due to short term maturities of the instruments.

Financial Instruments at carrying value

	2019		2018	
	Carrying Value	**Fair Value**	**Carrying Value**	**Fair Value**
Financial assets (at amortized costs)				
Cash and Cash Equivalents	8,96,973	8,96,973	42,090	42,090
Total	**8,96,973**	**8,96,973**	**42,090**	**42,090**
Financial Liabilities (at amortized costs)				
Other financial liabilities	8,96,324	8,96,324	13,799	13,799
Total	**8,96,324**	**8,96,324**	**13,799**	**13,799**

Financial Risk Management objectives & policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations.

The Company is exposed through its operations to the following financial risks:
- Credit risk
- Fair value or cash flow interest rate risk
- Other market price risk, and
- Liquidity risk.

The Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Market Risk

The Company does not have any market risk.

Interest rate risk

The Company does not have any interest risk.

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 investing activities being deposits with banks.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by Company's treasury in accordance with the Company's policy. The company limits its exposure to credit risk by only placing balances with local banks. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of its financial assets and projected cash flows from operations.

The objective is to optimize the efficiency and effectiveness of the management of the company's capital resources. The Company's objective is to maintain a balance between continuity of funding and borrowings. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company currently has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 1 year	1 to 3 years	More than 3 Years	Total
As at 31 March 2019				
Other financial liabilities	8,96,324	-	-	8,96,324
	8,96,324	-	-	8,96,324
As at 31 March 2018				
Other financial liabilities	13,799	-	-	13,799
	13,799	-	-	13,799

19 Capital Management

For the purpose of Company's capital management, capital includes Issued, Subscribed and Paid Up Capital and other Equity reserves. The primary objective of the Company's Capital Management is to maximize shareholder value. The company manages its Capital Structure, Issued,Subscribed and Paid Up Capital and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is Net debt divided by total capital.

	2019	2018
Gross debt (inclusive of long term and short term borrowing if any)	-	-
Less: Cash and bank balances	8,96,973	42,090
Net debt	(8,96,973)	(42,090)
Total Equity	(15,883)	1,00,000
Total Capital	(9,12,856)	57,910
Gearing ratio	98%	-73%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018

20 The Board, at its meeting held on April 23, 2018 and which was further amended on December 19, 2018, approved the Composite Scheme of Arrangement and Amalgamation amongst Thomas Cook (India) Limited ('TCIL'), Quess Corp Limited ('QCL'), Travel Corporation (India) Limited ('TCI'), TC Forex Services Limited (formerly known as Tata Capital Forex Limited) ('TCF'), TC Travel Services Limited (formerly known as TC Travel and Services Limited) ('TCTSL') and SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited) ('SOTC Travel') and their respective shareholders ('the Scheme') in accordance with the provisions of Section 230 to 232 read with Section 52, 55 and 66 of the Companies Act, 2013. The Scheme inter alia provides:

i. Demerger of the inbound business of TCI consisting of business of handling inward foreign tourist activity from TCI into SOTC Travel; and

ii. Amalgamation of residual TCI, TCF and TCTSL with TCIL;

The said Composite Scheme is subject to requisite statutory and regulatory approvals and sanction by the respective shareholders of each of the companies involved in the Scheme.

21 Disclosures as required by Ind AS 115

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers. The Company has adopted the full retrospective approach. Impact on the financial statements upon adoption of Ind AS 115 is not material.

Revenue Consist of following

	2019	2018
Income from tours	9,98,348	-
Total	**9,98,348**	**-**

Revenue Disaggregation by Industrial Vertical & Geography is as follows

Revenue by offerings	**2019**	**2018**
Tour services / India	9,98,348	-
Total	**9,98,348**	**-**

Timing of Revenue Recognition

	2019	**2018**
Services transferred at point in time	9,98,348	-
Services transferred over period in time	-	-
Total	**9,98,348**	**-**

22 Segment Reporting

The Company operates only in one segment i.e. Tours and Travels as per Accounting Standard 17 "Segment reporting", hence Segment reporting is not applicable.

23 Previous years figures have been regrouped, rearranged or recasted wherever necessary to conform to this years classification. Figures in bracket pertains to previous years.

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number 101169W/W-100035

Sanjay Kothari
Partner
Membership Number 048215

Place: Mumbai
Date: 15th May,2019

For and on behalf of the Board of Directors of
SOTC Travel Management Private Limited
CIN : U63040MH2001PTC131693

Director **:Dipak Deva**
DIN :02030005

Director **Sanjay Shroff**
DIN :03077455

Place: Mumbai
Date: 15th May,2019

Travel Corporation (India) Limited

Standalone balance sheet
as at 31 March 2019

(Currency : Indian rupees)

		Note	31 March 2019	31 March 2018
I.	**ASSETS**			
(1)	**Non-current assets**			
	(a) Property, plant and equipment	2	40,25,42,412	36,75,35,040
	(b) Capital work-in-progress	2	-	-
	(c) Investment property	3	26,77,69,682	27,24,83,535
	(d) Other intangible assets	4	1,22,60,216	61,21,635
	(e) Financial assets			
	(i) Invesments in subsidiaries and associates	5	2,53,05,40,513	2,29,71,74,037
	(ii) Loans	6	5,89,89,219	6,12,69,697
	(f) Deferred tax assets (net)	7	-	78,95,748
	(g) Other tax assets	8	9,96,09,553	36,34,01,072
	(h) Other non-current assets	9	72,50,212	17,31,902
	Total non current assets		3,37,89,61,807	3,37,76,12,666
(2)	**Current assets**			
	(a) Financial assets			
	(i) Investments	10	41,05,15,261	30,01,94,416
	(ii) Trade receivables	11	53,07,55,723	47,70,57,316
	(iii) Cash and bank balance	12	54,45,08,605	65,72,91,324
	(iv) Loans	13	1,19,18,113	69,31,001
	(v) Other current financial assets	14	5,31,34,259	5,08,33,061
	(vi) Derivative assets	15	1,21,00,542	-
	(b) Other current assets	16	1,94,54,33,593	1,34,30,80,356
	Total current assets		3,50,83,66,096	2,83,53,87,474
	TOTAL ASSETS		6,88,73,27,903	6,21,30,00,140
II.	EQUITY AND LIABILITIES			
(1)	**Equity**			
	(a) Equity share capital	17	1,64,99,310	1,64,99,310
	(b) Instruments entirely equity in nature	17	2,63,70,92,640	2,63,70,92,640
	(c) Other equity	18	(9,41,81,373)	(55,77,34,504)
	Total equity		2,55,94,10,577	2,09,58,57,446
(2)	**Non current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	19	37,28,59,286	29,00,00,000
	(b) Provisions	20	62,10,110	32,65,642
	(c) Deferred tax liabilities (net)	7	2,23,25,710	-
	Total non current liabilities		40,13,95,106	29,32,65,642
(3)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Short Term Borrowings	21	26,00,00,000	46,00,00,000
	(ii) Trade payables			
	1.Dues of micro enterprises and small enterprises	35	1,66,789	-
	2.Dues of creditors other than micro enterprises and small enterprises	22	2,97,48,68,963	2,85,74,31,344
	(iii) Other financial liabilities	23	38,40,91,737	22,27,85,324
	(iv)Derivative liabilities	24	-	2,40,16,347
	(b) Other current liabilities	25	30,37,78,784	25,43,07,001
	(c) Short-term provisions	26	36,15,947	53,37,035
	Total current liabilities		3,92,65,22,220	3,82,38,77,051
	Total liabilities		4,32,79,17,326	4,11,71,42,693
	TOTAL EQUITY AND LIABILITIES		6,88,73,27,903	6,21,30,00,140

Significant accounting policies
The notes from 1 to 47 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

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

Bhavesh Dhupelia
Partner
Membership No: 042070

Dipak Deva
Managing Director
[DIN:02030005]

Madhavan Menon
Director
[DIN No: 00008542]

Sanjay Shroff
Chief Financial Officer

Ritu Verma
Company Secretary

Mumbai
15 May 2019

Gurugram
15 May 2019

Gurugram
15 May 2019

Travel Corporation (India) Limited

Statement of profit and loss

for the year ended 31 March 2019

(Currency : Indian rupees)

		Note	For the year ended 31 March 2019	For the year ended 31 March 2018
(1)	**Revenue**			
	(a) Revenue from operations	27	5,92,45,63,790	6,20,50,44,960
	(b) Other income	28	53,71,67,098	39,17,47,910
	Total income		6,46,17,30,888	6,59,67,92,870
(2)	**Expenses**			
	(a) Cost of tours	29	4,70,17,48,224	5,15,26,14,861
	(b) Employee benefits expense	30	57,29,99,816	49,42,62,446
	(c) Finance costs	31	7,33,13,676	7,92,80,469
	(d) Depreciation and amortization expenses	2,3,4	7,43,86,860	6,27,18,575
	(e) Other expenses	32	36,81,19,525	38,16,43,742
	Total expenses		5,79,05,68,101	6,17,05,20,093
(3)	**Profit before tax**		67,11,62,787	42,62,72,777
(4)	**Tax expense:**			
	(a) Current tax	7	20,57,37,106	8,84,28,551
	(b) Short / (excess) tax provisions net for earlier years	7	41,89,788	-
	(c) Deferred tax	7	2,99,90,352	7,83,48,034
(5)	**Profit after tax**		43,12,45,541	25,94,96,192
(6)	**Other comprehensive income (OCI)**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of defined benefit plan		6,61,434	(75,47,851)
	(ii) Income tax expense on remeasurement benefit of defined benefit plans		(2,31,105)	24,95,546
	Other comprehensive income (net of tax) (i-ii)		4,30,329	(50,52,305)
(7)	**Total comprehensive income for the year**		43,16,75,870	25,44,43,887
(8)	**Earnings per equity share**			
	(i) Basic	33	261.37	157.28
	(ii) Diluted	33	1.63	0.98

Significant accounting policies

The notes from 1 to 47 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

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

Bhavesh Dhupelia
Partner
Membership No: 042070

Dipak Deva
Managing Director
[DIN:02030005]

Madhavan Menon
Director
[DIN No: 00008542]

Sanjay Shroff
Chief Financial Officer

Ritu Verma
Company Secretary

Mumbai
15 May 2019

Gurugram
15 May 2019

Gurugram
15 May 2019

Travel Corporation India Limited

Statement of cash flows
for the year ended 31 March 2019

(Currency : Indian rupees)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flows from operating activities		
Profit before tax and after exceptional items	**67,11,62,787**	42,62,72,778
Adjustments for:		
Depreciation of property, plant and equipment and investment property	**7,09,69,042**	5,74,68,150
Amortisation of intangible assets	**34,17,818**	52,50,424
Gain/(Loss) on sale of property, plant and equipment	**47,44,535**	(47,53,081)
Unclaimed credit balances no longer required, written back	**(85,69,218)**	(1,16,37,221)
Excess provision no longer requried, written back	**(23,93,24,849)**	(23,78,44,171)
Operational lease rentals - rent discounted	**56,62,089**	63,62,871
Bad debts and advances written off	**1,03,119**	-
Net foreign exchange differences	**(5,01,09,646)**	6,67,19,348
Equity-settled share-based payment	**3,17,76,621**	2,46,20,270
Dividend on equity shares - subsidiary	**-**	(2,96,54,474)
Finance costs (including fair value change in financial instruments)	**6,09,56,660**	6,92,10,379
Provision for doubtful debts and advances	**-**	1,35,595
Facility support income	**(4,39,13,956)**	(4,83,50,472)
Interest on Income tax refund	**(4,94,37,726)**	(28,31,720)
Interest income	**(71,31,190)**	(1,13,12,443)
Interest income - Others	**(34,29,996)**	(76,48,611)
Gain on sale of investment	**(1,77,67,457)**	(78,54,208)
Remeasurements of defined benefit liability/(asset)	**6,61,434**	-
	42,97,70,066	29,41,53,415
Working capital Changes		
Decrease/(Increase) in trade and other receivables	**(4,56,48,153)**	69,82,35,789
(Increase) in other assets	**(58,47,48,856)**	(52,19,94,761)
Decrease in Loans & Advances	**56,62,654**	12,85,740
Increase in trade & other payables, other financial liabilities and current liabilities	**39,35,98,826**	39,22,20,068
Increase in provisions and employee benefits	**12,23,380**	91,75,599
	19,98,57,917	87,30,75,850
Income tax paid/(Refunded)	**10,33,02,351**	(27,47,71,867)
Net cash flows from operating activities	**30,31,60,268**	59,83,03,983
Cash flows from investing activities		
Acquisition of property, plant and equipment	**(11,69,40,861)**	(9,72,12,332)
Acquisition of investment	**(37,08,28,00,000)**	(10,56,12,00,000)
Proceeds from disposal/redemption of investment	**36,99,02,46,613**	10,26,88,59,792
Acquisition of long term investments in subsidiaries/associates	**(37,32,65,836)**	(79,01,06,129)
Redemption of long term investments in subsidiaries/associates	**14,00,00,000**	-
Proceeds from sale of property, plant and equipment	**13,70,714**	84,76,605
Inter-Corporate deposit given	**(1,00,00,000)**	(76,00,000)
Interest received	**57,23,647**	95,47,457
Dividend income from subsidiary	**-**	2,96,54,474
Facility support income	**4,39,13,956**	4,83,50,472
Net cash flows (used in)/ from investing activities	**(40,17,51,767)**	(1,09,12,29,661)

Travel Corporation India Limited

Statement of cash flows *(Continued)*
for the year ended 31 March 2019

(Currency : Indian rupees)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flows from financing activities		
Proceeds from loans and borrowings	**73,02,953**	16,00,00,000
Proceeds from loan from related party	**38,11,16,303**	82,00,00,000
Repayment of borrowings	**(5,33,33,333)**	(47,66,66,667)
Repayment of loan from related party	**(32,20,20,000)**	(3,00,00,000)
Finance charges paid	**(6,96,17,917)**	(5,92,11,041)
Net cash flows from/ (used in) Financing Activities	**(5,65,51,994)**	41,41,22,292
Net (decrease)/ increase in cash and cash equivalents	**(15,51,43,493)**	(7,88,03,386)
Cash and cash equivalents at the beginning of the year	**65,72,91,324**	73,12,00,313
Exchange difference on translation of foreign currency cash and cash equivalents	**1,66,70,719**	48,94,397
Cash and cash equivalents at the end of the year	**51,88,18,550**	65,72,91,324

Note:

(b) Components of cash and cash equivalents

Cash on hand	**1,98,36,607**	98,60,101
Balances with scheduled banks		
-- Current Account	**52,29,33,765**	28,50,81,974
-- Deposit Account (with original maturity of 3 months or less)	**17,38,233**	36,23,49,249
Less: Book overdraft	**(2,56,90,054)**	-
	51,88,18,550	65,72,91,324

(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

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

Bhavesh Dhupelia
Partner
Membership No: 042070

Dipak Deva
Managing Director
[DIN: 02030005]

Madhavan Menon
Director
[DIN No: 00008542]

Sanjay Shroff
Chief Financial Officer

Ritu Verma
Company Secretary

Mumbai
15 May 2019

Gurugram
15 May 2019

Gurugram
15 May 2019

Travel Corporation (India) Limited

Statement of Changes in Equity (SOCIE)
for the year ended 31 March 2019

(Currency · Indian rupees)

(a) **Equity share capital**

	31 March 2019		31 March 2018	
	No. of Shares	Amount	No. of Shares	Amount
At the commencement of the year	16,49,931	1,64,99,310	16,49,931	1,64,99,310
Changes in equity share capital during the year [refer Note 18]	-	-	-	-
At the end of the year	**16,49,931**	**1,64,99,310**	**16,49,931**	**1,64,99,310**

(b) **Other equity**

Particulars	Other equity Reserves and surplus Surplus [refer Note 18]	Employee share option outstanding [refer Note 45]	Other reserves [refer Note 18]	Items of Other comprehensive income Remeasurements of the net defined benefit Plans [refer Note 18]	Total attributable to equity shareholders
Balance at 1 April 2017	1,80,94,07,767	1,22,51,908	(2,69,64,82,194)	84,28,699	(86,63,93,821)
Profit for the year	25,94,96,192	-	-	-	25,94,96,192
Other comprehensive income for the year	-	-	-	(50,52,305)	(50,52,305)
Total comprehensive income for the year	25,94,96,192	-	-	(50,52,305)	25,44,43,887
Adjustment of rationalisation of useful life of asset on account of merger.	2,95,95,160				2,95,95,160
Share-based payments [Note 45]		2,46,20,270	-	-	2,46,20,270
Balance at 1 April 2018	**2,09,84,99,118**	**3,68,72,178**	**(2,69,64,82,194)**	**33,76,394**	**(55,77,34,504)**
Profit for the year	**43,12,45,541**	-	-	-	**43,12,45,541**
Other comprehensive income for the year	-	-	-	**4,30,329**	**4,30,329**
Total comprehensive income for the year	**43,12,45,541**	-	-	**4,30,329**	**43,16,75,870**
Others	-		**1,00,640**		**1,00,640**
Share-based payments [Note 45]		**3,17,76,621**	-	-	**3,17,76,621**
Balance at 31 March 2019	**2,52,97,44,659**	**6,86,48,799**	**(2,69,63,81,554)**	**38,06,723**	**(9,41,81,373)**

Travel Corporation (India) Limited

Statement of Changes in Equity (SOCIE) *(Continued)*
for the year ended 31 March 2019

(Currency : Indian rupees)

Nature and purpose of reserves

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 47 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

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

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
15 May 2019

Dipak Deva
Managing Director
[DIN:02030005]

Madhavan Menon
Director
[DIN No: 00008542]

Sanjay Shreff
Chief Financial Officer

Gurugram
15 May 2019

Ritu Verma
Company Secretary

Gurugram
15 May 2019

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 (100 %).

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 or at amortised cost 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 15th May 2019

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 and judgements

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 judgments 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.

Judgements

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

Note 7- Recognition of deferred tax assets

Note 45- Estimation of inputs for fair value of Share based payment instrument

Note 34C-Determining the amount of expected credit loss on financial assets (including trade receivables)

Note 39-Lease classification

1B Significant accounting policies *(Continued)*

1B.2 Use of estimates (Continued)

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 20 & 38- Measurement of defined benefit obligations: key actuarial assumptions;

Note 40-Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

Note 34 – Fair Value of financial instrument.

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.

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
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.

1B Significant accounting policies *(Continued)*

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

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 Equipment's

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 believes that the existing useful lives 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)**
Office Building	60
Furniture & Fixtures	10
Office equipment's (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.

1B Significant accounting policies *(Continued)*

1B.4 Property Plant and Equipment's (Continued)

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
- 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

1B Significant accounting policies *(Continued)*

1B.5 Intangible assets (Continued)

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.

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.

1B Significant accounting policies *(Continued)*

1B.7 Impairment (Continued)

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

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

1B Significant accounting policies *(Continued)*

1B.8 Fair value measurement (Continued)

- 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.

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.

1B Significant accounting policies *(Continued)*

1B.9 Financial instruments (Continued)

i. Financial assets *(Continued)*

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.
- 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.

1B Significant accounting policies *(Continued)*

1B.9 Financial instruments (Continued)

i. Financial assets *(Continued)*

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.

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.

1B Significant accounting policies *(Continued)*

1B.9 Financial instruments (Continued)

ii. Financial liabilities *(Continued)*

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

The Company earns revenue primarily from Travel and Tourism business and working as Travel agent and Tour operator. The Company mainly operates in Inbound Tours. The entity provides tour packages to foreigners travelling to India and neighboring countries like Nepal, Sri Lanka, and Maldives etc. The tour packages are provided towards ground handling and include booking of various services like Hotel, Transport, Guide, Monument Entrances etc.

Effective 01 April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. 01 April 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18. Refer note 1B.(10) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended 31 March 2018, for the revenue recognition policy as per Ind AS 18. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

- Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.
  - Sales from inbound tour services are recognized on the date of arrival of the tour.

1B Significant accounting policies *(Continued)*

1B.10 Revenue recognition (Continued)

- Commission income (net) from airlines, hotel and other travel services such as, optional tours etc. are recognized at the time of providing the service.
- Marketing fees and other incentive income are recognized when it's is confirmed.
- Annual shopping commission revenue is recognized over the period of the contract.
- Facility support income is recognized on accrual basis over the period of the agreement.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues. Revenue recognized in excess of billing is recorded as unbilled revenue.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received. Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for.

Use of significant judgments in revenue recognition:

- The Tour package contracts under inbound business with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

1B Significant accounting policies *(Continued)*

1B.10 Revenue recognition (Continued)

Dividend income is recorded when the right to receive payment is established.

Interest income is recognised using the effective interest method.

Export benefits, incentive & licenses: Export incentives are recognised as income when the application is made to receive the credit scrips as per terms of scheme and when there is no significant uncertainty regarding ultimate collection.

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 advertisement, repair & maintenance, rent, travelling and conveyance, legal and professional fees and communication expense.

1B.12 Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

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.

1B Significant accounting policies *(Continued)*

1B.13 Employee benefits

(b) Post-employment benefits (Continued)

Gratuity ***(Continued)***

Defined benefit plan

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.

1B Significant accounting policies *(Continued)*

1B.13 Employee benefits (Continued)

(d) Share based payments (Continued)

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.

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.

1B Significant accounting policies *(Continued)*

1B.17 Leases

Finance lease

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

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 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.

1B Significant accounting policies *(Continued)*

1B.19 Recent Accounting Pronouncements

The MCA wide notification dated 11 October, 2018 has amended Schedule Ill to the Companies Act, 2013 in respect of certain disclosures. The Company has incorporated appropriate changes in the above results.

IND AS 116 - Leases

The new standard on leases sets out the principles for the recognition, measurement, presentation and disclosure of the leases. The core objective of this standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions.

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company has completed an initial assessment of the potential impact on its standalone financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the standalone financial statements in the period of initial application is not reasonably estimable as at present.

-the total assets and liabilities on the balance sheet will increase with a decrease in net total assets, due to the depreciation of right of use assets being on a straight line basis whilst the lease liability reduces by the principal amount of repayments;

-Interest expense will increase due to the unwinding of the effective interest rate implicit in the lease liability. Interest expense will be greater earlier in a lease's life, due to the higher principal value, causing profit variability over the term of lease. This effect may be partially mitigated due to the number of leases held by the Company at various stages of their terms; and

-operating cash flows will be higher and financing cash flows will be lower, as repayment of the principal portion of all lease liabilities will be classified as financing activities.

The Company plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

1B Significant accounting policies *(Continued)*

1B.19 Recent Accounting Pronouncements(Continued)

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

In addition to the above, the following amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the Company's standalone financial statements:

-Amendments to Ind AS 103, Business Combinations, and Ind AS 111, Joint Arrangements: This interpretation clarifies how an entity accounts for increasing its interest in a joint operation that meets the definition of a business.

-Amendments to Ind AS 109, Financial Instruments: amendments relating to the classification of particular pre payable financial assets.

-Amendments to Ind AS 12, Income Taxes, clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits – i.e. in profit or loss, other comprehensive income or equity. Further Appendix C, uncertainty over income tax treatments has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.

-Amendment to Ind AS 19, Employee Benefits - The amendment to Ind AS 19 clarifies that on amendment, curtailment or settlement of a defined benefit plan, the current service cost and net interest for the remainder of the annual reporting period are calculated using updated actuarial assumptions – i.e. consistent with the calculation of a gain or loss on the plan amendment, curtailment or settlement. This amendment also clarifies that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. The entity then determines the effect of the asset ceiling after plan amendment, curtailment or settlement. Any change in that effect is recognized in other comprehensive income (except for amounts included in net interest).

-Amendments to Ind AS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.

Impact on adoption of above changes in standards is not material.

Travel Corporation (India) Limited

Notes to the financial statements (Continued)
as at 31 March 2019

(Currency : Indian rupees)

2 Property, plant and equipment

	Computer hardware	Office building	Owned assets Furniture and fixtures	Vehicles (i)	Office equipment	Total
Gross carrying value as of 01 April 2017	**2,63,18,083**	**18,47,52,699**	**8,18,70,589**	**4,49,39,254**	**3,62,02,649**	**37,40,83,272**
Additions during the year	87,63,989	-	4,71,44,994	3,82,77,969	21,27,285	9,63,14,237
Disposals during the year	12,994	5,45,889	14,560	1,49,80,502	38,90,478	1,94,44,422
Gross carrying value as of 31 March 2018	**3,50,69,077**	**18,42,06,810**	**12,90,01,024**	**6,82,36,720**	**3,44,39,456**	**45,09,53,088**
Additions during the year	71,92,267	-	2,32,44,994	6,92,51,358	76,95,843	10,73,84,462
Disposals during the year	5,38,943	-	19,38,544	66,71,006	1,90,341	93,38,835
Gross carrying value as of 31 Mar 2019	**4,17,22,401**	**18,42,06,810**	**15,03,07,474**	**13,08,17,072**	**4,19,44,958**	**54,89,98,716**
Accumulated depreciation as of 01 April	**1,75,16,821**	**63,31,409**	**1,78,91,096**	**1,01,03,796**	**2,63,27,309**	**7,81,70,431**
Depreciation charge during the year	91,05,352	32,82,021	2,29,76,232	1,32,59,999	41,30,694	5,27,54,298
Disposals during the year	12,994	26,751	411	1,18,70,412	38,10,329	1,57,20,897
Adjustment in Retained Earning	87,26,288	-	7,78,674	2,01,84,043	20,96,780	3,17,85,784
Closing accumulated depreciation as of 31 March 2018	**1,78,82,891**	**95,86,679**	**4,00,88,243**	**(86,90,660)**	**2,45,50,894**	**8,34,18,048**
Depreciation charge during the year	1,02,76,304	32,84,098	3,11,83,780	1,71,06,528	44,04,479	6,62,55,189
Disposals during the year	5,38,943	-	17,48,905	7,39,566	1,89,519	32,16,933
Closing accumulated depreciation as of 31 March 2019	**2,76,20,252**	**1,28,70,777**	**6,95,23,118**	**76,76,302**	**2,87,65,854**	**14,64,56,304**
Carrying value as of 31 March 2018	**1,71,86,186**	**17,46,20,131**	**8,89,12;781**	**7,69,27,380**	**98,88,562**	**36,75,35,040**
Carrying value as of 31 March 2019	**1,41,02,149**	**17,13,36,033**	**8,07,84,356**	**12,31,40,770**	**1,31,79,104**	**40,25,42,412**

(i) Leased Assets

Vehicles includes the following amounts where the company is a lessee under a finance lease:

Particulars	March 31, 2019	March 31, 2018
Cost/Deemed Cost	79,13,646	-
Accumulated Depreciation	5,09,393	-
Net Carrying Amount	74,04,253	-

Notes to the financial statements (Continued)
as at 31 March 2019

(Currency : Indian rupees)

2 Capital work-in-progress

As at 01 April 2017	26,45,000
Additions during the year	-
Assets capitalised during the year	26,45,000
As at 31 March 2018	-
Additions during the year	2,33,75,194
Assets capitalised during the year	2,33,75,194
As at 31 March 2019	-

3 Investment property

Gross carrying value as of 01 April 2017	28,29,25,898
Addition during the year	-
Gross carrying value as of 31 March 2018	28,29,25,898
Addition during the year	-
Gross carrying value as of 31 Mar 2019	28,29,25,898
Accumulated depreciation as of 01 April 2017	57,28,509
Depreciation charge during the year	47,13,854
Closing accumulated depreciation as of 31 March 2018	1,04,42,363
Depreciation charge during the year	47,13,853
Closing accumulated depreciation as of 31 March 2019	1,51,56,216
Carrying value as of 31 March 2018	27,24,83,535
Carrying value as of 31 March 2019	26,77,69,682

Total fair value of Investment Property is Rs. 916,768,000 (31 March 2018: 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.

Notes to the financial statements (Continued)
as at 31 March 2019

(Currency : Indian rupees)

4 Intangible Assets

	Computer Software
Gross carrying value as of 01 April 2017	**2,74,52,891**
Add:Additions during the year	35,43,102
Less:Disposals during the year	-
Gross carrying value as of 31 March 2018	**3,09,95,993**
Add:Additions during the year	95,56,399
Less:Disposals during the year	**1,47,58,203**
Gross carrying value as of 31 March 2019	**2,57,94,189**
Accumulated depreciation as of 01 April 2017	**1,75,26,365**
Add:Amortisation charge during the year	52,50,424
Less:Adjustment in Retained Earning	(20,97,569)
Closing accumulated depreciation as of 31 March 2018	2,48,74,358
Add:Amortisation charge during the year	**34,17,818**
Less:Amortisation on Disposals during the year	**1,47,58,203**
Closing accumulated depreciation as of 31 March 2019	**1,35,33,973**
Carrying value as of 31 March 2018	**61,21,635**
Carrying value as of 31 March 2019	**1,22,60,216**

(Currency : Indian rupees)

		31 March 2019	31 March 2018
5	**Investments in subsidiaries and associates**		
I.	**Investments in Equity instruments**		
	Unquoted investments *		
	Investment in subsidiaries:		
	14,248 (31 March 2018: 14,248) equity shares of Nepali Rs 100, fully paid up, of SITA World Travel (Nepal) Private Limited (of these 3,720 equity shares were allotted as fully paid bonus shares)	**42,51,955**	42,51,955
	190,000 (31 March 2018: 190,000) equity shares of Sri Lankan Rs 10, fully paid up, of SITA World Travel Lanka (Pvt.) Limited (of these 40,000 equity shares were allotted for consideration other than cash)	**9,17,178**	9,17,178
	Investment in Associate:		
	20,25,000 (31 March 2018: 20,25,000) Equity shares of USD 1 each fully paid up, of Travel Circle International Mauritius Limited	**13,07,23,875**	13,07,23,875
	Investment in wholly owned subsidiaries:		
	50,000 (31 March 2018: 50,000) Equity shares of Rs.10 each fully paid-up of TC Visa Services (India) Limited	**5,00,000**	5,00,000
	9750 (31 March 2018: 9,750) Equity shares of USD 100 each,fully paid up ,of Horizon Travel Services LLC	**6,29,07,000**	6,29,07,000
	1,000,000 (31 March 2018: 1,000,000) Equity Shares of Rs. 10 Each, fully Paid up, of Jardin Travel Solutions Limited	**1,00,00,000**	1,00,00,000
	**59,523,801 (31 March 2018: 59,523,801) Ordinary shares of HKD 1 each fully paid-up of Travel Circle International Limited (Formerly known as Kuoni Travel (China) Limited)	**50,13,98,729**	50,13,98,729
	Investment in Joint Venture:		
	980,000 (31 March 2018: 980,000) Equity shares of Rs. 10 each,fully paid up, of TCI Go Vacation india Private Limited.	**98,00,000**	98,00,000
II.	**Investments in Preference Shares**		
	Investment in Fellow Subsidiary :		
	86,000,000 (31 March 2018:100,000,000) 0.01% Optionally Convertible Preferece share of Rs 10 each, fully paid up, of SOTC Travel limited (Formerly known as SOTC Travel private limited)	**86,00,00,000**	1,00,00,00,000
	Investment in Associate:.		
	1,43,10,000 (31 March 2018: 89,10,0000) 6% Optionally Convertible Preferece share of USD 1 each, fully paid up, of Travel Circle International Mauritius Limited	**95,00,41,776**	57,66,75,300
	*** Carried at cost**		
		2,53,05,40,513	2,29,71,74,037
	Aggregate amount of unquoted investments	**2,53,05,40,513**	2,29,71,74,037

** Pleadged against security given to SBI hong kong(Refer note 40)

Notes to the financial statements *(Continued)*
as at 31 March 2019

(Currency : Indian rupees)

	31 March 2019	31 March 2018
6 Loans		
To related parties		
Inter-Corporate Deposit (ICD)- (Unsecured, Considered Good -refer note below)	2,78,01,100	1,71,99,719
	2,78,01,100	1,71,99,719
To Others		
Security deposits- (Unsecured, Considered Good)*	3,11,88,119	4,40,69,978
Security deposits - credit impaired	-	70,29,320
	3,11,88,119	5,10,99,298
Less : Provision for doubtful deposits	-	(70,29,320)
	3,11,88,119	4,40,69,978
	5,89,89,219	6,12,69,697

* 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 subsidiary) & INR Denominated Inter-Corporate Deposit given to Jardin Travel Solutions Ltd (Wholly Owned subsidary) of the Company to meet its capital expenditure and working capital requirements carrying interest at 11% and 8.95 % respectively. Rs. 1,02,01,100 outstanding pertains to SITA World Travel Lanka (Pvt) Limited (31 March 2018 : Rs. 9,599,719) and Rs. 1,76,00,000 outstanding pertains to Jardin Travel Solutions Ltd (31 March 2018 : Rs. 76,00,000). The ICD related to Jardin Travel solutions Ltd is payable for three years or such other period as mutually decided unless otherwise terminated by either party. The ICD related to Sita World Travel Lanka (Pvt) Limited is payable as mutually agreed between the parties

Travel Corporation (India) Limited

Notes to the financial statements *(Continued)*
as at 31 March 2019

(Currency : Indian rupees)

7 Income taxes

	For the year ended 31 March 2019	For the year ended 31 March 2018
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	20,99,26,894	8,84,28,551
Deferred tax		
In respect of current year	2,99,90,352	7,83,48,034
Income Tax expense recognised in Statement of profit and loss	23,99,17,246	16,67,76,585
(ii) Amounts recognised in other comprehensive income		
Deferred tax expense on remeasurements of defined benefit plans	2,31,105	(24,95,546)
Income tax expense recognised in OCI	2,31,105	(24,95,546)
B. Reconciliation of tax expense and the accounting profit for the year is as under :		
Profit before tax	67,11,62,787	42,62,72,777
Tax using the Company's domestic tax rate (Current year 34.94% and Previous Year 34.61%)	23,45,04,278	14,75,24,483
Tax effect of:		
Dividend income from subsidiary which is taxed at special rate	-	(51,31,410)
Others	54,12,968	2,43,83,513
Tax expense as per Statement of profit and loss	23,99,17,246	16,67,76,585

Notes to the financial statements *(Continued)*
as at 31 March 2019

(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 2019

	Balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset						
Property, plant and equipment	(3,36,99,746)	47,91,371	-	47,91,371	-	(2,89,08,375)
Employee benefits	75,80,162	(86,65,316)	(2,31,105)	(88,96,421)	-	(13,16,259)
Provisions	2,52,34,127	(2,53,00,563)	-	(2,53,00,563)	-	(66,436)
Disallowances under IT Act	8,15,845	(8,15,845)	-	(8,15,845)	-	-
MAT Entitlement	79,65,360	-	-	-	79,65,360	
Deferred tax assets / (Liabilities)	78,95,748	(2,99,90,352)	(2,31,105)	(3,02,21,457)	79,65,360	(3,02,91,070)
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-	79,65,360
Deferred tax assets / (Liabilities)	78,95,748	(2,99,90,352)	(2,31,105)	(3,02,21,457)	79,65,360	(2,23,25,710)

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	33,78,123	(3,70,77,869)	-	(3,70,77,869)	-	(3,36,99,746)
Employee benefits	46,08,353	4,76,263	24,95,546	29,71,809	75,80,162	-
Provisions	6,73,61,479	(4,21,27,352)	-	(4,21,27,352)	2,52,34,127	-
Disallowances under IT Act	4,34,921	3,80,924	-	3,80,924	8,15,845	-
MAT Entitlement	79,65,360	-	-	-	79,65,360	
Deferred tax assets / (Liabilities)	8,37,48,236	(7,83,48,034)	24,95,546	(7,58,52,488)	4,15,95,494	(3,36,99,746)
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-	4,15,95,494
Deferred tax assets / (Liabilities)	8,37,48,236	(7,83,48,034)	24,95,546	(7,58,52,488)	4,15,95,494	78,95,748

Travel Corporation (India) Limited

Notes to the financial statements *(Continued)*
as at 31 March 2019

(Currency : Indian rupees)

		31 March 2019	31 March 2018
8	**Other tax assets**		
	Advance tax [Net of provision for income tax Rs. 1,935,812,584 {31 March 2018 Rs.1,708,035,547}]	9,96,09,553	36,34,01,072
		9,96,09,553	36,34,01,072
9	**Other non-current assets**		
	Prepaid expenses	72,50,212	17,31,902
		72,50,212	17,31,902
10	**Current investments**		
	Investments in mutual funds (quoted) *(carried at fair value through profit or loss)*		
	Nil (31 March 2018-125,567) Units of Rs Nil (31 March 2018- Rs.2391) each of Invesco India Liquid Fund - Direct Plan Growth	-	30,01,94,416
	140,176 (31 march 2018- Nil) Units of Rs 2,929 (31 March 2018- Rs.Nil) each of SBI Liquid Fund-Direct Growth	41,05,15,261	-
		41,05,15,261	30,01,94,416
	Aggregate amount of quoted investments and market value	41,05,15,261	30,01,94,416
11	**Trade receivables**		
	Trade receivables - (Unsecured, Considered Good)	53,07,55,723	47,70,57,316
	Trade receivables - credit impaired	4,77,399	6,62,10,561
		53,12,33,122	54,32,67,877
	Less: Allowance for doubtful trade receivable	(4,77,399)	(6,62,10,561)
		53,07,55,723	47,70,57,316
	Trade receivables includes :		
	Dues from related party	4,55,84,484	2,66,76,878
	For terms and conditions relating to related party receivables, refere Note 44.		
12	**Cash and Bank Balance**		
	(i) Cash & Cash Equivalents:		
	Balances with banks :		
	-In current Accounts	52,29,33,765	28,50,81,974
	-Deposit Accounts (with original maturity of 3 months or less)	-	36,00,00,000
	Cash on hand	1,98,36,607	98,60,101
	(ii) Others :		
	Balances with banks other than cash and cash equivalents:		
	Bank Deposit (with original maturity of more than 3 months but less than 12 months)	17,38,233	23,49,249
		54,45,08,605	65,72,91,324

(Currency : Indian rupees)

		31 March 2019	31 March 2018
13	**Loans**		
	Security deposits - (Unsecured, Considered Good)	**1,19,18,113**	69,31,001
		1,19,18,113	69,31,001
14	**Other current financial assets**		
	Unbilled revenue	**4,03,04,785**	2,66,47,505
	Interest accrued but not due on fixed deposits with banks	**30,765**	3,58,654
	Interest accrued on other deposits	**51,80,109**	34,44,678
	Other receivable - (Unsecured, Considered Good)	**76,18,600**	2,03,82,224
		5,31,34,259	5,08,33,061
15	**Derivative assets**		
	Derivative assets	**1,21,00,542**	-
		1,21,00,542	-
16	**Other current assets**		
	Export benefits receivable	**33,58,20,000**	19,80,81,049
	Prepaid expenses	**1,32,82,758**	1,65,33,469
	Balances with Government Authorities	**1,62,24,240**	1,50,45,056
	Advance to vendors - (Unsecured, Considered Good)	**1,48,36,92,637**	1,10,32,27,388
	Staff advances- (Unsecured, Considered Good)	**27,45,370**	42,46,427
	Other Assets	**9,36,68,588**	59,46,967
		1,94,54,33,593	1,34,30,80,356

(Currency : Indian rupees)

		31 March 2019	31 March 2018
17	**Share capital**		
	Authorised :		
	19,430,000 (31 March 2018: 19,430,000) equity Shares of Rs. 10 each	**19,43,00,000**	19,43,00,000
	Issued, subscribed and paid up:		
	1,64,99,31 (31 March 2018: 1,64,99,31) equity shares of Rs 10 each, fully paid-up	**1,64,99,310**	1,64,99,310
		1,64,99,310	1,64,99,310

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

Equity share :

	31 March 2019		31 March 2018	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
At the commencement of the year	**16,49,931**	**1,64,99,310**	16,49,931	1,64,99,310
Less: Changes during the year	-	-	-	-
Outstanding at the end of the year	**16,49,931**	**1,64,99,310**	16,49,931	1,64,99,310

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.

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

Equity share	31 March 2019		31 March 2018	
	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')	**16,49,931**	**1,64,99,310**	15,76,697	1,57,66,970
Sterling Holiday Resorts Limited (erstwhile Thomas Cook Insurance Services (India) Ltd)	-	-	73,234	7,32,340
	16,49,931	**1,64,99,310**	16,49,931	1,64,99,310

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

Equity share	31 March 2019		31 March 2018	
	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')	**16,49,931**	**100.00%**	15,76,697	95.56%

(Currency : Indian rupees)

17 Share Capital *(Continued)*

(b) Instruments entirely equity in nature

Authorised :	31 March 2019	31 March 2018
300,000,000 (31 March 2018:300,000,000) 0.01% Non-Cumulative, Optionally Convertible Preference shares of Rs 10 each	3,00,00,00,000	3,00,00,00,000
Issued and subscribed and paid up:		
263,709,264 (31 March 2018 : 263,709,264) 0.01% Non-Cumulative, Optionally Convertible Preference shares of Rs 10 each, fully paid up	2,63,70,92,640	2,63,70,92,640
	2,63,70,92,640	2,63,70,92,640

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

	31 March 2019		31 March 2018	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
At the commencement of the year	26,37,09,264	2,63,70,92,640	-	-
Add: Shares issued to Thomas Cook (India) Limited (Refer Note 42)	-	-	26,37,09,264	2,63,70,92,640
Outstanding at the end of the year	26,37,09,264	2,63,70,92,640	26,37,09,264	2,63,70,92,640

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.

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

	31 March 2019		31 March 2018	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
Preference shares of Rs 10 each fully paid-up held				
Thomas Cook (India) Limited ('Holding Company')	26,37,09,264	2,63,70,92,640	26,37,09,264	2,63,70,92,640
	26,37,09,264	2,63,70,92,640	26,37,09,264	2,63,70,92,640

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

	31 March 2019		31 March 2018	
	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')	26,37,09,264	100.00%	26,37,09,264	100.00%

(Currency : Indian rupees)

18 Other equity

	31 March 2019	31 March 2018
(i) Reserves and surplus:		
Retained earnings		
At the commencement of the year	**2,09,84,99,118**	1,80,94,07,767
Add: profit for the year	**43,12,45,541**	25,94,96,192
Adjustment of rationalisation of useful life of asset on account of merger	**-**	2,95,95,159
At the end of the year	**2,52,97,44,659**	2,09,84,99,118
Employee share option outstanding		
At the commencement of the year	**3,68,72,178**	1,22,51,908
Add: share based payments	**3,17,76,621**	2,46,20,270
At the end of the year	**6,86,48,799**	3,68,72,178
	2,59,83,93,458	2,13,53,71,296
(ii) Other reserves:		
Securities premium		
At the commencement of the year	**1,11,91,12,997**	1,11,91,12,997
Add: On issue of shares	**-**	-
At the end of the year	**1,11,91,12,997**	1,11,91,12,997
General reserve		
At the commencement and end of the year	**27,38,95,730**	27,38,95,730
Add: Pursuant to composite scheme of Arrangement and Amalgamation	**-**	-
Less : Transfer to surplus		
At the end of the year	**27,38,95,730**	27,38,95,730
Capital reserve		
At the commencement and end of the year	**(4,09,27,60,421)**	(4,09,27,60,421)
Add: Pursuant to composite scheme of Arrangement and Amalgamation	**1,00,640**	
At the end of the year	**(4,09,26,59,781)**	(4,09,27,60,421)
Capital redemption reserve		
At the commencement and end of the year	**32,69,500**	32,69,500
Add: Pursuant to composite scheme of Arrangement and Amalgamation		
At the end of the year	**32,69,500**	32,69,500
	(2,69,63,81,554)	(2,69,64,82,194)
(iii) Other comprehensive income:		
At the commencement of the year	**33,76,394**	84,28,699
Add:Total comprehencive income for the year	**4,30,329**	(50,52,305)
At the end of the year	**38,06,723**	33,76,394
Total Equity (i)+(ii)+(iii)	**(9,41,81,373)**	(55,77,34,504)

	31 March 2019	31 March 2018

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 Company recognises profit and loss on purchase, sale, issue or cancellation of the company's equity instruments to capital reserve. Capital reserve comprises of profits/gains of capital nature earned by the Company and credited directly to such reserve.

iii. Capital redemption reserve
As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. 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.

19 Borrowings

	31 March 2019	31 March 2018
Secured		
-Loan from Bank	**2,66,66,667**	8,00,00,000
-Long term Maturities of finance lease obligation	**41,35,084**	-
Unsecured		
-Loans and advances from related parties	**34,20,57,535**	21,00,00,000
	37,28,59,286	29,00,00,000

Nature of security:
-Loan from bank is backed by a Corporate Guaranatee from Thomas Cook (India) Limited.
-Finance lease obligation is Secured by hypothecation of assets underlying the lease.

Terms of repayment:
- Loan from Bank
(i) Rs. 16 Crore loan from HDFC Bank-Repayble in 6 equal half yearly installments beginning from the half year subsequent to taking the loan (December 2017) along with monthly interest which is 6m MCLR i.e 7.95% per annum.

-Finance lease obligation
Vehicle lease taken from Kotak Mahindra Prime Limited is repayable in 48 monthly installments along with monthlly interest which is 11.61% & 11.60% per annum.

-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 (January 2018) along with monthly interest which is 3m HDFC MCLR +0.10 bps=7.95% per annum.
(ii)Rs. 21.60 Crores from Thomas Cook India Limited-Repayble in 6 equal half yearly installments beginning from the 6 months subsequent to taking the loan (September 2019) along with monthly interest which is 6m MIFOR + 1.89 %=8.81% per annum.
(iii)Rs. 16.51 Crores from SOTC Travel limited-Repayble in 6 equal half yearly installments beginning from the 6 months subsequent to taking the loan (September 2019) along with monthly interest which is 6m MIFOR + 1.89 %=8.81% per annum.

(Currency : Indian rupees)

		31 March 2019	31 March 2018
20	**Long-term provisions**		
	Provision for employee benefits		
	Gratuity [refer Note 38]	**62,10,110**	32,65,642
		62,10,110	32,65,642
21	**Short Term Borrowings**		
	Unsecured		
	-Bank Overdraft*	-	-
	-Loans from related parties	**26,00,00,000**	46,00,00,000
		26,00,00,000.00	46,00,00,000

*Bank overdraft facility is backed by corporate gurantee of Thomas cook india Limited.

Terms of repayment:

-Bank Overdraft
(i) Rs. 10 Crores from ICICI Bank-Repayble on demand along with annual interest which is 9.15% per annum.
(ii) Rs. 10 Crores from Kotak Bank-Repayble on demand along with annual interest which is 9.45% per annum.
(iii) Rs. 20 Crores from HDFC Bank-Repayble on demand along with annual interest which is 10.60% per annum.

-Loans from related parties
(i)Rs. 20 Crores from Thomas Cook India Limited-Repayble for 3 years with bullet repayment along with annual interest which is 8% per annum.
(ii)Rs. 26 Crores from Thomas Cook India Limited-Repayble for 3 years or repayable on demand along with annual interest which is 7.95% per annum.

(Currency : Indian rupees)

		31 March 2019	31 March 2018
22	**Trade and other payables**		
	Due to micro, small and medium enterprises [refer Note 35]	**1,66,789**	-
	Due to others	**2,97,48,68,963**	2,85,74,31,344
		2,97,50,35,752	2,85,74,31,344
23	**Current - other financial liabilities**		
	Current maturities of long-term debt [refer Note 34]		
	-Loan from bank	**5,33,33,333**	5,33,33,333
	-Loan from related parties	**24,70,38,768**	12,00,00,000
	Current Maturities of finance lease obligation	**31,67,869**	-
	Interest accrued but not due on borrowings	**52,52,464**	1,39,13,721
	Book overdraft	**2,56,90,054**	-
	Accrued salary and benefits	**4,26,01,987**	2,89,61,573
	Directors commission payable	**59,95,575**	49,58,774
	Other financial liability	**10,11,687**	16,17,923
		38,40,91,737	22,27,85,324
24	**Derivative liabilities**		
	Derivative Liabilities	-	2,40,16,347
		-	2,40,16,347
25	**Other current liabilities**		
	Customers' advances	**22,75,82,684**	18,33,08,913
	Statutory dues	**7,61,96,100**	7,09,98,088
		30,37,78,784	25,43,07,001
26	**Short term provisions**		
	Provision for employee benefits		
	Compensated absences	**36,15,947**	53,37,035
		36,15,947	53,37,035

(Currency : Indian rupees)

		31 March 2019	31 March 2018
27	**Revenue from operations**		
(A)	**Sales and services**		
	Income from tours	**5,53,94,94,255**	5,83,29,15,352
		5,53,94,94,255	5,83,29,15,352
(B)	**Other operating revenue**		
	Commission income	**13,34,03,661**	11,85,08,212
	Marketing fees and other incentive income	**26,58,379**	25,24,978
	Unclaimed credit balances no longer required, written back	**85,69,218**	1,16,37,221
	Excess provision written back	**23,93,24,849**	23,78,44,171
	Other miscellaneous operating income	**11,13,428**	16,15,026
		38,50,69,535	37,21,29,608
		5,92,45,63,790	6,20,50,44,960

a) Disaggreagation of revenue:

The company derives the following type of revenue:

- Revenue from tour & other tour related services	**5,92,45,63,790**	6,20,50,44,960

b) Significant judgements:

Significant judgements in identifying the performance obligation related to income from tours:

The promised services within tour packages in nature of tickets, hotel accomodation, sightseeing, local conveyance, etc though capable of being distinct are not distinct within the context of the contract. These services are inseparable as the obligation is to provide all the services together to the customer. Hence, in case of the tour packages under Inbound Business, there is only one single performance obligation (i.e. organizing of the tour including related services collectively) as the various services promised therein are not considered to be distinct within context of the contract.

Significant judgements in determining transaction price related to income from tours:

The transaction prices are determined at time of entering a contract/ on email while finalizing the services to be given. The amount as mentioned in Performa/Tax invoice or Agreement with the customer itself is the amount which the customer is expected to pay and the customer agrees to pay same at time of entering the contract/ on email by way of his acceptance of such contract.

Significant judgements in Recongnising the revenue related to income from tours:

In case of tour packages and related services, the customer gets the control when all the tour related vouchers and travel tickets are issued to them. As per the general practice, the Company issues all the vouchers and travel tickets to the Customer at time of arrival of the tour. The local sightseeing is outsourced to the local travel agents who are responsible to provide such services. Hence, the Company fully transfers control of the promised services to the customer once all the vouchers and tickets are issued to the customer at time of arrival. Accordingly, its performance obligation is satisfied at the time of arrival.

c) Changes in accounting policy:

There is no significant impact of introduction of Ind AS 115 – Revenue from Contracts with Customers in place of existing Ind AS 18 – Revenue on the Revenue Accounting in the Inbound Business of the company.

(Currency : Indian rupees)

		31 March 2019	31 March 2018
28	**Other income**		
	Interest on deposits and investments	**42,59,564**	4,86,180
	Interest on Inter-Corporate deposits	**28,71,626**	1,08,26,263
	Interest income - others	**34,29,996**	76,48,611
	Interest on tax refunds	**4,94,37,726**	28,31,720
	Dividend on equity shares - subsidiary	**-**	2,96,54,474
	Profit on sale of fixed assets (Net)	**-**	47,53,081
	Management fees Income	**1,48,09,181**	1,20,53,250
	Facility Support Income	**4,39,13,956**	4,83,50,472
	Royalty and other income	**65,58,587**	55,84,438
	Profit on sale of mutual fund units	**1,77,67,463**	78,54,208
	Exchange Gain (net) (including forward exchange contract)	**74,35,035**	-
	Export Incentives	**38,24,18,567**	24,78,60,685
	Sharing of Group Cost	**42,65,397**	1,38,44,528
		53,71,67,098	39,17,47,910
29	**Cost of tours**	**4,70,17,48,224**	5,15,26,14,861
		4,70,17,48,224	5,15,26,14,861
30	**Employee benefit expense**		
	Salaries and other allowances	**50,59,65,161**	43,04,54,690
	Contribution to provident fund and other funds	**1,78,21,859**	1,75,94,374
	Compensated absences	**(16,21,380)**	12,30,721
	Gratuity	**54,04,589**	4,69,293
	Share-based payment to employees	**3,17,76,621**	2,46,20,270
	Staff welfare	**1,36,52,966**	1,98,93,098
		57,29,99,816	49,42,62,446

(Currency : Indian rupees)

31 Finance costs

	31 March 2019	31 March 2018
Interest expense	**6,09,56,660**	6,92,10,379
Other finance charges	**1,23,57,016**	1,00,70,090
	7,33,13,676	7,92,80,469

32 Other expenses

	31 March 2019	31 March 2018
Legal and professional charges	**12,28,03,133**	12,78,74,570
Operational lease rentals	**10,49,06,592**	9,59,12,143
Travelling expenses	**2,28,11,488**	2,52,54,425
Exchange loss (net) (including forward exchange contract)	**-**	2,34,08,819
Advertisement and publicity	**1,52,79,878**	1,70,98,726
Repairs and maintenance – others	**2,03,64,520**	1,58,54,051
Electricity charges	**1,53,23,086**	1,35,97,693
Communication	**1,00,82,644**	1,24,85,595
Housekeeping charges	**1,00,33,934**	78,74,426
Rates and taxes	**90,36,999**	76,82,856
Insurance	**32,48,566**	71,64,714
Sales promotion	**46,99,389**	69,65,925
Director commission	**39,62,476**	50,22,641
Auditors' remuneration	**60,73,481**	49,88,490
Security services	**48,62,297**	44,32,702
Printing and stationery	**25,27,802**	25,85,030
Corporate social responsibility expenses	**33,71,616**	9,72,430
Provision for doubtful debts	**-**	1,35,595
Bad debts and Advance written off	**1,03,119**	-
Vehicle expenses	**-**	(16,09,557)
Loss on sale of fixed assets (Net)	**47,44,535**	-
Donation	**7,08,000**	-
Miscellaneous expenses	**31,75,971**	39,42,469
	36,81,19,526	38,16,43,742

Auditor's Remuneration		
As auditor		
- Statutory audit	**33,00,000**	33,00,000
- Tax Audit	**2,00,000**	2,00,000
-Others	**10,00,000**	-
In others Capacity		
-Certification	**15,73,481**	14,88,490
Out of pocket expenses	**-**	-
	60,73,481	49,88,490

(Currency : Indian rupees)

33 Earnings per share (EPS)

	31 March 2019	31 March 2018
A. Profit after tax	43,12,45,541	25,94,96,192
B. Weighted average number of equity shares outstanding during the year	16,49,931	16,49,931
C. Weighted average number of preference shares outstanding during the year	26,37,09,264	26,37,09,264
Basic and diluted earnings per share		
D. Basic earnings per share (A/B)	261.37	157.28
E. Diluted earnings per share (A/B+C)	1.63	0.98

Notes to the financial statements *(Continued)*
for the year ended 31 March 2019

(Currency : Indian rupees)

34 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 2019*	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	Derivative instrument not in hedging relationship	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	41,05,15,261	-	-	-	41,05,15,261	41,05,15,261	-	-	41,05,15,261
Derivative Assets		-	-	1,21,00,542	1,21,00,542	-	1,21,00,542	-	1,21,00,542
Financial assets not measured at fair value									
Trade receivables	-	-	53,07,55,723	-	53,07,55,723	-	-	-	-
Cash and cash equivalents	-	-	54,45,08,605	-	54,45,08,605	-	-	-	-
Other financial assets									-
- Non-current	-	-	5,89,89,219	-	5,89,89,219	-	5,89,89,219	-	5,89,89,219
- Current	-	-	6,50,52,373	-	6,50,52,373	-	1,19,18,113	-	1,19,18,113
	41,05,15,261	-	1,19,93,05,919	1,21,00,542	1,62,19,21,722	41,05,15,261	8,30,07,874	-	49,35,23,135
Financial liabilities not measured at fair value									
Trade payables	-	-	2,97,50,35,752	-	2,97,50,35,752	-	-	-	-
Borrowings	-	-	63,28,59,286	-	63,28,59,286	-	63,28,59,286	-	63,28,59,286
Other financial liabililties									
- Current	-	-	38,40,91,737	-	38,40,91,737	-	30,35,39,970	-	30,35,39,970
Total financial liabilities	-	-	3,99,19,86,775	-	3,99,19,86,775	-	93,63,99,256	-	93,63,99,256

*Investment in subsidiaries and associates are being carried at cost amounting Rs. 253,05,40,513.

Notes to the financial statements *(Continued)*

for the year ended 31 March 2019

(Currency : Indian rupees)

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

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

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	Derivative instrument not in hedging relationship	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	30,01,94,416	-	-	-	30,01,94,416	30,01,94,416	-	-	30,01,94,416
Financial assets not measured at fair value									
Trade receivables	-	-	47,70,57,316	-	47,70,57,316	-	-	-	-
Cash and cash equivalents	-	-	65,72,91,324	-	65,72,91,324	-	-	-	-
Other financial assets									-
- Non-current	-	-	6,12,69,697	-	6,12,69,697	-	6,12,69,697	-	6,12,69,697
- Current	-	-	5,77,64,062	-	5,77,64,062	-	69,31,001	-	69,31,001
	30,01,94,416	-	1,25,33,82,399		1,55,35,76,815	30,01,94,416	6,82,00,698	-	36,83,95,114
Financial liabilities measured at Fair value									
Derivative Liability	-	-	-	2,40,16,347	2,40,16,347	-	2,40,16,347	-	2,40,16,347
Financial liabilities not measured at fair value									
Trade payables	-	-	2,85,74,31,344	-	2,85,74,31,344	-	-	-	-
Borrowings	-	-	75,00,00,000	-	75,00,00,000	-	75,00,00,000	-	75,00,00,000
Other financial liabililties									
- Current	-	-	22,27,85,324	-	22,27,85,324	-	17,33,33,333	-	17,33,33,333
Total financial liabilities	-	-	3,83,02,16,668	2,40,16,347	3,85,42,33,015	-	94,73,49,680	-	94,73,49,680

*Investment in subsidiaries and associates are being carried at cost amounting Rs. 2,29,71,74,037.

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.

(Currency : Indian rupees)

34 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 1,Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique
Mutual Funds	The mutual funds are valued by the use of quoted market prices
Borrowings & Security Deposit	Discount rates to fair value of financial assets and liabilities at amortised cost is based on general lending rate.
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 balance sheet date
Remaining financial instruments	the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

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.

(Currency : Indian rupees)

34 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.

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.

Movement in impairement on trade receivables	**31 March 2019**	**31 March 2018**
Balance at the beginning of the year	**6,62,10,562**	10,18,53,404
Changes in loss allowance	**(6,57,33,163)**	(3,56,42,842)
Balance at the end of the year	**4,77,399**	6,62,10.562

(Currency : Indian rupees)

34 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 of Rs 8,00,00,000 and a book overdraft of Rs. 2,56,90,054. As of 31 March 2019 the company have working capital of Rs (-)41,81,56,123 including cash and cash equivalents of Rs 54,27,70,371 and current investments of Rs 41,05,15,261. As of 31 March 2018 company had working capital of Rs (-) 98,84,89,577 including cash and cash equivalent of Rs 65,49,42,075 and current investement of Rs 30,01,94,416. Company has negative working capital due to funds utilized for acquisition. The company has approved line of credit of Rs. 40,00,00,000 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 exclude the impact of netting agreements.

			Contractual cash flows				
31 March 2019	**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	8,00,00,000	8,00,00,000	2,66,66,667	2,66,66,667	2,66,66,666	-	-
Loans and advances from related	84,90,96,303	84,90,96,303	38,35,19,384	12,35,19,384	21,50,18,768	12,70,38,767	-
Financials Lease Obligation	73,02,953	73,02,953	15,83,934	15,83,934	31,67,869	9,67,216	-
Trade and other payables	2,97,48,68,963	2,97,48,68,963	2,97,48,68,963	-	-	-	-
Trade payables due to micro, small and medium enterprises	1,66,789	1,66,789	1,66,789	-	-	-	-
Other financial liabilities	8,05,51,767	8,05,51,767	8,05,51,767	-	-	-	-

			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	13,33,33,333	13,33,33,333	2,66,66,667	2,66,66,666	5,33,33,333	2,66,66,667	-
Loans and advances from related parties	79,00,00,000	79,00,00,000	52,00,00,000	6,20,20,000	12,00,00,000	8,79,80,000	
Trade and other payables	2,85,74,31,344	2,85,74,31,344	2,85,74,31,344	-	-	-	-
Other financial liabilities	4,94,51,991	4,94,51,991	4,94,51,991	-	-	-	-

(Currency : Indian rupees)

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

C. Financial risk management *(Continued)*

iv. 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 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 borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee.

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 2019 and 31 March 2018 are as below:

(Amount in INR)

	31 March 2019 USD	31 March 2019 EUR	31 March 2019 JPY	31 March 2019 GBP
Financial assets				
Cash and cash equivalents	27,16,78,082	11,37,25,811	19,71,211	82,86,136
Trade and other receivables	9,51,58,542	2,87,75,811	-	4,00,18,707
Forward Contract	12,10,21,250	7,96,14,313	-	4,97,88,750
	48,78,57,874	22,21,15,935	19,71,211	9,80,93,593
Financial liabilities				
Trade and other payables	7,66,00,114	1,15,13,036	-	4,92,882
	7,66,00,114	1,15,13,036	-	4,92,882
Net exposure in Rs.	41,12,57,760	21,06,02,899	19,71,211	9,76,00,711

(Amount in INR)

	31 March 2018 USD	31 March 2018 EUR	31 March 2018 JPY	31 March 2018 GBP
Financial assets				
Cash and cash equivalents	17,88,02,284	7,67,72,856	4,87,067	5,12,24,050
Trade and other receivables	15,96,28,445	3,70,40,824	1,70,871	16,96,651
	33,84,30,729	11,38,13,680	6,57,938	5,29,20,701
Financial liabilities				
Trade and other payables	5,14,73,122	18,56,947	-	1,17,83,766
Forward Contract	70,93,49,600	72,62,02,387	-	27,61,20,000
	76,08,22,722	72,80,59,334	-	28,79,03,766
Net exposure in Rs.	(42,23,91,993)	(61,42,45,654)	6,57,938	(23,49,83,065)

(Currency : Indian rupees)

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

C. Financial risk management *(Continued)*

iv. Market risk *(Continued)*

Exposure to currency risk (Exposure in dfferent 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 2019	31 March 2018	**31 March 2019**	31 March 2018
USD	**67.00**	64.88	**69.16**	64.84
EUR	**79.12**	74.95	**77.67**	80.57
JPY	**61.95**	59.70	**62.42**	61.48
GBP	**91.28**	86.56	**90.53**	92.04

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against various currencies as mentioned above at 31 March 2019 and 31 March 2018 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 2019				
1% movement				
USD	**41,12,578**	**(41,12,578)**	-	-
EUR	**21,06,029**	**(21,06,029)**	-	-
JPY	**19,712**	**(19,712)**	-	-
GBP	**9,76,007**	**(9,76,007)**	-	-
	72,14,326	**(72,14,326)**	-	-

	Profit or loss		Equity, net of tax	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
31 March 2018				
1% movement				
USD	(42,23,920)	42,23,920	-	-
EUR	(61,42,457)	61,42,457	-	-
JPY	6,579	(6,579)	-	-
GBP	(23,49,830)	23,49,830	-	-
	(1,27,09,628)	1,27,09,628	-	-

Interest rate risk

The Companys investments are primarily in fixed rate interest bearing investments/Loans. Hence, the company is not significantly exposed to interest rate risk.

(Currency : Indian rupees)

35 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 2019**	31 March 2018
The amounts remaining unpaid to micro and small suppliers as at the end of the year.		
-- Principal	**1,66,789**	-
-- 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.	-	-

36 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.

37 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.

(Currency : Indian rupees)

38 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 2019	31 March 2018
Employer's contribution to provident fund	1,65,96,492	1,62,37,501
Employee's State Insurance Corporation	5,33,403	6,38,347
Labour welfare fund	80,946	2,55,788
NPS Contribution	3,48,515	3,22,124

(ii) Defined Benefit Plan:

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.

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.

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 (16,21,380) [31 March 2018: Rs. 12,30,721] 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 2019	31 March 2018
Gratuity		
Net defined benefit asset	5,16,19,742	5,41,80,239
Net defined benefit liability	5,78,29,852	5,70,19,618
Net defined benefit (asset) / liability	62,10,110	28,39,379

(Currency : Indian rupees)

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 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Opening balance	5,70,19,618	1,24,72,819	5,41,80,239	1,76,30,427	28,39,379	(51,57,608)
Included in profit or loss					-	-
Current service cost	53,06,144	8,38,062	-	-	53,06,144	8,38,062
Adjustment to opening fair value of plan assets		-	-	-	-	-
Expected return on plan assets		-	-	-	-	-
Past service cost		-	-	-	-	-
Interest cost (income)	38,30,480	8,66,602	37,32,035	14,25,258	98,445	(5,58,656)
Settlements / benefits paid		-	-	-	-	-
	6,61,56,242	1,41,77,483	5,79,12,274	1,90,55,685	82,43,968	(48,78,202)

38 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 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	-	-	-	-	-	-
Amount not recognised due to asset limit	-	-	-	-	-	-
Demographic assumptions	(4,833)	23,66,285	-	-	(4,833)	23,66,285
Financial assumptions	9,60,456	(5,42,130)	-	-	9,60,456	(5,42,130)
Experience adjustment	(17,33,701)	84,86,124	-	-	(17,33,701)	84,86,124
Effect of Interest on Opening Balance of asset ceiling				(1,89,887)	-	1,89,887
Effect of asset ceiling	-	-	-	28,45,653	-	(28,45,653)
Return on plan assets excluding interest	-	-	(1,16,644)	(83,225)	1,16,644	83,225
	(7,78,078)	1,03,10,279	(1,16,644)	25,72,541	(6,61,434)	77,37,738
Other						
Contributions paid by the employer	-	-	13,72,424	20,157	(13,72,424)	(20,157)
Liabilities assumed / (settled)	-	3,52,53,789	-	3,52,53,789	-	-
Benefits paid	(75,48,312)	(27,21,933)	(75,48,312)	(27,21,933)	-	-
Closing balance	5,78,29,852	5,70,19,618	5,16,19,742	5,41,80,239	62,10,110	28,39,379
Represented by						
Net defined benefit asset					5,16,19,742	5,41,80,239
Net defined benefit liability					5,78,29,852	5,70,19,618
					62,10,110	28,39,379

C. Plan assets- Gratuity

Plan assets comprise the following

	31-Mar-19	31-Mar-18
Investment in Gratuity Fund	5,16,19,742	5,41,80,239
	5,16,19,742	5,41,80,239

(Currency : Indian rupees)

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 2019	31 March 2018
Discount rate	7.00%	7.35%
Salary escalation rate	6.00%	6.00%
Mortality rate	IALM (2012-14) Ult	IALM (2006-08) Ult
Employee Attrition Rate		
Age 21-30	29.00%	29.00%
Age 31-34	23.00%	23.00%
Age 35-44	15.00%	19.00%
Age 45 and above	10.00%	25.00%

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

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-19	
	Increase	Decrease
Discount rate (0.5% movement)	(13,64,785)	14,28,397
Future salary growth (0.5% movement)	14,34,180	(13,82,133)

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.

(Currency : Indian rupees)

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 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Opening balance	**2,99,69,694**	3,07,53,268	**2,99,69,694**	3,07,53,268	-	-
Included in profit or loss						
Current service cost	**1,40,071**	1,71,781	-	-	1,40,071	1,71,781
Adjustment to opening fair value of plan ass	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-
Interest cost (income)	**22,12,993**	20,82,830	**22,12,993**	20,82,830	-	-
Settlements / benefits paid	-	-	-	-	-	-
	3,23,22,758	3,30,07,879	**3,21,82,687**	3,28,36,098	1,40,071	1,71,781
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	**(5,41,227)**	2,72,865	**(5,41,227)**	2,72,865	-	-
Amount not recongnised due to asset limit	-	-	-	-	-	-
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	-	-	-	-	-	-
Experience adjustment	-	-	-	-	-	-
Return on plan assets excluding interest	-	-	-	-	-	-
	(5,41,227)	2,72,865	**(5,41,227)**	2,72,865	-	-
Other						
Contributions paid by the employees	**2,23,283**	2,78,080	**2,23,283**	2,78,080	-	-
Contributions paid by the employer	-	-	**1,40,071**	1,71,781	(1,40,071)	(1,71,781)
Liabilities settled	-	-	-	-	-	-
Benefits paid	**(37,62,435)**	(35,89,130)	**(37,62,435)**	(35,89,130)	-	-
Closing balance	**2,82,42,379**	2,99,69,694	**2,82,42,379**	2,99,69,694	-	-
Represented by						
Net defined benefit asset					**2,82,42,379**	2,99,69,694
Net defined benefit liability					**2,82,42,379**	2,99,69,694
					-	-

(Currency : Indian rupees)

38 Employee benefits *(Continued)*

F. Plan assets - Provident Fund

Plan assets comprise the following:

	31 March 2019	31 March 2018
Investment in Provident Fund	2,82,42,379	2,99,69,694
	2,82,42,379	2,99,69,694

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 2019	31 March 2018
Discount rate	7.00%	7.35%
Expected rate of return on assets (p.a.)	8.85%	8.82%
Discount rate for remaining term to maturity of investment (p.a.)	7.10%	7.55%
Average historic yield on the investment (p.a.)	8.95%	9.02%
Guaranteed rate of return (p.a.)	8.65%	8.55%

(Currency : Indian rupees)

39 Leases

A. Operating Leases

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 32) for the year are Rs 10,49,06,592 (31 March 2018: Rs 9,59,12,143).

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.

Particulars	**31 March 2019 INR**	31 March 2018 INR
Less than one year	**7,27,99,413**	6,77,58,654
Between one and five years	**17,46,09,077**	3,84,09,368
More than five years	**29,99,051**	27,34,610
	25,04,07,541	10,89,02,632

B. Financial Leases

Particulars	**March 31, 2019**	March 31, 2018
(i) Minimum Lease Payments payable		
Not later than one year	**39,39,614**	-
Later than one year but not later than five years	**53,50,802**	-
	92,90,416	-
(ii) Present Value of Minimum Lease Payments payable		
Not later than one year	**31,67,869**	-
Later than one year but not later than five years	**41,35,084**	-
	73,02,953	-
(iii) Reconciliation of Minimum Lease Payments and their Present Value		
Minimum Lease Payments Payable as per (i) above	**92,90,416**	-
Less: Finance Charges to be recognised in subsequent years	**19,87,463**	-
Present Value of Minimum Lease Payments payable as per (ii) above	**73,02,953**	-
(iv) Finance Charges recognised in the Statement of Profit and Loss	**3,37,664**	-

(Currency : Indian rupees)

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

	31 March 2019	31 March 2018
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)	4,22,73,187	20,11,06,784
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)	5,27,339	5,27,339
c. Security for outstanding borrowing of HKD 115 million, Availed by Travel Circle International Limited ,Hong-Kong (wholly-owned subsidiary) by creating a Charge on the investment of 59,523,801 shares of HKD1 each held in Travel Circle International Limited aggregating to HKD 59,523,801 in favour of State Bank of India, HongKong	50,13,98,729	-
d. The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.	Amount unacertainable	-
Management has accounted for the liability for the period from date of the SC order to 31 March 2019. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.		

41 Corporate social responsibility

Particulars	31 March 2019	31 March 2018
Amount required to be spent as per section 135 of the Act:	33,71,616	9,22,430
Amount spent during the year on:		
Padmashri Foundation	-	50,000
Fairfax Foundation - Health and sanitisation	32,71,616	9,22,430
Board For Research Education And Development (BREAD India)	1,00,000	-
Total	33,71,616	9,72,430

42 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	4,26,78,793
Other intangible assets	80,33,296
Investments in subsidiaries and associates	(38,48,31,806)
Financial assets	6,10,56,212
Deferred tax assets (net)	15,32,27,607
Other non-current assets	12,77,424
Other tax assets	1,60,51,19,324
Total Non Current Asset	1,48,65,60,850

(Currency : Indian rupees)

42 Scheme of Amalgamation/Demerger *(Continued)*

Particulars	**1-July-16**
Assets	
Current Asset	
Financial Asset	96,17,67,182
Other current assets	17,37,32,162
Total Current Asset	**1,13,54,99,344**
Total Assets	**2,62,20,60,194**
Equity and Liabilities	
Equity	(51,54,640)
Other equity	
i) Reserve and surplus	1,12,16,27,816
ii) Other reserves	1,21,83,45,456
iii) Other comprehensive income	9,21,115
Total Equity	**2,33,57,39,747**
Non Current Liabilities	**84,95,566**
Current Liabilities	
Financial liabilities	1,30,95,83,276
Other current liabilities	8,24,28,572
Short-term provisions	1,31,96,43,951
Total Current Liabilities	**2,71,16,55,799**
Total Equity and Liabilities	**5,05,58,91,112**
Net Assets	**(2,43,38,30,918)**

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 26 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 13 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.

43 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 2018. Management believes that the Company's international and domestic transactions with associated enterprises post 31 March 2018 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.

(Currency : Indian rupees)

44 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 Cororation (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
Travel Circle International 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
SOTC Travel Management Pvt Ltd.	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
Luxe Asia Private Limited	Other related party
Desert Adventures Tourism LLC	Other related party

(F) Key Management Personnel

Name of the parties	Name of the key management personnel
Managing Director of the Company	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)*

for the year ended 31 March 2019

(Currency : Indian rupees)

44 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	2019	10,70,10,609	-	24,35,004	77,83,882	-	-	11,72,29,495
	2018	4,66,455	-	-	-	-	-	4,66,455
Purchase of services	2019	97,19,836	21,25,22,903	8,04,49,419	-	8,26,74,193	-	38,53,66,351
	2018	12,36,20,379	18,40,72,966	11,80,49,563	-	5,44,66,620	-	48,02,09,528
Facility & support income	2019	2,14,01,904	8,81,796	1,06,03,332	2,58,36,106	-		5,87,23,138
	2018	2,15,08,908	8,81,796	1,98,96,276	1,82,23,746	-		6,05,10,726
ESOP Charge	2019	3,17,76,621	-	-	-	-	-	3,17,76,621
	2018	2,46,20,270	-	-	-	-	-	2,46,20,270
Gurantee Taken	2019	12,00,00,000	-	-	-	-	-	12,00,00,000
	2018	23,33,30,000	-	-	-	-	-	23,33,30,000
Rent charges	2019	79,25,650		-		-		79,25,650
	2018	55,81,851		-		-		55,81,851
Interest on loan taken	2019	4,60,56,495	-	7,17,374	-	-	-	4,67,73,869
	2018	1,97,30,095	-	-	-	-	-	1,97,30,095
Loan taken	2019	21,60,00,000	-	16,51,16,303	-	-	-	38,11,16,303
	2018	82,00,00,000	-	-	-	-	-	82,00,00,000
Repayment of Loan	2019	32,20,20,000	-	-	-	-	-	32,20,20,000
	2018	3,00,00,000	-	-	-	-	-	3,00,00,000
Loan Given	2019	-	1,00,00,000	-	-	-	-	1,00,00,000
	2018	-	76,00,000	-	-	-	-	76,00,000
Interest Income on Loan Given	2019	-	28,51,242	-	-	-	-	28,51,242
	2018	-	14,82,922	-	-	-	-	14,82,922
Corporate guarantee fees	2019	3,11,115	-	-	-	-	-	3,11,115
	2018	10,31,728	-	-	-	-	-	10,31,728
Purchase of Equity Shares	2019	-	-	-	-	-	-	-
	2018	50,000	-	-	-	-	-	50,000
Investment in Equity shares	2019	-	-	-	-	-	-	-
	2018	-	7,28,57,000	-	14,05,23,875	-	-	21,33,80,875

Particulars	Year	Holding Company	Subsidiary	Fellow subsidiaries	Joint Venture & Associate	Other Related Party	Key Management Personnel	Total
Investment in Preference Instrument	2019	-	-	-	37,32,65,836	-		37,32,65,836
	2018	-	-	-	57,66,75,300	-		57,66,75,300
Redemption of Investment in Preference shares	2019	-	-	14,00,00,000	-	-		14,00,00,000
	2018	-	-	-	-	-		-
Investmentin preference shares pledged as security	2019	-	50,13,98,729	-	-	-		50,13,98,729
	2018	-	-	-	-	-		-
Dividend Income	2019	-	-	-	-	-	-	-
	2018	-	2,96,54,474	-	-	-	-	2,96,54,474
Royalty Income	2019	-	65,58,587	-	-	-	-	65,58,587
	2018	-	55,84,438	-	-	-	-	55,84,438
Expenses reimbursed	2019	3,89,84,619	-	2,83,95,609	19,63,646	-	-	6,93,43,874
	2018	2,04,75,106	-	2,92,93,584	-	-	-	4,97,68,690
Expenses recovered	2019	-	-	-	1,56,011	-	-	1,56,011
	2018	-	-	15,06,006	40,50,741	-	-	55,56,747
Salaries and other employee benefits to KMP's	2019	-	-	-	-	-	7,89,41,119	7,89,41,119
	2018	-	-	-	-	-	4,91,01,678	4,91,01,678
Commission and other benefits to non-executive/independent directors	2019	-	-	-	-	-	39,62,476	39,62,476
	2018	-	-	-	-	-	50,22,641	50,22,641

Notes to the financial statements *(Continued)*

for the year ended 31 March 2019

(Currency : Indian rupees)

44 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	**2019**	**-**	**3,30,49,132**	**8,51,404**	**1,16,83,948**	**-**	**4,55,84,484**
	2018	-	2,16,49,624	-	50,27,254	-	2,66,76,878
Payables	**2019**	**70,35,72,443**	**4,16,07,728**	**20,31,78,131**	**-**	**20,91,735**	**95,04,50,037**
	2018	82,87,40,219	4,08,45,306	7,55,86,778	-	19,30,534	94,71,02,837

(I) Related party transactions:

Particulars	Fellow Subsidiaries	2019	2018
Sale of services	SOTC Travel Limited	**15,83,600**	-
	SOTC Travel Management Private Limited	**8,51,404**	-
Purchases of services	Sterling Holidays Resorts Limited	**52,35,438**	44,43,929
	Quess Corp Limited	**24,50,392**	31,12,613
	SOTC Travel Limited	**7,27,63,589**	11,04,93,021
Loan taken	SOTC Travel Limited	**16,51,16,303**	-
Interest on loan taken	SOTC Travel Limited	**7,17,374**	-
Redemption of Investment in Preference shares	SOTC Travel Limited	**14,00,00,000**	-
Facility & Support income	SOTC Travel Limited	**71,01,672**	1,63,94,616
	Thomas Cook Tours Limited	**35,01,660**	35,01,660
Expenses reimbursed	SOTC Travel Limited	**2,83,95,609**	2,92,93,584
Expenses recovered	SOTC Travel Limited	**-**	15,06,006
Payable			
Loan Payable	SOTC Travel Limited	**16,51,16,303**	-
Interest payable on Loan	SOTC Travel Limited	**7,17,374**	-
Others	Thomas Cook Tours Limited	**14,24,528**	24,81,935
	Sterling Holidays Resorts Limited	**12,41,041**	16,12,859
	Quess Corp Limited	**7,83,051**	7,77,773
	SOTC Travel Limited	**3,38,95,834**	7,07,14,211
Receivable			
Others	SOTC Travel Management Private Limited	**8,51,404**	-

(Currency : Indian rupees)

44 Related party transactions *(Continued)*

(J) Related party transactions:

Particulars	Subsidiaries	2019	2018
Purchases of services	SITA World Travel Nepal Private Limited	20,41,64,967	17,50,23,949
	SITA World Travel Lanka (Pvt) Limited	83,57,936	90,49,016
Dividend Income	SITA World Travel Nepal Private Limited	-	2,96,54,474
Loan Given	Jardin Travel Solutions Limited	1,00,00,000	76,00,000
Interest Income on Loan Given	Jardin Travel Solutions Limited	13,32,421	1,64,533
	SITA World Travel Lanka (Pvt) Limited	15,18,821	13,18,389
Facility & Support income	TC Visa Services (India) Limited	8,81,796	8,81,796
Royalty Income	SITA World Travel Nepal Private Limited	65,58,587	55,84,438
Investment in Equity Shares	Jardin Travel Solutions Limited (Right Isuue)	-	99,50,000
	Horizon Travel Services LLC	-	6,29,07,000
Investment in preference shares pledged as security	Travel Circle International Limited	50,13,98,729	-
Receivable			
Other	TC Visa Services (India) Limited	88,573	1,34,220
	SITA World Travel Lanka (Pvt) Limited	-	10,35,540
Loan receivable	Jardin Travel Solutions Limited	1,76,00,000	76,00,000
	SITA World Travel Lanka (Pvt) Limited	1,01,80,450	95,99,719
Interest Receivable on Loan	SITA World Travel Lanka (Pvt) Limited	47,98,965	32,80,145
	Jardin Travel Solutions Limited	3,81,144	-
Payable	SITA World Travel Nepal Private Limited	4,16,07,728	4,08,45,306

(K) Related party transactions:

Particulars	Holding Company	2019	2018
Sale of Services	Thomas Cook (India) Limited	8,50,46,315	4,66,455
	Fairfax Financial Holdings Limited	2,19,64,293	-
Purchases of services	Thomas Cook (India) Limited	97,19,836	12,36,20,379
ESOP Charge	Thomas Cook (India) Limited	3,17,76,621	2,46,20,270
Gurantee Taken	Thomas Cook (India) Limited	12,00,00,000	23,33,30,000
Facility & Support income	Thomas Cook (India) Limited	2,14,01,994	2,15,08,908
Rent Charegs	Thomas Cook (India) Limited	79,25,650	55,81,851
Purchases of Equity Shares	Thomas Cook (India) Limited	-	50,000
Interest on loan taken	Thomas Cook (India) Limited	4,60,56,495	1,97,30,095
Loan taken	Thomas Cook (India) Limited	21,60,00,000	82,00,00,000
Repayment of Loan	Thomas Cook (India) Limited	32,20,20,000	3,00,00,000
Corporate guarantee fees	Thomas Cook (India) Limited	3,11,115	10,31,728
Expenses reimbursed	Thomas Cook (India) Limited	3,89,84,619	2,04,75,106
Payables			
Loan Payable	Thomas Cook (India) Limited	68,39,80,000	79,00,00,000
Rent Payable	Thomas Cook (India) Limited	1,21,22,790	55,81,851
Interest payable on Loan	Thomas Cook (India) Limited	40,25,896	1,30,19,110
Other Payable	Thomas Cook (India) Limited	34,43,757	2,01,39,258

(Currency : Indian rupees)

44 Related party transactions *(Continued)*

(L) Related party transactions

Particulars	Associate & Joint Venture	2019	2018
Sale of Services	TCI Go Vacation Private Limited	**77,83,882**	-
Facility & Support Income	TCI Go Vacation Private Limited	**2,58,36,106**	1,82,23,746
Investment in Equity shares	TCI Go Vacation Private Limited	-	98,00,000
	Travel Circle International Mauritius Limited	-	13,07,23,875
Investment in Prefrence Instrument	Travel Circle International Mauritius Limited	**37,32,65,836**	57,66,75,300
Expenses reimbursed	TCI Go Vacation Private Limited	**19,63,646**	-
Expenses recovered	TCI Go Vacation Private Limited	**1,56,011**	40,50,741
Balance as at 31 March			
Receivables	TCI Go Vacation Private Limited	**1,16,83,948**	50,27,254

(M) Related party transactions

Particulars	Other related party	2019	2018
Purchases of services	Luxe Asia Private Limited	**8,14,91,677**	5,44,66,620
Purchases of services	Desert Adventures Tourism LLC	**11,82,516**	-
Balance as at 31 March			
Payable	Luxe Asia Private Limited	**20,91,735**	19,30,534

(N) Transactions with key management personnel

Particulars	2019	2018
Salaries and other employee benefits to KMP's*	**7,89,41,119**	4,91,01,678
Commission and other benefits to non-executive/independent directors	**39,62,476**	50,22,641

*Note that this does not include Gratuity Payable

(Currency : Indian rupees)

45 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
GT25AUG2015	25-Aug-15	62,000	165.92	3 years
GT07NOV2016	7-Nov-16	4,65,594	1.00	4 years
GT13062018	13-Jun-18	2,18,900	137.93	3 years
GT05102018	5-Oct-18	39,989	1.00	5 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	Senior employees
	25 August 2015	7 November 2016	13-Jun-18	5-Oct-18
Fair value at grant date	102.81	213.04	149.36	251.01
Share price at grant date	184.35	218.55	248.63	256.20
Exercise price	165.92	1.00	137.93	1.00
Expected volatility (weighted-average)	42.59%	45.34%	31.90%	34.06%
Expected life (weighted-average)	6	14.01	4	6
Expected dividends	0.27%	0.17%	0.18%	0.30%
Risk-free interest rate (based on government bonds)	7.90%	7.09%	7.93%	8.06%

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 GT25AUG2015	Number of options 31 Mar 2019	Number of options 31 March 2018
Options outstanding as at the beginning of the year	20,000	20,000
Add: Options granted during the year	-	-
Less: Options lapsed during the year	20,000	-
Less: Options exercised during the year	-	-
Options outstanding as at the year end	-	20,000

(Currency · Indian rupees)

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

C. Reconciliation of outstanding share options *(Continued)*

Thomas Cook ESOP Sch GT07NOV2016	Number of options 31 Mar 2019	Number of options 31 March 2018
Options outstanding as at the beginning of the year	4,65,594	4,65,594
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	4,65,594	4,65,594

Thomas Cook ESOP Sch GT13JUN2018	Number of options 31 Mar 2019	Number of options 31 March 2018
Options outstanding as at the beginning of the year	-	-
Add. Options granted during the year	2,18,900	-
Less: Options lapsed during the year	-	-
Less: Options exercised during the year	-	-
Options outstanding as at the year end	2,18,900	-

Thomas Cook ESOP Sch GT05102018	Number of options 31 Mar 2019	Number of options 31 March 2018
Options outstanding as at the beginning of the year	-	-
Add: Options granted during the year	39,989	-
Less: Options lapsed during the year	-	-
Less: Options exercised during the year	-	-
Options outstanding as at the year end	39,989	-

The amount of the employee stock option expense charged during the financial year is Rs. 31,776,621 (previous year Rs. 24,620,270) and Rs. 62,008,198 is the unamortised expense over the remaining vesting period.

(Currency : Indian rupees)

46 Pursuant to identification of certain anomalies relating to payment to the vendor law firm, the management of the company, based on investigation made internally, had unearthed an instance of fraud committed by one of it's employee by submitting fake legal invoices which resulted in payout of Rs. 25,713,195/- to vendor law firm and also by producing fraudulent court order which resulted in further payout of Rs. 66,162,360/-. The Company has filed the complaint against the employee before the Additional Chief Judicial Magistrate, Gurugram which has directed the police to register the first information report (FIR). Based on the FIR filed with the police authorities, the management has alleged that the accused employee had siphoned money aggregating to Rs. 91,875,555/-.The company have also filed an insurance claim for recovery of said amount while the Rs. 88,198,385 is shown under other receivable as recoverable.

47 The Board, at its meeting held on April 23, 2018 and which was further amended on December 19, 2018, approved the Composite Scheme of Arrangement and Amalgamation amongst Thomas Cook (India) Limited ('TCIL'), Quess Corp Limited ('QCL'), Travel Corporation (India) Limited ('TCI'), TC Forex Services Limited (formerly known as Tata Capital Forex Limited) ('TCF'), TC Travel Services Limited (formerly known as TC Travel and Services Limited) ('TCTSL') and SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited) ('SOTC Travel') and their respective shareholders ('the Scheme') in accordance with the provisions of Section 230 to 232 read with Section 52, 55 and 66 of the Companies Act, 2013. The Scheme inter alia provides:

i. Demerger of the inbound business of TCI consisting of business of handling inward foreign tourist activity from TCI into SOTC Travel; and
ii. Amalgamation of residual TCI, TCF and TCTSL with TCIL;

The said Composite Scheme is subject to requisite statutory and regulatory approvals and sanction by the respective shareholders of each of the companies involved in the Scheme.

The notes from 1 to 47 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 2019

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

Gurugram
15 May 2019

Ritu Verma
Company Secretary

Gurugram
15 May 2019

THOMAS COOK LANKA (PVT) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2019

KPMG
(Chartered Accountants)
32A, Sir Mohamed Macan Markar Mawatha,
P. O. Box 186,
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INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF THOMAS COOK LANKA (PVT) LIMITED

Report on the Audit of the Financial Statements

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 2019, 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, 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 2019, and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion

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 opinion.

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.

Management is responsible for the other information. These Financial statements do not comprise other information.

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.

KPMG

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.

CHARTERED ACCOUNTANTS
Colombo, Sri Lanka
24th May 2019

KPMG Chartered Accountants

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March,	Notes	Company 2019 Rs.	Company 2018 Rs.	Group 2019 Rs.	Group 2018 Rs.
Revenue	5	224,341,052	211,574,786	1,117,256,489	811,492,867
Administrative and other operating expenses	6	(213,614,287)	(211,089,308)	(1,129,869,305)	(841,376,592)
Profit / (loss) from operations		10,726,765	485,479	(12,612,815)	(29,883,724)
Other income	7	2,238,080	817,259	8,043,051	6,834,902
Net finance income	8	6,882,925	7,948,414	13,628,737	16,532,271
Operating profit before value added tax and nation building tax on financial services		**19,847,769**	**9,251,151**	**9,058,972**	**(6,516,552)**
Value added tax and national building tax on financial services	9	(8,048,984)	(4,722,329)	(8,048,984)	(4,722,329)
Operating profit after value added tax and national building tax on financial services		**11,798,785**	**4,528,822**	**1,009,988**	**(11,238,881)**
Share of loss of equity accounted investee, net of tax	15	-	-	(1,439,361)	(704,851)
Profit / (loss) before tax		**11,798,785**	**4,528,822**	**(429,373)**	**(11,943,732)**
Income taxes	10	(6,610,077)	(3,180,100)	(11,377,664)	(2,547,926)
Profit / (loss) for the year		**5,188,708**	**1,348,723**	**(11,807,037)**	**(14,491,658)**
Other comprehensive income, net of tax					
Items that will never be reclassified to profit or loss					
Remeasurement of defined benefit liability		34,530	(129,252)	815,631	(537,916)
Less: Deferred tax charge on actuarial gains / (losses)		(9,668)	36,191	(119,023)	93,404
Net actuarial gains / (losses) on defined benefit plans		**24,862**	**(93,061)**	**696,608**	**(444,512)**
Total other comprehensive income for the year		**24,862**	**(93,061)**	**696,608**	**(444,512)**
Total comprehensive income for the year		5,213,570	1,255,662	(11,110,428)	(14,936,170)
Basic earnings / (loss) per share	11	0.48	0.13	(1.10)	(1.35)

The annexed Notes to the Financial Statements form an integral part of these Financial Statements.
Figures in the brackets indicate deductions.

KPMG Chartered Accountants

THOMAS COOK LANKA (PVT) LIMITED
STATEMENT OF FINANCIAL POSITION

As at 31st March,	Notes	Company 2019 Rs.	Company 2018 Rs.	Group 2019 Rs.	Group 2018 Rs.
ASSETS					
Property, plant and equipment	12	17,795,503	18,073,484	28,158,901	23,354,628
Intangible assets and goodwill	13	2,162,470	4,838,417	80,121,008	82,612,076
Investment in subsidiary	14	48,975,000	48,975,000	-	-
Equity-accounted investee	15	10,313,800	10,313,800	7,036,792	8,476,153
Other investments - Non current assets	16	22,468,126	12,029,543	22,468,126	12,029,542
Deferred tax assets		-	-	3,027,446	2,410,119
Non-current assets		**101,714,899**	**94,230,244**	**140,812,273**	**128,882,519**
Amount due from related companies	18	25,000,000	25,438,034	-	-
Trade and other receivables	19	8,643,864	8,438,419	78,850,219	49,799,300
Prepayments		6,977,256	4,312,551	17,930,206	22,825,338
Other investments - Current assets	16	109,216,056	117,009,101	109,716,056	117,531,555
Cash and cash equivalents	20	81,753,658	69,430,630	130,573,788	83,713,629
Current assets		**231,590,834**	**224,628,735**	**337,070,269**	**273,869,822**
Total assets		**333,305,734**	**318,858,979**	**477,882,541**	**402,752,341**
EQUITY AND LIABILITIES					
Equity					
Stated capital	21	107,679,780	107,679,780	107,679,780	107,679,780
Retained earnings		166,101,844	160,888,275	78,919,513	90,029,941
Total Equity		**273,781,624**	**268,568,055**	**186,599,293**	**197,709,721**
LIABILITIES					
Employee benefits	22	5,774,361	4,785,818	15,850,256	12,429,312
Deferred tax liabilities	23	1,786,023	2,050,992	3,662,918	3,756,717
Non-current liabilities		**7,560,384**	**6,836,811**	**19,513,174**	**16,186,029**
Amount due to related companies	24	37,726,624	24,304,665	37,726,624	24,304,665
Trade and other payables	25	10,395,042	7,936,721	200,369,508	120,665,037
Current taxation	17	3,842,059	1,363,600	4,515,424	1,378,607
Bank overdraft	20	-	9,849,128	29,158,517	42,508,282
Current liabilities		**51,963,725**	**43,454,114**	**271,770,073**	**188,856,591**
Total liabilities		**59,524,110**	**50,290,925**	**291,283,248**	**205,042,620**
Total Equity and Liabilities		**333,305,734**	**318,858,979**	**477,882,541**	**402,752,341**

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.

....
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	Director	Director
Country Manager		

24 May 2019
Colombo

KPMG Chartered Accountants

THOMAS COOK LANKA (PVT) LIMITED
STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March,

	Company			Group		
	Stated Capital	Retained Earnings	Total	Stated Capital	Retained Earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
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 / (Loss) 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**
Balance as at 1st April 2018	**107,679,780**	**160,888,275**	**268,568,055**	**107,679,780**	**90,029,941**	**197,709,721**
Profit / (Loss) for the year	-	5,188,708	**5,188,708**	-	(11,807,037)	**(11,807,037)**
Other Comprehensive Income for the year	-	24,862	**24,862**	-	696,608	**696,608**
Total Comprehensive Income for the year	-	5,213,570	**5,213,570**	-	(11,110,428)	**(11,110,428)**
Balance as at 31st March 2019	**107,679,780**	**166,101,844**	**273,781,624**	**107,679,780**	**78,919,513**	**186,599,293**

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 2019 Rs.	Company 2018 Rs.	Group 2019 Rs.	Group 2018 Rs.
Cash flows from Operating Activities					
Profit / (loss) before taxation		11,798,785	4,528,822	(429,373)	(11,943,732)
Adjustment for :					
Depreciation	6.1	3,086,248	3,633,443	5,021,035	5,818,210
Amortization of intangible assets		2,675,947	2,794,117	3,113,688	3,311,332
Provision for impairment PPE and intangible assets	6.2	-	2,389,873	-	2,389,873
Provision for impairment of trade receivables		-	-	291,742	-
Write of due to missappropriation assets		-	3,948,444		3,948,444
Loss on disposal of property, plant and equipment		-	-	1,498,262	-
Provision for employee benefits	6.3	1,355,473	1,095,938	4,568,976	3,336,251
Interest income	8	(13,734,132)	(13,901,032)	(13,734,132)	(13,983,486)
Interest expense		2,762,696	5,624,367	2,762,696	5,706,220
Foreign exchange gain		(3,685,211)	(331,719)	(3,685,211)	(11,250,062)
Operating profit/(loss) before working capital changes		**4,259,807**	**9,782,254**	**(592,317)**	**(11,962,098)**
Increase / (decrease) in trade and other receivable		(978,958)	6,427,355	(29,824,432)	20,618,938
Increase / (decrease) in amount due from related party		438,034	(438,034)	-	-
Increase / (decrease) in prepayments		(2,664,706)	7,612,368	4,895,132	(9,554,845)
Increase / (decrease) in amount due to related party		13,421,959	852,545	13,421,959	852,545
Increase / (decrease) in trade and other payable		2,458,321	(996,431)	79,872,567	17,631,393
Cash generated from operating activities		**16,934,457**	**23,240,056**	**67,772,909**	**17,585,933**
Taxes paid	17	(3,632,742)	2,559,068	(3,632,742)	2,559,068
Employee benefit paid	22	(332,400)	-	(332,400)	-
Net cash generated from operating activities		**12,969,315**	**25,799,124**	**63,807,767**	**20,145,001**
Cash flows from investing activities					
Purchase of property plant and equipment	12	(2,808,266)	(1,693,774)	(11,425,744)	(2,257,773)
Purchase of intangible assets	13.1	-	(368,653)	(622,625)	(518,653)
Net interest received	8	14,656,647	8,276,665	10,971,436	8,277,266
Proceeds from disposal of PPE		-	-	102,175	-
(Invest) / Redemption of long term investment	16	(2,645,538)	(19,375,361)	(2,623,085)	(19,375,361)
Net cash used in investing activities		**9,202,842**	**(13,161,123)**	**(3,597,843)**	**(13,874,521)**
Cash flows from financing activities					
Dividend payment		-	(7,334,158)	-	(7,334,158)
Net cash used in financing activities		-	**(7,334,158)**	-	**(7,334,158)**
Net increase / (decrease) in cash and cash equivalents		22,172,156	5,303,844	60,209,924	(1,063,679)
Cash and cash equivalents at the beginning of the year		59,581,502	54,277,659	41,205,347	42,269,026
Cash and cash equivalents at the end of the year		**81,753,658**	**59,581,502**	**101,415,271**	**41,205,347**
Analysis of cash & cash equivalents (Note - 20)					
Cash in hand		73,533,424	68,216,226	74,533,424	69,216,226
Cash at bank		8,220,234	1,214,404	56,040,364	14,497,403
		81,753,658	69,430,630	130,573,788	83,713,629
Bank overdraft		-	(9,849,128)	(29,158,517)	(42,508,282)
		81,753,658	59,581,502	101,415,271	41,205,347

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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 and principal place of business are situated at No.393, Union Place, Colombo 02.

The operations are conducted at Aviation branches, including arrival and departure, Kandy City Center Branch, Crescat Branch and Colombo City Centre Branch.

1.2 Consolidated financial statements

The Consolidated Financial Statements of the group for the year ended 31st March 2019, 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 and the ultimate parent company of the group is Thomas Cook India (Private) Limited and Fairfax Financial Holdings Limited respectively.

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 being a travel agent.

1.4 Number of employees

The total number of employees as at 31st March 2019 were as follows:

Group	96 (2018-88)
Company	32 (2018-28)

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Company and the Group comprise the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and cash flows together with the notes to the financial statements.

The financial statements of the Group and the separate financial statements of the Company have been prepared and presented in accordance with Sri Lanka Accounting Standards (LKAS / SLFRS) laid down by the Institute of Chartered Accountants of Sri Lanka and the requirements of Companies Act, No. 7 of 2007.

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2.2 Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the defined benefit liability is recognized as the present value of the defined benefit obligation, plus unrecognized actuarial gains, less unrecognized past service cost and unrecognized actuarial losses.

The Company presents its statement of financial position broadly in order of liquidity.

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

2.3 Functional and Presentation Currency

The consolidated Financial Statements are presented in Sri Lankan Rupees, which is the Group's functional currency. Except as indicated, financial information presented in Sri Lankan Rupees has been rounded to the nearest rupee value.

2.4 Comparative Information

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 of the Group and the Company 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 estimate is revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Impairment losses on trade receivables (Note 3.8.1)
- Impairment of non-financial assets (Note 3.8.2)
- Current taxes (Note 3.3.a)
- Deferred tax assets / liabilities (Note 3.3.b)
- Defined benefit plan (Note 3.10)
- Provisions and contingencies (Note 3.11 & 3.12)

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2.6 Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are immaterial as permitted by the Sri Lanka Accounting Standard-LKAS 1 on 'Presentation of Financial Statements'.

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 Basis of Consolidation

The Group's Financial Statements comprise consolidation of the Financial Statements of the Company, its Subsidiaries in terms of the Sri Lanka Accounting Standard-SLFRS 10 on 'Consolidated Financial Statements and Separate

Financial Statements' and the proportionate share of the profit or loss and net assets of its Associates in terms of the Sri Lanka Accounting Standard – LKAS 28 on 'Investment in Associate and Joint Ventures'.

3.1.1 Business Combination

Business combinations are accounted for using the acquisition method when control is transferred to the Group (See Note 3.1.2 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.

3.1.2 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.

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.

3.1.3 Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3.1.4 Loss of Control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Subsequently, it is accounted for as an Associate or in accordance with the Group's Accounting Policy for financial instruments depending on the level of influence retained.

3.1.5 Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.1.6 Accounting for investment in subsidiaries

When separated financial statements are prepared, investments in subsidiaries are accounted for using the cost method. Investments in subsidiaries are stated in the Company's Statement of Financial Position at cost less accumulated impairment losses.

3.1.7 Financial Period

The Consolidated Financial Statements are prepared to a common financial year ended 31st March. The accounting policies of Subsidiaries have been changed where necessary to align them with the policies adopted by the Group

3.2 Foreign Currency

3.2.1 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 of current & deferred tax expenses recognized in the profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income

a) Current taxation

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act No 24 of 2017, as amended by subsequent legislation.

b) Deferred taxation

Deferred tax is provided using the liability method, providing for the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base of assets and liabilities, which is the amount attributed to those assets and liabilities for tax 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 by the reporting date.

Deferred tax assets including those related to temporary tax effects of income tax losses and credits available to be carried forward, are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. 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.

3.4 Events occurring after the reporting date

All material and important events which occur after the reporting date have been considered and disclosed in Note to the Financial Statements.

ASSETS AND BASIS OF THEIR VALUATION

Assets classified as current on the Statement of Financial Position are cash or those which are expected to be realized in cash during the normal operating cycle of the Group or within one year from the reporting date, whichever is earlier. Assets other than current assets are those, which the Group intends to hold beyond a period of one year calculated from the reporting date.

3.5 Property, plant and equipment

The Group applies the requirements of the Sri Lanka Accounting Standard - LKAS 16 on 'Property, Plant & Equipment' in accounting for its owned assets which are held for and use in the provision of services, or for administrative purposes and are expected to be used for more than one year.

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) 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.

c) 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.

d) 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

Depreciation is provided on a pro-rata basis on the assets purchased/constructed/disposed of during the year.

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Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

e) 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.

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 – 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 Financial assets

a) POLICY APPLICABLE FROM APRIL 1, 2018

The Group adopted SLFRS 9 from April 1, 2018.

Initial Recognition, Classification and Subsequent Measurement

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

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

Classification and subsequent measurement of financial assets

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI (Fair value through OCI) - debt investment; FVOCI - equity investment; or FVTPL (Fair value through profit or loss).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument.

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial Asset Classification Change

Measurement	SLFRS 9 (After 1st April 2018)	LKAS 39 (Prior to 1st April 2018)
Fair Value	FVTPL/ FVOCI	FVTPL/ AFS
Amortised cost	Amortised cost	HTM/ Loans and Receivables

b) POLICY APPLICABLE BEFORE APRIL 1, 2018:

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Initial Recognition, Classification and Subsequent Measurement based on LKAS 39

Date of Recognition

All financial assets and liabilities are initially recognized on the trade date, i.e., the date the Group becomes a party to the contractual provisions of the instrument.

Initial Measurement of Financial Instruments

The classification of Financial Instruments at initial recognition depends on their purpose and characteristics and the management's intention in acquiring them.

Financial Instruments are measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Transaction cost in relation to financial assets and financial liabilities at fair value through profit or loss are dealt with through the Income Statement.

Classification and Subsequent Measurement of Financial Assets

The Group classifies its financial assets into one of the following categories:

• Loans and receivables; and

The subsequent measurement of financial assets depends on their classification.

Financial Assets Classified as Loans and Receivables

Financial Assets classified as 'Loans and Receivables' include Deposits Receivable, Trade and Other Receivables and Cash and Cash Equivalents. After initial measurement, these were subsequently measured at amortised cost using the EIR, less provision for impairment. Amortised cost was calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the EIR. The amortisation was included in 'Interest Income' in the Income Statement. The losses arising from impairment were recognised in the Income Statement in 'impairment charges for loans and other losses'.

Classification and Subsequent Measurement of Financial Liabilities

At inception, a financial liability was classified at amortised cost.

The subsequent measurement of financial liabilities depends on their classification.

Reclassification of Financial Instruments

In certain circumstances, the Group was permitted to reclassify Financial Instruments out of the 'available-for-sale' category and into the 'loans and receivables' category. Reclassifications were recorded at fair value at the date of reclassification, which becomes the new amortised cost.

For a financial asset with a fixed maturity reclassified out of the 'available-for-sale' category, any previous gain or loss on that asset that has been recognised in Equity is amortised to profit or loss over the remaining life of the asset using the EIR. Any difference between the new amortised cost and the expected cash flows was also amortised over the remaining life of the asset using the EIR. In the case of a financial asset that does not have a fixed maturity, the gain or loss was recognised in the profit or loss when such financial asset was sold or disposed. If the financial asset is subsequently determined to be impaired, then the amount recorded in Equity was recycled to the Income Statement.

Reclassification was at the election of management, and was determined on an instrument-by-instrument basis.

The Group did not reclassify any Financial Instrument into the fair value through profit or loss category after initial recognition.

3.7.2 Non-derivative financial liabilities

The Group initially recognises 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 recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises 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 realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: trade and other payables and bank overdrafts.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

3.7.3 Derecognition

a. Financial assets

The Group derecognised a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group entered into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets were not derecognised.

b. Financial liabilities

The Group derecognised a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognised a financial liability when its terms are modified and the cash flows of the modified liability were substantially different, in which case a new financial liability based on the modified terms was recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) was recognised in profit or loss.

3.7.4 Offsetting

Financial assets and financial liabilities were offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.8 Impairment of Assets

3.8.1 Financial assets (including receivables)

IMPAIRMENT POLICY: APPLICABLE FROM 1 APRIL 2018

Financial instruments and contract assets

Loss allowances for trade receivables is always measured at an amount equal to lifetime Expected Credit Loss.

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

Presentation of allowance for ECL in the statement of financial position

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

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For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

IMPAIRMENT POLICY: APPLICABLE PRIOR TO 1 APRIL 2018

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.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.

3.8.2 Non-financial assets

The carrying amounts of the Group's non-financial assets such as deferred tax assets were 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. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount was estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit was 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 were 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 were grouped together into the smallest group of assets that generates cash inflows from continuing use that were largely independent of the cash inflows of other assets.

Impairment losses were recognized in profit or loss.

3.9 Fair Value Measurement

3.9.1 Use of assumptions and estimation uncertainty

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of SLFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's audit committee. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

- **Level 2:** inputs other than quoted prices included in 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 for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest

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level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

LIABILITIES AND PROVISIONS

Liabilities classified as Current Liabilities in the Statement of Financial Position are those obligations payable on demand or within one year from the Statement of Financial Position. Items classified as non-current 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 Group 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.

3.10 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.

As required by LKAS 19 - Employee Benefits, which became effective from 1 January 2012 the Group 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.

3.11 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.

3.12 Contingencies and capital commitments

All discernible risks are accounted for in determining the amount of all known liabilities. The Company's share of any contingencies and capital commitments of a subsidiary for which the Company is also liable severally or otherwise are also included with appropriate disclosures.

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Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is not probable or cannot be reliably measured. Contingent liabilities are not recognized in the Statement of Financial Position but are disclosed unless they are remote.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

3.13 Revenue recognition

The Group has initially applied SLFRS 15 from 1 April 2018. Due to the transition method chosen in applying SLFRS 15, comparative information has not been restated to reflect the new requirements.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it transfers control over a good or service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of product/ service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under SLFRS 15 (applicable from 1 April 2018)	Revenue recognition under LKAS 18 (applicable before 1 April 2018)
Foreign currency exchange (Buying and Selling)	The Service is transferred to the customer at the completion of its performance obligation which is when the foreign currency is exchanged.	SLFRS 15 established a comprehensive framework for determining whether, how much and when revenue is to be recognized. Under SLFRS 15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control is at a point in time.	The Company recognized revenue when persuasive evidence of an arrangement exists, delivery has occurred and risk of loss has passed to the customer. The sales price is determinable and collection of the resulting receivable is reasonably assured.

3.14 Other income

Other income is recognized on an accrual basis.

3.15 Expenditure recognition

3.15.1 Operating expenses

Expenses are recognized in the statement of comprehensive income on the basis of a direct association between the cost incurred and the earning of specific items of income. 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.

3.15.2 Finance income and expenses

Interest income and expenses are recognised 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.

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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.

3.15.3 Borrowing Cost

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.16 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, Cash Flow Statements.

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.

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT EFFECTIVE AS AT THE REPORTING DATE

SLFRS 16 Leases

The Company is required to adopt SLFRS 16 Leases from 1 April 2019. The Company is assessing the potential impact on its Financial Statements resulting from the application of SLFRS 16.

SLFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases.

SLFRS 16 replaces existing leases guidance, including LKAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

4.1 Leases in which the Company is a lessee

The Company will recognise new assets and liabilities for its operating leases of office buildings. The nature of expenses related to those leases will now change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

In addition, the Company will no longer recognise provisions for operating leases that it assesses to be onerous. Instead, the Company will include the payments due under the lease in its lease liability.

No significant impact is expected for the Company's finance leases. However, the Company 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	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
5. Revenue				
Foreign currency trading	196,572,779	190,759,801	196,572,779	190,759,801
Commission on encashment trading	27,768,273	20,814,985	27,768,273	20,814,985
Travel related services	-	-	892,915,438	599,918,081
	224,341,052	211,574,786	1,117,256,489	811,492,867

5.1 The Company adopted SLFRS 15 for revenue recognition from 1 April 2018 as described in Note 33. There was no significant impact on adoption.

6. Administrative and other operating expenses				
Auditor's remuneration				
- Audit fee	635,000	590,000	960,000	890,000
- Audit related fee	-	-	-	-
Director's fees and emoluments	1,016,422	921,563	14,256,352	10,836,483
Depreciation and amortization **(Note 6.1)**	5,762,195	6,427,560	8,134,723	9,129,543
Professional service cost	1,631,127	2,888,156	7,620,653	6,611,768
Impairment charge **(Note 6.2)**	-	2,389,873	-	2,389,873
Staff expense **(Note 6.3)**	41,534,278	32,125,413	115,480,216	83,174,100
Other expenses **(Note 6.4)**	163,035,265	165,746,743	983,417,361	728,344,825
	213,614,287	**211,089,308**	**1,129,869,305**	**841,376,592**
6.1 Depreciation and amortization				
Depreciation of property, plant and equipment	3,086,248	3,633,443	5,021,035	5,818,211
Amortization of intangible assets	2,675,947	2,794,117	3,113,688	3,311,332
	5,762,195	6,427,560	8,134,723	9,129,543
6.2 Impairment charge / Write off				
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
6.3 Staff expense				
Salaries, wages and bonus	25,302,541	16,227,217	81,315,603	58,108,865
Define benefit plan cost **(Note 22)**	1,355,473	1,095,938	4,568,976	3,336,250
Define contribution plan cost	4,441,138	3,694,610	4,441,138	3,694,610
Others (Note 6.3.1)	10,435,126	11,107,648	25,154,499	18,034,375
	41,534,278	32,125,413	115,480,216	83,174,100

Note : Defined benefit plan cost includes post employment benefit contribution relating to executive directors.

KPMG Chartered Accountants

Note 6.3.1 This includes mainly staff welfare expenses, staff traveling and rent expenses.

6.4 Other expenses				
Travel related services	-	-	760,250,571	529,150,477
Office rent expenses	141,683,918	155,790,507	141,683,918	162,555,201
Other expenses	21,351,346	9,956,236	81,482,871	36,639,147
	163,035,265	**165,746,743**	**983,417,361**	**728,344,825**

For the year ended 31st March,	Company		Group	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
7. Other income				
Commission income	-	-	6,978,878	5,863,304
Other income **(Note 7.1)**	2,238,080	817,259	1,064,173	971,598
	2,238,080	**817,259**	**8,043,051**	**6,834,902**

7.1 This includes incentive received for Global Payment Service and Dynamic Currency Conversion during the year.

8. Net finance income				
Finance income				
Interest income	13,734,132	13,901,032	20,520,723	13,983,486
Foreign exchange gain	(3,685,211)	331,719	-	11,250,062
	10,048,921	**14,232,751**	**20,520,723**	**25,233,548**
Finance expenses				
Bank charges	403,300	659,969	4,129,290	2,995,056
Interest expense	2,762,696	5,624,367	2,762,696	5,706,220
	3,165,995	**6,284,336**	**6,891,985**	**8,701,276**
Net finance income	**6,882,925**	**7,948,414**	**13,628,737**	**16,532,271**

9. Value added tax and national building tax on financial services

9.1 Value added tax on financial services				
Current year charge	7,110,757	4,166,761	7,110,757	4,166,761
Under provision in respect of previous years	-	-	-	-
	7,110,757	**4,166,761**	**7,110,757**	**4,166,761**
9.2 National building tax on financial services				
Current year charge	938,228	555,568	938,228	555,568
	938,228	**555,568**	**938,228**	**555,568**
Value added tax and national building tax on financial services	**8,048,984**	**4,722,329**	**8,048,984**	**4,722,329**

10. Income taxes				
Current year tax expense	6,447,101	4,068,285	7,120,466	4,083,292
Over / Under provision of taxes in respect of prior years	437,614	(86,149)	437,614	(86,149)
Impairment for ESC receivable **(Note 19.2)**	-		4,649,733	
Deferred tax asset origination **(Note 23.1)**	(286,460)	(306,863)	(736,350)	(1,319,739)
Deferred tax liability (reversal) / origination **(Note 23.2)**	11,822	(495,173)	(93,799)	(129,478)
	6,610,077	3,180,100	11,377,664	2,547,926

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.

Profit/ (loss) attributable to equity holders of the Company/Group	5,188,708	1,348,723	(11,807,037)	(14,491,658)
Weighted average number of ordinary shares **(Note 21)**	10,767,978	10,767,978	10,767,978	10,767,978
	0.48	**0.13**	**(1.10)**	**(1.35)**

For the year ended 31st March,

12. Property , Plant & Equipment

12.1 Company

Cost	Office Equipment Rs.	Furniture & Fittings Rs.	Computer Hardware Rs.	Total 2019 Rs.	Total 2018 Rs.
Balance as at April 1,	5,436,775	21,221,555	13,145,578	39,803,908	42,446,069
Write-off due to missappropriation of assets	-	-	-	-	(4,335,934)
Write-off of Assets	(1,173,375)	(3,098,475)	(4,980,076)	(9,251,927)	-
Additions during the year	336,500	1,950,720	521,046	2,808,266	1,693,774
Balance as at March 31,	**4,599,900**	**20,073,800**	**8,686,548**	**33,360,248**	**39,803,909**
Accumulated Depreciation and Impairment losses					
Balance as at April 1,	2,211,821	8,760,142	10,758,461	21,730,424	16,214,172
Write-off due to missappropriation of assets	-	-	-	-	(432,984)
Write-off of Assets	(1,173,375)	(3,098,475)	(4,980,076)	(9,251,927)	-
Provision for Impairment (Note 12.1.1)	-	-	-	-	2,315,794
Charge for the year	233,731	1,235,140	1,617,377	3,086,248	3,633,443
Balance as at March 31,	**1,272,176**	**6,896,806**	**7,395,763**	**15,564,745**	**21,730,425**
Carrying amount					
As 31st March 2019	**3,327,724**	**13,176,994**	**1,290,785**	**17,795,503**	
As 31st March 2018	3,224,955	12,461,413	2,387,117		18,073,484

KPMG Chartered Accountants

12.2 Group

Cost	Motor Vehicles Rs.	Office Equipment Rs.	Furniture & Fittings Rs.	Computer Hardware Rs.	Total 2019 Rs.	Total 2018 Rs.
Balance as at April 1,	235,990	6,431,464	26,953,381	21,548,873	55,169,708	**57,247,569**
Write-off due to missappropriation of assets	-	-	-	-	-	**(4,335,934)**
Write-off of Assets	-	(1,173,375)	(3,098,475)	(4,980,076)	(9,251,927)	-
Additions during the year	-	845,200	9,294,498	1,286,046	11,425,744	**2,257,773**
Disposals during the year	-	-	(4,835,623)	-	(4,835,623)	-
Balance as at March 31,	**235,990**	**6,103,288**	**28,313,781**	**17,854,843**	**52,507,902**	**55,169,408**
Depreciation						
Balance as at April 1,	86,527	2,538,489	12,056,534	17,133,530	31,815,080	**24,113,760**
Write-off due to missappropriation of assets	-	-	-	-	-	**(432,984)**
Provision for Impairment (Note 12.1.1)	-	-	-	-	-	**2,315,794**
Write-off of Assets	-	(1,173,375)	(3,098,475)	(4,980,076)	(9,251,927)	-
Charge for the year	47,196	375,431	1,835,405	2,763,003	5,021,035	**5,818,210**
Disposals during the year	-	-	(3,235,188)	-	(3,235,188)	-
Balance as at March 31,	133,723	1,740,545	7,558,276	14,916,457	24,349,001	31,814,780
Carrying amount						
As 31 March 2019	102,267	4,362,744	20,755,505	2,938,386	28,158,901	
As 31 March 2018	149,463	3,892,976	14,896,847	4,415,343		23,354,628

Note 12.1.1 Provision for impairment loss

During prior 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	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
13. Intangible assets				
Computer software **(Note 13.1)**	2,162,470	4,838,417	3,006,222	5,497,285
Goodwill **(Note 13.2)**	-	-	77,114,785	77,114,791
	2,162,470	**4,838,417**	**80,121,008**	**82,612,076**
13.1 Computer software - Cost				
Balance as at April 1,	13,337,465	13,076,812	17,510,274	17,099,621
Write-off due to missappropriation of assets	-	(108,000)	-	(108,000)
Write-off of Assets	(2,363,490)	-	(2,363,490)	-
Additions during the year	-	368,653	622,625	518,653
Balance as at March 31,	**10,973,975**	**13,337,465**	**15,769,409**	**17,510,274**
Amortisation				
Balance as at April 1,	8,499,049	5,693,358	12,012,990	8,690,084
Write-off due to missappropriation of assets (Note 13.1.1)	-	(62,506)	-	(62,506)
Write-off of Assets	(2,363,490)	-	(2,363,490)	-
Provision for Impairment (Note 13.1.1)	-	74,079	-	74,079
Charge for the year	2,675,947	2,794,117	3,113,687	3,311,332
Balance as at March 31,	**8,811,506**	**8,499,048**	**12,763,187**	**12,012,989**
Carrying amount as 31 March,	**2,162,470**	**4,838,417**	**3,006,222**	**5,497,285**

Note 13.1.1 Provision for impairment loss

During the prior 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 2019.

14. Investment in subsidiary - Luxe Asia (Pvt) Ltd

KPMG Chartered Accountants

	Company	
	31/3/2019	31/3/2018
	Rs.	Rs.
Balance as at April 1,	48,975,000	48,975,000
Allowance for impairment	-	-
Balance as at March 31,	**48,975,000**	**48,975,000**

As per the audited financial statements of Luxe Asia (Pvt) Limited for the year ended 31 March 2019, the company had incurred a net loss of Rs. 15,556,387/- (2018 – 15,135,530/-), and as of that date the company's accumulated losses amounted to Rs. 117,046,001/- (2018 – 102,161,362/-). Further as at the reporting date, the current liabilities exceeded the current assets by Rs. 114,327,809/- (2018 – 96,162,274/-) and its total liabilities exceeded its total assets by Rs. 112,046,001/- (2018 - 97,161,362/-). Although these factors raise concern over the ability of the company to continue as a going concern, 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, the subsidiary will be able to realise economic benefits in the future. Further, the ultimate parent company, Thomas Cook (India) Limited, has given a letter of comfort confirming that they will provide the necessary financial support and assistance as may be required to ensure that Luxe Asia (Pvt) Ltd is able to meet its all obligations and continue as a going concern. Accordingly no provision for impairment has been made as at March 31, 2019 for the investment in the subsidiary.

As at 31st March,	Company		Group	
	2019	2018	2019	2018
	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**	**7,036,792**	**8,476,153**

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 ability as the company has incurred a net loss of Rs. 5,997,338/- for the year ended 31 March 2019 and as of that date the Company's accumulated losses amounted to Rs. 34,330,046/-. Further the Company's current liabilities exceeded the current assets by Rs. 32,731,670/- and its total liabilities exceeded its total assets by Rs. 31,830,046/-. The Board of Directors of Sita World Travel Lanka (Sita) is evaluating the future business model of the company given the concern over the going concern ability of the current business operations. Based on the new business model approved after the completion of the assessment, the loan payable by Sita to Travel Corporation India (TCI), 'the parent company' will be restructured resulting in changes to the net asset value of Sita which in turn is expected to have a positive financial impact on the assessment of the investment made by Thomas Cook Lanka (Pvt) Ltd. Accordingly, the Board of Directors of Thomas Cook Lanka (Pvt) Ltd is of the view that no provision is required in the current financial statements and required adjustments, if any, will be made in next financial year.

15.2 Movement in interest in associate

	2019 - (Rs.)	2018 - (Rs.)
15.2.1 Value of the Equity Accounted Investee		
Balance as at April 01,	8,476,153	9,181,004
Current year's share of comprehensive income		
Share of profit or loss, net of tax	(1,439,361)	(704,851)
Share of other comprehensive income, net of tax	-	-
Dividend received	-	-
Carrying value as at March 31,	**7,036,792**	**8,476,153**

15.3 Summarize financial information in interest in associate

	2019 - (Rs.)	2018 - (Rs.)
Carrying amount of interest in associate		
Financial Position of Equity Accounted Investee		
Non Current Assets	912,989	2,159,030
Current Assets	15,470,028	66,723,701
Non-Current Liabilities	(11,365)	(149,450)
Current Liabilities	(48,201,698)	(94,565,987)
Net Liabilities	**(31,830,046)**	**(25,832,706)**
Percentage Ownership Interest	24%	24%
Group's share of net assets	(7,639,210)	(6,199,849)
Goodwill	14,676,002	14,676,002
Carrying value of interest in equity accounted investee	**7,036,792**	**8,476,153**
Company's share of comprehensive income		
Financial Performance of Equity Accounted Investee		
Revenue	25,520,240	333,764,460
Loss for the year, net of tax	(5,997,338)	(2,936,880)
Other comprehensive income	-	-
Comprehensive income for the year	**(5,997,338)**	**(2,936,880)**
Company's share of comprehensive income (24%)	**(1,439,361)**	**(704,851)**

KPMG Chartered Accountants

As at 31st March,	Company		Group	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
16. Other investments				
Non-Current assets				
Investment in fixed deposits	21,540,227	11,726,651	21,540,227	11,726,651
Interest receivable	927,899	302,891	927,899	302,891
	22,468,126	12,029,543	22,468,126	12,029,542
Current assets				
Investment in fixed deposits	101,491,867	106,943,877	101,991,867	107,443,877
Interest receivable	7,724,189	10,065,223	7,724,189	10,087,677
	109,216,056	117,009,101	109,716,056	117,531,555
Total long term investments	**131,684,182**	**129,038,644**	**132,184,182**	**129,561,097**

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 Bandaranayake International Airport				
Sampath Bank PLC	208816407766	9/30/2021	24,866,584	21,369,900
	208816407777	3/31/2019	12,433,292	10,774,800
			37,299,876	**21,369,900**

Group

Bank Name	Guarantee Number		Fixed deposit amount Rs.	Guarantee amount Rs.
Bank guarantees obtained in favour of Thomas Cook Lanka Limited				
National Development Bank PLC	BCU/2019/01524	1/24/2022	10,630,000	10,630,000
			10,630,000	**10,630,000**
National Development Bank PLC	108250735923	1/24/2022	9,006,623	
	108250735958	1/24/2022	9,006,623	9,500,000
	108250761355	3/1/2020	7,899,670	
			25,912,916	**9,500,000**

KPMG Chartered Accountants

As at 31st March,	Company		Group	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
17. Current taxation				
Balance as at the beginning of the year	(1,363,600)	5,177,604	(1,363,600)	5,177,604
Provision for the year	(6,447,101)	(4,068,285)	(7,120,466)	(4,083,292)
	(7,810,701)	1,109,319	(8,484,066)	1,094,312
WHT on Fixed deposits	773,513	-	773,513	-
Tax Credit (Self assessment payments)	3,195,128	8,339,932	3,195,128	8,339,932
Misappropriation of cash	-	(10,899,000)	-	(10,899,000)
Reversal of over provision made in respect of prior years	-	86,149	-	86,149
ESC paid	-	-	-	-
Balance as at the end of the year	**(3,842,059)**	**(1,363,600)**	**(4,515,424)**	**(1,378,607)**
18. Amount due from related companies				
Lux Asia (Pvt) Limited	25,000,000	25,438,034	-	-
	25,000,000	**25,438,034**	-	-

18.1 The above balances represents the short term loan with related party and are receivable on demand. Accordingly, no interest is charged against these balances. The management of the Company, is in the process of assessing the option of converting the said loan to preference shares subject to valuation and other requlatory requirments. As such, this loan has continued to be classified as current asset.

	Company 2019 Rs.	Company 2018 Rs.	Group 2019 Rs.	Group 2018 Rs.
19. Trade and other receivables				
Trade receivable	2,064,389	1,129,046	63,910,369	-
(-) Provision for bad debt **(Note 19.1)**	-	-	-	-
Trade receivable - Net off provision	2,064,389	1,129,046	63,910,369	10,395,140
ESC receivable **(Note 19.2)**	-	-	8,230,715	-
Other receivable	6,579,475	7,309,373	6,709,134	39,404,160
Total trade and other receivables	**8,643,864**	**8,438,419**	**78,850,219**	**49,799,300**
19.1 Provision movement				
Balance as at the beginning of the year	-	-	578,395	-
Provision during the year	-	-	291,742	-
Write off during the year	-	-	(870,137)	-
Balance as at the end of the year	-	-	-	-
19.2 ESC Receivables				
ESC receivable	-	-	12,880,448	-
Impairment of ESC receivable	-	-	(4,649,733)	-
	-	-	8,230,715	-
20. Cash and cash equivalents				
Cash in Hand				
- Sri Lankan rupees	25,108,630	24,437,521	26,108,630	25,437,521
- Foreign Currencies	48,424,794	43,778,706	48,424,794	43,778,706
Cash at Bank	8,220,234	1,214,404	56,040,364	14,497,403
	81,753,658	69,430,630	130,573,788	83,713,629
Bank Overdraft	-	(9,849,128)	(29,158,517)	(42,508,282)
Cash and cash equivalents as per cash flow statement	**81,753,658**	**59,581,502**	**101,415,271**	**41,205,347**

As at 31st March,	Company		Group	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
21. Stated capital				
10,767,978 Ordinary Shares	**107,679,780**	**107,679,780**	**107,679,780**	**107,679,780**
22. Employee benefits				
Balance as at the beginning of the year	4,785,818	3,560,629	12,429,312	8,555,145
Provision recognized during the year **(Note 22.1)**	1,355,473	1,095,938	4,568,976	3,336,251
Actuarial (gain) / loss during the year **(Note 22.2)**	(34,530)	129,252	(815,631)	537,916
	6,106,761	**4,785,818**	**16,182,656**	**12,429,312**
Payments during the year	(332,400)	-	(332,400)	-
Balance as at the end of the year	**5,774,361**	**4,785,818**	**15,850,256**	**12,429,312**
22.1 Provision recognized in profit or loss				
Current service costs	865,038	761,815	3,345,707	2,571,178
Interest costs	490,435	334,123	1,223,268	765,073
	1,355,473	**1,095,938**	**4,568,976**	**3,336,251**
22.2 Provision recognized in the other comprehensive income				
Actuarial gain during the year	**(34,530)**	**129,252**	**(815,631)**	**(537,916)**

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.

	2019	2018
Discount rate	11.00%	10.50%
Future salary increment Rate	12.00%	10.00%
Staff Turnover	24.57%	27.61%

	Company 2019 Rs.	Company 2018 Rs.	Group 2019 Rs.	Group 2018 Rs.
23. Deferred tax liabilities				
Deferred tax assets **(Note 23.1)**	1,616,821	1,340,030	3,027,446	2,410,119
Deferred tax liabilities **(Note 23.2)**	(3,402,844)	(3,391,022)	(3,662,918)	(3,756,717)
	(1,786,023)	**(2,050,992)**	**(635,472)**	**(1,346,598)**

The movements on the deferred tax account is as follows:

	Company 2019 Rs.	Company 2018 Rs.	Group 2019 Rs.	Group 2018 Rs.
23.1 Deferred tax assets				
Balance at the beginning of the year	1,340,030	996,976	2,410,119	996,976
Origination during the year - recognised in Profit or Loss	286,460	306,863	736,350	1,319,739
Origination / (reversal) during the year - recognised in Other comprehensive income	(9,668)	36,191	(119,023)	93,404
Balance at the end of the year	**1,616,821**	**1,340,030**	**3,027,446**	**2,410,119**

KPMG Chartered Accountants

As at 31st March,	Company		Group	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
23.2 Deferred tax liabilities (cont.)				
Balance at the beginning of the year	(3,391,022)	(3,886,195)	(3,756,717)	(3,886,195)
Reversal / (origination) during the year - recognised in Profit or Loss	(11,822)	495,173	93,799	129,478
Balance at the end of the year	(3,402,844)	(3,391,022)	(3,662,918)	(3,756,717)
Net Deferred tax liability	**(1,786,023)**	**(2,050,992)**	**(635,472)**	**(1,346,598)**

23.3 Deferred tax assets and liabilities are attributable to,

Company	31/03/2019		31/03/2018	
	Temporary difference	Tax effect	Temporary difference	Tax effect
Deferred tax liabilities				
Property, plant and equipment	(12,153,015)	(3,402,844)	(12,110,794)	(3,391,022)
Deferred tax assets				
Employee benefits	5,774,361	1,616,821	4,785,818	1,340,029
Net deferred tax liabilities	**(6,378,654)**	**(1,786,023)**	**(7,324,976)**	**(2,050,993)**

Group	31/03/2019		31/03/2018	
	Temporary difference	Tax effect	Temporary difference	Tax effect
Deferred tax liabilities				
Property, plant and equipment	(14,010,689)	(3,662,918)	(14,722,902)	(3,756,717)
Deferred tax assets				
Employee benefits	15,850,255	3,027,446	12,429,311	2,410,118
Net deferred tax liabilities	**1,839,567**	**(635,472)**	**(2,293,591)**	**(1,346,599)**

	Company		Group	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
24. Amount due to related companies				
Thomas Cook India Limited	**37,726,624**	**24,304,665**	**37,726,624**	**24,304,665**
25. Trade and other payables				
Trade payable	3,390,811	4,804,669	42,417,318	84,487,322
Other payables	7,004,231	3,132,052	157,952,190	36,177,715
	10,395,042	7,936,721	200,369,508	120,665,037

KPMG Chartered Accountants

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

26.1.1 Company	Nature of Relationship	Nature of Transaction	Transaction Amount 2019 (Rs.)	2018 (Rs.)
Thomas Cook India Limited	Parent Company	License fee – (SAP and Mudra)	11,625,325	-
		Allowance to Country Head	-	-
		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	1,052,142	438,034
		Board meeting & other expenses	-	150,146
Sita World Travel Lanka Ltd	Affiliate entity	Investment	-	-

26.1.2 Group	Nature of Relationship	Nature of Transaction	Transaction Amount 2019 (Rs.)	2018 (Rs.)
Thomas Cook India Limited	Parent Company	License fee – SAP and Mudra	11,625,325	-
		Allowance to Country Head	-	-
		Sales	88,850,216	91,611,236
		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	102,974,719	115,037,908
Kuoni Travel - Hong Kong	Subsidiary of Ultimate Parent Company	Sales	7,910,985	15,256,987
		Cost of Sales	-	13,757,591
		Receipts	13,016,792	12,614,679
Travel Corporation India Ltd	Subsidiary of Ultimate Parent Company	Sales	210,440,667	66,985,131
		Cost of Sales	203,747,004	60,547,989
		Receipts	-	130,774,369
SOTC	Subsidiary of Ultimate Parent Company	Sales	125,618,534	26,933,839
		Cost of Sales	-	24,413,556
		Receipts	122,921,080	31,108,476
TCI France	Subsidiary of Ultimate Parent Company	Sales	3,079,287	3,659,246
		Cost of Sales	-	3,184,391
		Receipts	3,267,548	4,207,555
Sita World Travels Limited	Affiliate entity	Investment	-	-
		Cost of sales	-	-
		Reimbursment	6,055	585,074

KPMG Chartered Accountants

For the year ended 31st March 2019

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 company. Accordingly, the Directors of the Company / Group has been classified as KMP of the Company / Group.

Thomas Cook India 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 indireclty. Emoluments paid to key management personnel (Board of Directors) are as follow.

	Company		Group	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
Short term employee benefits	1,016,422	921,563	14,256,352	10,836,483
Post employement benefits	-	-	331,950	286,991

27. Fair Values of Financial Instruments

27.1 Valuation of Financial Instruments Measured at Fair Value

Set out below is a comparison of the carrying amounts and fair values of the financial instruments of the Company which are not measured at fair value in the financial statements.

	Company		Group	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Rs.	Rs.	Rs.	Rs.
Other investments - Non current assets	22,468,126	22,468,126	22,468,126	22,468,126
Other investments - Current assets	109,216,056	109,216,056	109,716,056	109,716,056

27.2 Valuation of Financial Assets and Liabilities not Carried at Fair Value

Set out below is a comparison of the carrying amounts and fair values of the financial instruments of the Company which are not measured at fair value in the financial statements. These tables do not include non-financial assets and liabilities.

	Company		Group	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	Rs.	Rs.	Rs.	Rs.
Financial assets - amortised cost				
Amount due from related companies	25,000,000	25,000,000	-	-
Trade and other receivables	8,643,864	8,643,864	78,850,219	78,850,219
Prepayments	6,977,256	6,977,256	17,930,206	17,930,206
Cash and cash equivalents	81,753,658	81,753,658	130,573,788	130,573,788
	122,374,778	122,374,778	227,354,213	227,354,213
Financial liabilities				
Amount due to related companies	37,726,624	37,726,624	37,726,624	37,726,624
Trade and other payables	10,395,042	10,395,042	200,369,508	200,369,508
Bank overdraft	-	-	29,158,517	29,158,517
	48,121,666	48,121,666	267,254,649	267,254,649

KPMG Chartered Accountants

For the year ended 31st March 2019

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.

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 policies.

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.

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;

KPMG Chartered Accountants

For the year ended 31st March 2019

27.3 Credit risk (cont.)

	Company		Group	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
Trade and other receivables	8,643,864	8,438,419	78,850,219	49,799,300
Other investments - Non current assets	22,468,126	12,029,543	22,468,126	12,029,542
Other investments - Current assets	109,216,056	117,009,101	109,716,056	117,531,555
Amount due from related companies	25,000,000	25,438,034	-	-
Cash and cash equivalents	81,753,658	69,430,630	130,573,788	83,713,629
	247,081,704	**232,345,727**	**341,608,188**	**263,074,026**

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	
	2019	2018	2019	2018
	Rs.	Rs.	Rs.	Rs.
Amount due to related companies	37,726,624	24,304,665	37,726,624	24,304,665
Trade and other payables	10,395,042	7,936,721	200,369,508	120,665,037
Bank overdraft	-	9,849,128	29,158,517	42,508,282
	48,121,666	**42,090,514**	**267,254,649**	**187,477,984**

As at 31st March 2019,

Company

	Carrying amount (Rs.)	Contractual cash flows (Rs.)		
		Up to 3 months	3-12 months	More than a year
Amount due to related companies	37,726,624	-	37,726,624	-
Trade and other payables	10,395,042	10,395,042	-	-
Bank overdraft	-	-	-	-
	48,121,666	**10,395,042**	**37,726,624**	-

As at 31st March 2018,

Company

KPMG Chartered Accountants

	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	-	-
	42,090,514	**17,785,849**	**24,304,665**	-

For the year ended 31st March 2019

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.
- Requirements for the reporting of operational losses and proposed remedial action.
- Development of contingency plans.
- Risk mitigation, including insurance when this is
- Compliance with regulatory and other legal requirements.
- Documentation of controls and procedures.
- Training and professional development.
- 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.

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.

KPMG Chartered Accountants

For the year ended 31 March 2019

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 were no contract for capital expenditure of material amounts approved or contracted for as at the reporting date. There have been no material contingent liabilities outstanding as at the 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 these Financial Statements in accordance with Sri Lanka Accounting Standards laid down by the Institute of Chartered Accountants of Sri Lanka and the Companies Act No. 7 of 2007.

33 Changes in Accounting policies

The Company has adopted SLFRS 15 (Note 33.1) and SLFRS 9 (Note 33.2) from 1 April 2018. However there was no significant impact on financial statements on adoption. Due to the transition methods chosen by the Company in applying these standards, the comparative information throughout these Financial Statements have not been restated to reflect the impact of the new standards.

33.1 SLFRS 15 Revenue from Contracts with Customers

SLFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced LKAS 18 Revenue, LKAS 11 Construction Contracts and related interpretations. Under SLFRS 15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control- at a point in time or over time- requires judgment.

The adoption of SLFRS 15 did not have a significant effect on the Company's Financial Statements.

33.2 SLFRS 9 Financial Instruments

SLFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non- financial items. The standard replaces LKAS 39 Financial Instruments: Recognition and Measurement.

SLFRS 9 contains three principle classification category for financial assets: measured at amortised cost, FVOCI and FVTPL. The classification of financial asset under SLFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. SLFRS 9 eliminates the previous LKAS 39 categories of held to maturity, loans and receivables and available for sale. Under SLFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

The adoption of SLFRS 9 did not have a significant effect on the Company's Financial Statements.

There was no material impact of transition to SLFRS 9 on retained earnings and reserves at April 1, 2018.

KPMG Chartered Accountants

For the year ended 31st March 2019

33.2 SLFRS 9 Financial Instruments (Cont.)

Classification and measurement of financial assets and financial liabilities

The following table and the accompanying notes below explain the original measurement categories under LKAS 39 and the new measurement categories under SLFRS 9 for each class of the Company's financial assets and financial liabilities as at 1 April 2018.

	Original	New classification	Original	New carrying
Financial asset				
Trade and other receivables	Loans and receivable	Amortised cost	8,643,864	8,643,864
Amounts due from Related Parties	Loans and receivable	Amortised cost	25,000,000	25,000,000
Cash and cash equivalents	Loans and receivable	Amortised cost	81,753,658	81,753,658
Total Financial asset			**115,397,522**	**115,397,522**
Financial liability				
Trade Payables	Other financial liabilities	Other financial liabilities	10,395,042	10,395,042
Amounts due to Related Parties	Other financial liabilities	Other financial liabilities	37,726,624	37,726,624
Total Financial liability			**48,121,666**	**48,121,666**

Impairment of Financial Assets

SLFRS 9 replaces the 'incurred loss' model in LKAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost. Under SLFRS 9, credit losses are recognised earlier than under LKAS 39.

The Group has determined that the application of SLFRS 9's did not require changes to the Financial statements.

KPMG Chartered Accountants

TC TOURS LIMITED
Balance Sheet as at March 31, 2019
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Financial assets			
- Investments	5(a)	200.0	-
Deferred tax assets (net)	3	101.3	66.1
Total non-current assets		**301.3**	**66.1**
Current assets			
Financial assets			
- Investments	5(a)	40.0	300
- Trade receivables	5(b)	21,562.9	21,904.5
- Cash and cash equivalents	5(c)	278.8	7.6
- Loans	5(d)	0.3	1,126.3
- Other financial assets	5(e)	2,190.3	1,708.4
Current Tax Assets	4	326.3	273.6
Other current assets	6	10,092.4	2,304.0
Total current assets		**34,491.0**	**27,624.4**
TOTAL ASSETS		**34,792.3**	**27,690.5**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	7	300.0	300.0
Other equity			
-Reserve & surplus	8	1,730.4	1,339.1
Total Equity		**2,030.4**	**1,639.1**
LIABILITIES			
Non-current liabilities			
Employee Benefit Obligations	9	60.6	112.5
Other non-current liabilities	10	-	25.3
Total non-current liabilities		**60.6**	**137.8**
Current liabilities			
Financial liabilities			
- Borrowing	11(a)	-	101.8
- Trade payables	11(b)	30,595.1	23,634.0
- Other financial liabilities	11(c)	13.8	33.8
Employee Benefit Obligations	9	36.5	68.8
Other current liabilities	12	2,055.9	2,075.2
Total current liabilities		**32,701.3**	**25,913.6**
TOTAL LIABILITIES		**32,761.9**	**26,051.4**
TOTAL EQUITY AND LIABILITIES		**34,792.3**	**27,690.5**

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

For and on behalf of the Board of Directors

Atul Shah
Partner
Membership No. 039569

Date: May 23, 2019
Place: Mumbai

Debasis Nandy
Director
DIN: 06368365

Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

TC TOURS LIMITED
Statement of Profit And Loss for the year ended March 31, 2019
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	13	19,016.1	5,340.7
Other income	14	76.7	501.1
Total income		**19,092.8**	**5,841.7**
Expenses			
Cost of services		13,648.1	534.6
Employee benefits expense	15	2,093.7	1,710.2
Finance Cost	16	377.7	337.9
Other expenses	17	2,419.3	2,395.3
Total expenses		**18,538.8**	**4,978.1**
Profit before tax		**554.0**	**863.7**
Less : Tax expense	18		
Current tax		199.1	100.0
Deferred tax		(29.1)	144.9
Total tax expenses		**170.0**	**244.9**
Profit for the year (A)		**384.0**	**618.8**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		(21.9)	9.7
Income tax relating to items that will not be reclassified to profit or loss		6.1	(2.2)
Total other comprehensive income for the year, net of taxes (B)		**(15.8)**	**7.5**
Total comprehensive income for the year (A+B)		**368.2**	**626.2**
Earnings per equity share (Face value of INR 10 each)	23		
- Basic earnings per share (In INR)		12.80	20.63
- Diluted earnings per share (In INR)		12.80	20.63

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

For and on behalf of the Board of Directors

Atul Shah
Partner
Membership No. 039569

Date: May 23, 2019
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Debasis Nandy
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Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

TC TOURS LIMITED
Notes to financial statements for the year ended March 31, 2019
(All amounts in INR Lakhs, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

Equity share capital

Particulars	Amount
Balance as at April 1, 2017	**300.0**
changes in equity share capital during the year	-
Balance as at March 31, 2018	**300.0**
changes in equity share capital during the year	-
Balance as at March 31, 2019	**300.0**

Other Equity

	Reserves and Surplus		
Particulars	**ESOP Reserve**	**Retained Earnings**	**Total Other Equity**
Balance as at April 1, 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 at the March 31, 2018	**2.8**	**1,336.3**	**1,339.1**
Profit for the year	-	384.0	384.0
Other Comprehensive Income	-	(15.8)	(15.8)
Total Comprehensive Income for the year	**-**	**368.2**	**368.2**
Transaction with owners in their capacity as owners			
Employee Stock Option Expense	23.2	-	23.2
Balance as at March 31, 2019	**26.0**	**1,704.5**	**1,730.5**

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

For and on behalf of the Board of Directors

Atul Shah
Partner
Membership No. 039569

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Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

TC TOURS LIMITED
Statement of Cash Flows for the year ended March 31, 2019
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	**Note**	**Year ended March 31,2019**	**Year ended March 31, 2018**
A) Cash flow from operating activities			
Profit before income tax		**554.0**	**863.7**
Adjustments for:			
Interest Income	14	(51.7)	(89.3)
Dividend Income from Investments	14	-	(224.5)
Gains from Mutual Fund		(7.7)	(147.1)
Capital contribution - ESOP	15	23.2	(9.3)
Provision for Doubtful Advances (Net)	17	443.2	(431.1)
Operating profit before changes in operating assets and liabilities		**961.0**	**(37.6)**
Change in operating assets and liabilities:			
Decrease / (Increase) in Trade Receivables		301.4	(21,412.3)
(Increase) in Other Financial Assets		(481.9)	(648.1)
Decrease / (Increase) in Other Current Assets		(8,191.5)	(429.0)
Increase in Employee Benefits Obligation		(106.1)	51.2
(Decrease) / Increase in Trade Payables		6,961.1	8,119.0
Increase in Other Financial Liabilities		(20.0)	3.7
(Decrease) / Increase in Other Liabilities		(44.6)	(26.7)
Cash generated from operations		**(620.7)**	**(14,379.9)**
Income taxes paid		(251.8)	(479.6)
Net cash inflow from operating activities		**(872.5)**	**(14,859.5)**
B) Cash flow from investing activities:			
Interest Received		51.7	79.8
Invesment sold/(made) in Subsidiaries		300.0	(300.0)
Investment (made)/sold in Associates		(200.0)	-
Dividend received on Mutual Funds		-	224.5
Loan given to subsidiary		-	(1,401.8)
Repayment of loan given to subsdiary	14	1,126.0	285.0
(Investment) in mutual funds		(22,715.0)	(371,620.0)
Proceeds from redemption of mutual funds		22,682.7	371,767.0
Net cash inflow / (outflow) from investing activities		**1,245.4**	**(965.5)**
Net increase in cash and cash equivalents		372.9	(15,825.0)
Add: Cash and cash equivalents at the beginning of the financial year		(94.2)	15,730.7
Cash and cash equivalents at the end of the year		**278.7**	**(94.2)**
Reconciliation of Cash Flow statements as per the cash flow statement		**31 March 2019**	**31 March 2018**
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents		278.8	7.6
Bank Overdrafts		-	(101.8)
Balances as per statement of cash flows		278.8	(94.2)

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 (Acounts) Rules, 2015.
2. 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

For and on behalf of the Board of Directors

Atul Shah
Partner
Membership No. 039569

Date: May 23, 2019
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Debasis Nandy
Director
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Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

General Information

TC Tours Limited (CIN-U63040MH1989PLC054761) (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 March 31, 2019. In accordance with proviso of the Rule 4A of Companies Accounting Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting Standards.

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 in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

(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

Revenue is measured based on transaction price, which is the consideration paid for services. Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services. Revenue from rendering of services is net of Indirect taxes and discounts.

Effective April 1, 2018 the Company has applied Ind AS 115 which replaces Ind AS 18 revenue recognition. Refer Note 1.4 – Significant accounting policies – Revenue recognition in the Financial Statements of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18.

(a) Income from operations

The Company earns revenue from travel and related services and human resource services.

(i) Travel and related services

It comprises of leisure tours packages within India and outside India. Revenue on leisure tours/holiday packages are recognized on the completion of the performance obligation which is on the date of departure of the tour.

It also includes income from the sale of airline tickets which 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/global distribution systems ('GDSs') are recognized as and when the performance obligations under the schemes are achieved.

(ii) Human resource services

It comprises of training fees. These trainings are generally of short term in nature. Revenue is recognized in the period in which services are being rendered.

(b) Contract balances (effective from 1 April 2018)

(i) Contract assets

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company performs by rendering services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(ii) Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

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 Leases

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.

As a lessee:

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.

Lease arrangements of property, plant and equipments where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised 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 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).

(t 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.

1.8 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

1.9 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.

2.0 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.

2.1 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.

2.2 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.

2.3 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.

2.4 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.

2.5 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.

2.6 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.

2.7 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.

2.8 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.

2.9 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 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.

Estimation of defined benefit obligation (Refer note 9) involves critical estimates and judgements.

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

Notes to financial statements for the year ended March 31, 2019

(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, 2019	As at March 31, 2018
Deferred Tax Liabilities	-	-
Deferred Tax Assets		
On provisions allowable for tax purpose when paid	16.4	48.6
On Provision for Doubtful Advances	84.9	17.5
Net Deferred Tax Assets	**101.3**	**66.1**

Movement in Deferred Tax Assets

Particulars	On provisions allowable for tax purpose when paid	On Provision for Doubtful Advances	Total
As at April 1, 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**
charged/(credited)			
-to profit or loss	(38.3)	67.4	29.1
-to other comprehensive income	6.1	-	6.1
As at March 31, 2019	**16.4**	**84.9**	**101.3**

Note 4: Current Tax Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	273.6	(106.0)
Less: Current Tax payable for the year	(199.1)	(100.0)
Add: Taxes Paid	251.8	479.6
Closing Balances - Current Tax Asset/(Liabilities)	**326.3**	**273.6**

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

(All amounts in INR Lakhs, unless otherwise stated)

Note 5: Financial Assets

5(a)Investments

Particulars	Non-current	Current	Non-current	Current
	March 31, 2019	March 31, 2019	March 31, 2018	March 31, 2018
Unquoted - In subsidiaries at cost				
NIL (Previous year: 3,000,000) fully paid-up Equity Shares of INR 10/- each of TC Travel Services Limited *[Refer Note 28]*	-	-	-	300.0
Unquoted - In associates at cost				
2510 (Previous year: Nil) fully paid up 0.0001%Convertible Cummulative Preference Shares of INR 100/- each ofTraveljunkie Solutions Private Limited *[Refer Note 29]*	200.0	-	-	-
Quoted - Investment in mutual funds fair valued through Profit and Loss account				
1367.571 (Previous year: Nil) Units of INR 1000/- each in SBI Liquid Fund Direct Growth	-	40.0	-	-
Total	**200.0**	**40.0**	**-**	**300.0**
Aggregate amount of quoted investments	-	40.0	-	-
Aggregate amount of unquoted investments	200.0	-	-	300.0
Aggregate market value of quoted investments	-	40.0	-	-
Aggregate amount of impairment in the value of investments	-	-	-	-

5(b)Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	21,604.4	21,905.8
Less: Allowance for doubtful debts	(41.5)	(1.3)
Total recievables	**21,562.9**	**21,904.5**
Break up of Security Details		
Unsecured, considered good	21,562.9	21,904.5
Unsecured, considered Doubtful	41.5	1.3
Total	**21,604.4**	**21,905.8**
Less: Allowance for doubtful debts	(41.5)	(1.3)
Total Trade Recievables	**21,562.9**	**21,904.5**

5(c) Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks:		
In current accounts	273.5	7.6
Fixed Deposits with original maturity of less than three months	-	-
Cash in hand	0.0	-
Cheques on hand	5.3	-
Total Cash and cash equivalents	**278.8**	**7.6**

5(d) Loans

Particulars	As at March 31, 2019	As at March 31, 2018
Loans to Related Parties	0.3	1,126.3
Total Loans	0.3	**1,126.3**

5(e) Other financial Assets

Particulars	Non-current	Current	Non-current	Current
	March 31, 2019	March 31, 2019	March 31, 2018	March 31, 2018
Accrued Revenue	-	2,118.8	-	1,652.3
Advances to Related Parties	-	71.5	-	56.1
Total Other Financial Assets		**2,190.3**	**-**	**1,708.4**

Note 6: Other Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Advance to Suppliers		
Considered good	9,821.6	2,032.3
Considered Doubtful	466.3	62.9
Less: Allowance for doubtful advances	(466.3)	(62.9)
	9,821.6	**2,032.3**
Advance to Employees		
Considered good	3.9	8.1
Considered Doubtful	0.3	0.7
Less: Allowance for doubtful debts	(0.3)	(0.7)
	3.9	**8.1**
Prepaid expenses	21.5	13.6
Balances with Government authorities	245.4	250.0
Total	**10,092.4**	**2,304.0**

TC TOURS LIMITED
Notes to financial statements for the year ended March 31, 2019
(All amounts in INR Lakhs, unless otherwise stated)

Note 7: Equity Share Capital

Equity Share capital

Particulars	No of Shares (In lakhs)	Amount
AUTHORISED		
As at April 1, 2017	**30.0**	**300.0**
Increase during the year	-	-
As at March 31, 2018	**30.0**	**300.0**
Increase during the year	-	-
As at March 31, 2019	**30.0**	**300.0**

(i) Movement in Equity Share Capital during the Year

Particulars	No of Shares (In lakhs)	Amount
As at April 1, 2017	**30.0**	**300.0**
Add: No of Shares issued during the year	-	-
As at March 31, 2018	**30.0**	**300.0**
Add: No of Shares issued during the year	-	-
As at March 31, 2019	**30.0**	**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, 2019		As at March 31, 2018	
	No of Shares (In lakhs)	Amount	No of Shares (In lakhs)	Amount
Equity Shares				
Thomas cook (India) Limted and its Nominees	30.0	300.0	30.0	300.0

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

Category of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No of shares (In lakhs)	% of Holding	No of shares (In lakhs)	% of Holding
Equity Shares				
Thomas cook (India) Limted and its Nominees	30.0	100.0%	30.0	100.0%

Note 8: Reserves and surplus

Particulars	As at March 31, 2019	As at March 31, 2018
Retained Earnings	1704.5	1336.3
ESOP Reserve	25.9	2.7
Total reserves and surplus	**1730.4**	**1339.1**

Retained Earnings

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	1336.3	710.1
Net Profit for the year	384.0	618.8
Items of other Comprehensive income recognised directly in retained earnings		
Remeasurements of post-employement benefit obligtion, net of tax	(15.8)	7.5
Closing Balance	**1704.5**	**1336.3**

ESOP Reserve

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	2.7	12.0
Capital Contribution towards ESOP Expenses	23.2	(9.3)
Closing Balance	**25.9**	**2.7**

ESOP Reserve

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

Note 9: Employee Benefit Obligations

Particulars	March 31, 2019			March 31, 2018		
	Non Current	Current	Total	Non Current	Current	Total
Leave Entitlement	-	16.3	16.3	-	20.5	20.5
Gratuity	60.6	(0.0)	60.6	112.5	-	112.5
Employee Benefit Payables	-	20.2	20.2	-	48.3	48.3
Total	**60.6**	**36.5**	**97.1**	**112.5**	**68.8**	**181.3**

(i)Leave Obligations - Leave Entitlement

The leave obligations cover the Company's liability for earned leave.

The amount of the provision of INR 16.3 (31 March 2018 - INR 20.5) 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, 2019	As at March 31, 2018
Current leave obligations expected to be settled within next 12 months	16.3	20.5

(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 60.9 Lakhs (31 March 2018 - INR 50.1 Lakhs).

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
April 1, 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	5.1	-	5.1
(Gain)/loss from change in financial assumptions	-1.0	-	-1.0
Experience (gains)/losses	-13.8	-	-13.8
Total amount recognised in other comprehensive income	**-9.7**	**-**	**-9.7**
Employer contributions	-	-	-
Benefit payments	-	-	-
March 31, 2018	**112.5**	**-**	**112.5**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
March 31, 2018	**112.5**	-	**112.5**
Current service cost	14.9	-	14.9
Interest expense/(income)	7.5	-	7.5
Total amount recognised in profit and loss	**22.4**	**-**	**22.4**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)		2.0	-2.0
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	2.4	-	2.4
Experience (gains)/losses	21.5	-	21.5
Total amount recognised in other comprehensive income	**23.9**	**2.0**	**21.9**
Employer contributions		96.2	-96.2
Benefit payments	-4.7	-4.7	-
March 31, 2019	**154.1**	**93.5**	**60.6**

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

Particulars	As at March 31, 2019	As at March 31, 2018
Present value of funded obligations	154.1	-
Fair value of plan assets	93.5	-
Deficit of funded plan	60.6	-
Unfunded plans	-	112.5
Deficit of gratuity plan	**60.6**	**112.5**

(All amounts in INR Lakhs, unless otherwise stated)

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Discount rate	7.00%	7.35%
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 31,2019	March 31,2018	March 31,2019	March 31,2018	March 31,2019	March 31,2018
Discount rate	50 basis point	50 basis point	-2.25%	-2.18%	2.36%	2.28%
Salary growth rate	50 basis point	50 basis point	2.37%	2.30%	-2.28%	-2.21%

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.

b) 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.

(vi) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 4.60 years (2018 - 4.45 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, 2019	31.8	36.6	58.3	100.6	**227.3**
Post Employment Obligations as at March 31, 2018	23.5	19.7	49.3	74.8	**167.4**

TC TOURS LIMITED
Notes to financial statements for the year ended March 31, 2019
(All amounts in INR Lakhs, unless otherwise stated)

Note 10: Other Non-Current Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Income Received In Advance	-	25.3
Total	**-**	**25.3**

Note 11: Financial Liabilities

11(a) Current Borrowings

Particulars	Maturity Date	Terms of Payment	Coupon/ Interest Rate	As at March 31, 2019	As at March 31, 2018
Unsecured					
Bank Overdrafts	Payable on Demand		9.1%	-	101.8

Note 11(b): Trade Payables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables		
-Dues of micro enterprises and small enterprises	-	-
-Dues of creditors other than micro enterprises and small enterprises	30,595.1	23,634.0
Total Trade Payables	**30,595.1**	**23,634.0**

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.

Note 11(c): Other Financial Liablities

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-Current	Current	Non-Current	Current
Advance from Related Party	-	13.8	-	33.8
Total Other Financial Liablities	-	**13.8**	-	**33.8**

Note 12: Other Current Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Income Received In Advance	1,591.9	1,759.7
Statutory Dues	464.0	315.5
Total	**2,055.9**	**2,075.2**

TC TOURS LIMITED
Notes to financial statements for the year ended March 31, 2019
(All amounts in INR Lakhs, unless otherwise stated)

Note 13: Revenue from Operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of Services		
- Travel and Related Services	18,999.7	5,054.3
Other Operating Revenue		
- Human Resource Services	16.4	286.4
Total	**19,016.1**	**5,340.7**

Also refer note 27 for IND AS 115 disclosure

Note 14: Other Income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Income on Bank Deposits	3.3	44.2
Interest Income on Loan Given	48.5	45.2
Dividend Income from Mutual Fund Investments	-	224.5
Gains from Mutual Fund	7.7	147.1
Claims Written back	-	30.4
Miscellaneous Income	17.2	9.7
Total	**76.7**	**501.1**

Note 15: Employee Benefit Expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries Wages and Bonus	1,960.3	1,614.8
Contribution to Provident and Other Funds	61.5	50.1
Gratuity (Refer note 9)	22.4	22.4
Employees Stock Option Scheme*	23.2	(9.3)
Staff Welfare Expenses	26.3	32.2
Total	**2,093.7**	**1,710.2**

*ESOP reversal on account of ESOP cancelled.

Note 16: Finance Costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on Bank Overdraft	0.3	11.8
Other Finance Charges	377.4	321.9
Interest on shortfall of Advance tax	-	4.2
Total	**377.7**	**337.9**

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

Note 17: Other Expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent (Refer note 26)	130.4	126.2
Electricity	14.3	29.6
Repairs and Maintenance	286.7	172.8
Rates and Taxes	19.7	8.9
Security Services	73.0	101.6
Travelling Expenses	35.1	27.8
Legal and Professional Charges #(Refer note below "a")	996.0	994.3
Printing, Stationery and Communication Cost	64.8	77.3
Airline Inventory Loss	648.1	687.7
Advertisment Expenses	9.5	44.6
CSR Expenses (Refer note below "b")	16.6	6.6
Miscellaneous Expenses	125.1	117.9
Total	**2,419.3**	**2,395.3**

Legal and Professional charges include auditors remuneration

(a): Details of payments to auditors

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Payment to auditors		
As auditor:		
-Statutory Audit	5.9	8.5
-Tax Audit	1.5	1.5
In other capacities		
-Re-imbursement of expenses	-	-
Total payments to auditors	**7.4**	**10.0**

(b): Corporate social responsibility expenditure

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Gross amount required to be spent by the Company during the year	12.4	6.6
(b) Amount spent and paid during the year on		
(1) Eradicating Hunger, Poverty & Malnutrition, Promoting Health-Care Including Preventive Health-Care And Sanitation	16.6	6.6

TC TOURS LIMITED
Notes to financial statements for the year ended March 31, 2019
(All amounts in INR Lakhs, unless otherwise stated)

Note 18: Income Tax Expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Income tax expense		
Current tax		
Current tax on profits for the year	199.1	100.0
Adjustments for current tax of prior periods	-	-
Total current tax expense	**199.1**	**100.0**
Deferred tax		
increase in deferred tax assets	-29.1	144.9
Total deferred tax credit	**-29.1**	**144.9**
Income tax expense	**170.0**	**244.9**

(b) The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit from continuing operations before income tax expense	554.0	863.7
Tax at the Indian tax rate of 27.82% (PY - 27.82%)	**154.1**	**240.3**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Interest on shortfall of advance tax	-	1.2
CSR Expenditure	4.6	1.8
Buffer tax created	-	8.6
Dividend income	-	(62.4)
Sec 14A Disallowance	-	15.9
On account of rate difference as compared to previous year	-	39.6
Other items	11.3	0.0
Income tax expense	**170.0**	**244.9**

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, 2019	As at March 31, 2018
Past due 1–90 days		15,103.0	14,417.9
Past due 91–180 days		4,273.1	4,257.1
Past due 180–365 days		851.1	1,518.9
Past due > 365 days		1,377.2	1,711.9
		21,604.4	**21,905.8**

Reconciliation of loss allowance provision – Trade receivables

Reconciliation of loss allowance	Amount
Loss allowance on March 31, 2017	**-**
Changes in loss allowance	(1.3)
Loss allowance on March 31, 2018	**(1.3)**
Changes in loss allowance	(40.2)
Loss allowance on March 31, 2019	**(41.5)**

Expected credit loss assessment for customers as at March 31, 2018 and March 31, 2019

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 278.8 Lacs and INR 7.6 Lacs as at March 31, 2019 and March 31, 2018 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 1789.7 as at March 31, 2019 and 1,710.8 as at March 31, 2018.

(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 interest

		Contractual cash flows				
March 31, 2018	**Carrying amount**	**Total**	**1 year**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities						
Trade payables	30,595.1	30,595.1	30,595.1	-	-	-
Other financial liabilities	13.8	13.8	13.8	-	-	-
Total	**30,608.9**	**30,608.9**	**30,608.9**	**-**	**-**	**-**

		Contractual cash flows				
March 31, 2017	**Carrying amount**	**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**	**-**	**-**	**-**

(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
Notes to financial statements for the year ended March 31, 2019
(All amounts in INR Lakhs, unless otherwise stated)

Note 22: Related Party Transactions

(a) Parent Entities:
The Company is controlled by the following entities:

Name	Relationship	Place of Business/ Country of Incorporation	Ownership Interest (%)	
			As at March 31, 2019	As at March 31, 2018
Fairfax Financial Holdings Limited	Ultimate Holding	Canada	-	-
Thomas Cook (India) Limited, India	Parent entity	India	100%	100%

(b) Names of related parties and related party relationship:

Name of Entity	Relationship	Place of Business/ Country of Incorporation
Fairfax Financial Holdings Limited	Ultimate Holding	Canada
Thomas Cook (India) Limited	Parent entity	India
SOTC Travel Limited	Fellow Subsidiary	India
Travel Corporation (India) Limited	Fellow Subsidiary	India
TC Travel Services Limited *(was subsidiary of TC Tours Limited uptill 3 April, 2018.)(Refer note 27)*	Fellow Subsidiary	India
Quess Corp Limited *(was fellow subsidiary upill February 28, 2018.)*	Fellow Associate	India

(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, 2019	March 31, 2018
(i) Ultimate Holding Company		
Reimbursement of Expenses (Net)		
Fairfax Financial Holdings Limited	25.3	21.3
(ii) Holding Company		
Sale of Services		
Thomas Cook (India) Limited	175,943.1	155,226.9
Facilities and Support Services Availed		
Thomas Cook (India) Limited	510.7	641.0
ESOP Share Issue Push Down Cost/(Benefit)		
Thomas Cook (India) Limited	23.2	-9.3
Corporate Gurantee fees		
Thomas Cook (India) Limited	5.3	2.6
Reimbursement of Expenses (Net)		
Thomas Cook (India) Limited	12.3	-
Sale of shares of TC Travel		
Thomas Cook (India) Limited	300.0	-
(ii) Fellow subsidiaries		
Sale of Services		
SOTC Travel Limited	6,393.4	-
Facilities and Support Services Availed		
Travel Corporation (India) Limited	35.0	35.0
Other Professional Chagres (Outsourced Staff)		
Quess Corp Limited	222.5	341.2
Interest received on loan given		
TC Travel Services Limited	48.5	45.2
Loan Given		
TC Travel Services Limited	-	1,401.8
Repayment of Loan		
TC Travel Services Limited	1,174.5	285.0

(All amounts in INR Lakhs, unless otherwise stated)

(e) 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, 2019	March 31, 2018
Trade Payables		
Thomas Cook (India) Limited	684.3	1,971.3
SOTC Travel Limited	182.9	-
Quess Corp Limited	1.2	29.1
Travel Corporation (India) Limited	0.7	-
Advances from Related Parties		
Thomas Cook (India) Limited	12.9	-
SOTC Travel Limited	0.9	-
Total payables to related parties	**869.1**	**2,000.4**

Particulars	March 31, 2019	March 31, 2018
Advances to Related Parties		
Travel Corporation (India) Limited	33.6	33.6
Fairfax Financial Holdings Limited	37.9	15.1
SOTC Travel Limited	-	6.8
Loan Given to Related parties		
TC Travel Services Limited	0.3	1,126.3
Trade Receivables		
Thomas Cook (India) Limited	16,738.9	21,562.1
TC Travel Services Limited	1,142.5	-
SOTC Travel Limited	1,801.2	-
Total receivables from related parties	**19,754.4**	**22,743.8**

Note 23: Earnings Per Share

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Net Profit attributable to equity shareholders	384.0	618.8
Weighted average number of outstanding shares	30.0	30.0
(a) Basic earnings per share		
Attributable to the equity holder of the company	12.8	20.6
(b) Diluted earnings per share		
Attributable to the equity holder of the company	12.8	20.6

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

Particulars	March 31, 2019	March 31, 2018
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	384.0	618.8
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	384.0	618.8

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

Particulars	March 31, 2019	March 31, 2018
Weighted average number of equity shares used as the denominator in calculating basic earning per share	30.0	30.0
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	30.0	30.0

(All amounts in INR Lakhs, unless otherwise stated)

Note 24: 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 130.4 (March 31, 2018: INR 126.2).

Note 25: 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, 2019. 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.

Note 26: 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 27 - IND AS 115 'Revenue from Contracts with Customers':

With effect from 1 April 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' that replaces Ind AS 18. It introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer.

The Company has opted for the cumulative effect method (modified retrospective application) permitted by Ind AS 115 upon adoption of new standard. Accordingly, the standard has been applied for the year ended March 31, 2019 only (i.e. the initial application period). This method requires the recognition of cumulative impact of adoption of Ind AS 115 on all contracts as at April 1, 2018 ('transition date') in equity and the comparative information continues to be reported under Ind AS 18. The impact of the adoption of the standard on the financial statements is not material.

Also the Company has elected to use the practical expedient that there is no financing component involved when the credit period offered to customers is less than 12 months.

Prior to adoption of IND AS 115, the Company's revenue was primarily comprised of Revenue from travel and related services and human resource services. The recognition of these revenue streams is largely unchanged by Ind AS 115.

i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes, in its Statement of Profit and Loss

Particulars	For the year ended March 31, 2019
Travel and Related Services	18,999.7
Human Resource Services	16.4
	19,016.1

ii) Disaggregate Revenue

The following table presents Company revenue disaggregated by type of revenue stream and by geography:

Revenue based on geography

Particulars	For the year ended March 31, 2019
India	16,840.7
Overseas	2,175.4
	19,016.1

Revenue based on product and services

Particulars	For the year ended March 31, 2019
Travel and Related Services	18,999.7
Human Resource Services	16.4
	19,016.1

iii) Contract balance

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over/service is delivered.

Advance Collections is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from global distribution systems towards performance linked bonuses. Revenue from Performance linked bonuses from global distribution systems ('GDSs') is recognized as and when the performance obligations under the schemes are achieved

Revenue from contract with customers

Particulars	As at March 31, 2019	As at April 01, 2018
Income Received In Advance	1,591.9	1,785.0
	1,591.9	1,785.0

Note 28: Sale of invesment in TC Travel Services Limited:

During the current year, the Company has sold its entire equity stake (comprising 3,000,000 fully paid-up Equity Shares of INR 10/- each) in its subsidiary TC Travel Services Limited to Thomas Cook (India) Limited for a consideration of INR 300 Lacs. The sale results in transfer of control of TC Travel Services Limited, as per Ind AS 110, from TC Tours Limited to Thomas Cook (India) Limited. Consequent to this the Company's stake in TC Travel Services Limited is reduced to NIL.

Note 29: Investment made in Traveljunkie Solutions Private Limited:

During the year ended March 31, 2019, the Company has entered into an Share Subscription and Shareholders' Agreement ("SSSA") dated 16 November 2018 with a travel start up called Traveljunkie Solutions Private Limited ("TravelJunkie"), promoters and other seed investors to acquire 24% stake for a consideration of Rs. 400.0 lakhs in 3 tranches as per the terms of the SSSA. In accordance with SSSA, the Group has acquired 15.57% stake for a consideration of 200 lakhs (First Tranche). Considering provisions of the SSSA, the company has classified investment in Traveljunkie as associate as per Ind AS 28, Investment in Associates.

Note 30: Supreme Court Ruling on allowances to be included in basic wages for computation of Provident Fund Contribution:

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of provident fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

Management has accounted for the liability for the period from date of the SC order to 31 March 2019. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

Note 31: Recent Accounting Pronouncements

Standards issued but not yet effective:

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116 Leases which replaces the existing Ind AS 17 Leases. The new standard will come into force from April 1, 2019.

The core principle of the new standard lies in identifying whether the contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The new standard modifies the accounting of leases in the books of lessee. At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability, for all leases with a term of more than 12 months, unless the underlying asset is of a low value. The accounting for leases in the books of the lessor is substantially similar to the requirements of Ind AS 17.

The standard allows for two methods of transition: the full retrospective approach, requires entities to retrospectively apply the new standard to each prior reporting period presented and the entities need to adjust equity at the beginning of the earliest comparative period presented, or the modified retrospective approach, under which the date of initial application of the new leases standard, lessees recognize the cumulative effect of initial application as an adjustment to the opening balance of equity as of annual periods beginning on or after April 1, 2019.

The Company will adopt this standard using modified retrospective method effective April 1, 2019, and accordingly, the comparative for year ended March 31, 2019, will not be retrospectively adjusted. The effect on adoption of Ind AS 116 is being ascertained.

Note 32: Subsequent Events:

In April 2019, the Company has invested further Rs. 99.9 Lakhs in TravelJunkie Solutions Private Limited ("TravelJunkie").

Note 33: Previous year's figures has been regrouped/rearranged wherever necessary to confirm with current year's figure.

Signatures to Notes 1 to 33 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

For and on behalf of the Board of Directors

Atul Shah	**Debasis Nandy**	**Abraham Alapatt**
Partner	Director	Director
Membership No. 039569	DIN: 06368365	DIN No. 6809421
Date: May 23, 2019	Date: May 23, 2019	Date: May 23, 2019
Place: Mumbai	Place: Mumbai	Place: Mumbai

Borderless Travel Services Limited
Balance Sheet as at March 31, 2019

(Amount in Rupees)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Current assets			
Financial assets			
- Cash and cash equivalents	3	5,41,481	-
- Other financial assets		-	-
Current Tax Assets		-	-
Other current assets		-	-
Total current assets		**5,41,481**	**-**
TOTAL ASSETS		**5,41,481**	**-**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	4	50,000	50,000
Other equity			
-Reserve & surplus	5	-5,37,212	-4,85,222
Total Equity		**-4,87,212**	**-4,35,222**
LIABILITIES			
Current liabilities			
Financial liabilities			
- Other financial liabilities	6	10,27,297	4,34,928
Other current liabilities	7	1,396	294
Total current liabilities		**10,28,693**	**4,35,222**
TOTAL LIABILITIES		**10,28,693**	**4,35,222**
TOTAL EQUITY AND LIABILITIES		**5,41,481**	**-**

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 23, 2019
Place: Mumbai

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6775970

Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

Borderless Travel Services Limited
Statement of Profit And Loss for the year ended March 31, 2019

(Amount in Rupees)

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from Operations		-	-
Total income		-	-
Expenses			
Finance Cost	8	1,840	345
Other expenses	9	50,150	34,029
Total expenses		**51,990**	**34,374**
Profit before tax		**-51,990**	**-34,374**
Less : Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expenses		-	-
Profit for the year (A)		**-51,990**	**-34,374**
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)		**-51,990**	**-34,374**
Earnings per equity share (Face value of INR 10 each)	14		
- Basic earnings per share (In INR)		-10.40	-6.87
- Diluted earnings per share (In INR)		-10.40	-6.87

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

For and on behalf of the Board of Directors

Atul Shah
Partner
Membership No. 39569

Date: May 23, 2019
Place: Mumbai

Rajeev Kale
Director
DIN: 6775970

Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

Borderless Travel Services Limited
Notes to financial statements for the year ended March 31, 2019

STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital **(Amount in Rupees)**

Particulars	Amount
Balance as at April 1, 2017	**50,000**
changes in equity share capital during the year	-
Balance as at March 31, 2018	**50,000**
changes in equity share capital during the year	-
Balance as at March 31, 2019	**50,000**

(B) Other Equity

	Reserves & Surplus	
Particulars	**Retained Earnings**	**Total Reserve & Surplus**
Balance as at April 1, 2017	**-4,50,848**	**-4,50,848**
Profit for the year	-34,374	-34,374
Other Comprehensive Income	-	-
Total Comprehensive Income for the year ended March 31,2018	-	-
Transaction with owners in their capacity as owners		
Balance at the March 31, 2018	**-4,85,222**	**-4,85,222**
Profit for the year	-51,990	-51,990
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	-	-
Transaction with owners in their capacity as owners		
Balance as at March 31, 2019	**-5,37,212**	**-5,37,212**

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

For and on behalf of the Board of Directors

Atul Shah
Partner
Membership No. 39569

Date: May 23, 2019
Place: Mumbai

Rajeev Kale
Director
DIN: 6775970

Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

Borderless Travel Services Limited
Statement of Cash Flows for the year ended March 31, 2019

(Amount in Rupees)

Particulars	**Note**	**Year ended March 31,2019**	**Year ended March 31, 2018**
A) Cash flow from operating activities			
Profit before income tax		**(51,990)**	**(34,374)**
Adjustments for:			
Interest Income		-	-
Interest income on bank deposit		-	-
Operating profit before changes in operating assets and liabilities		**(51,990)**	**(34,374)**
Change in operating assets and liabilities:			
Increase/(Decrease) in Other financial Liabilities		5,92,369	38,463
Increase/(Decrease) in Other Liabilities		1,102	(4,586)
Increase/ (Decrease) in Other Assets		-	-
Increase/ (Decrease) in Other Financial Assets		-	-
Cash generated from operations		**5,41,481**	**(497)**
Income taxes paid		-	-
Net cash inflow from operating activities		**5,41,481**	**(497)**
B) Cash flow from investing activities:			
Interest Received		-	-
Invesment in Subsidiaries		-	-
Dividend received on Mutual Funds		-	-
Proceeds / (Investment) in Bank fixed deposits, including interest income		-	-
Loan given to subsidiary		-	-
Repayment of loan given to subsdiary		-	-
(Investment) in mutual funds		-	-
Proceeds from redemption of mutual funds		-	-
Net cash inflow / (outflow) from investing activities		**-**	**-**
Net increase in cash and cash equivalents		5,41,481	(497)
Add: Cash and cash equivalents at the beginning of the financial year		-	497
Cash and cash equivalents at the end of the year		**5,41,481**	**-**
Reconciliation of Cash Flow statements as per the cash flow statement		**31 March 2019**	**31 March 2018**
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents		5,41,481	-
Bank Overdrafts		-	-
Balances as per statement of cash flows		5,41,481	-

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 (Acounts) Rules, 2015.
2. 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 23, 2019
Place: Mumbai

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6775970

Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

General Information

Borderless Travel Services Limited was incorporated on August 25th, 2015 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') In accordance with proviso of the Rule 4A of Companies Accounting Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards 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, 2019.

Current V/s Non-Current

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 in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-noncurrent classification of assets and liabilities.

1.2 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.

1.3 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.

1.4 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.

1.5 Rounding of amounts

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

1.6 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. 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 51,989/-, 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.

Note 3: Financial Assets

Cash and cash equivalents **(Amount in Rupees)**

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Balances with banks :		
In current accounts	5,41,481	-
Cash in hand	-	-
Cheques on hand	-	-
Total Cash and cash equivalents	**5,41,481**	**-**

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2019

Note 4: Equity Share Capital

Equity Share capital (Amount in Rupees)

Particulars	No of Shares	Amount
AUTHORISED		
As at April 1, 2017	**10,00,000**	**1,00,00,000**
Increase during the year	-	-
As at March 31, 2018	**10,00,000**	**1,00,00,000**
Increase during the year	-	-
As at March 31, 2019	**10,00,000**	**1,00,00,000**

(i) Movement in Equity Share Capital during the Year

Particulars	No of Shares	Amount
As at April 1, 2017	**5,000**	**50,000**
Add: No of Shares issued during the year	-	-
As at March 31, 2018	**5,000**	**50,000**
Add: No of Shares issued during the year	-	-
As at March 31, 2019	**5,000**	**50,000**

(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 Holding Company

Particulars	As at March 31, 2019		As at March 31, 2018	
	No of Shares	Amount	No of Shares	Amount
Equity Shares				
Thomas cook (India) Limited (Holding Company) and its Nominees	5,000	50,000	5,000	50,000

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

Category of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No of Shares	% of Holding	No of Shares	% of Holding
Equity Shares				
Thomas cook (India) Limited (Holding Company) and its Nominees	5,000	100%	5,000	100%

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2019

Note 5: Reserves and surplus **(Amount in Rupees)**

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Retained Earnings	-5,37,212	-4,85,222
Total reserves and surplus	**-5,37,212**	**-4,85,222**

Retained Earnings

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Opening Balance	**-4,85,222**	**-4,50,848**
Net Profit for the year	-51,990	-34,374
Items of other Comprehensive income recognised directly in retained earnings		
Closing Balance	**-5,37,212**	**-4,85,222**

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2019

Note 6: Other Financial Liablities **(Amonut in Rupees)**

Particulars	As at March 31,2019	As at March 31,2018
Advance from Related Party	10,15,297	4,12,985
Bank Overdraft	-	262
Liabilities against expense	12,000	21,681
Total Other Financial Liablities	**10,27,297**	**4,34,928**

Note 7: Other Current Liabilities

Particulars	As at March 31,2019	As at March 31,2018
Statutory Dues	1,396	294
Total	**1,396**	**294**

Note 8: Finance Costs (Amount in Rupees)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Other Finance Charges	1,840	345
Total	**1,840**	**345**

Note 9: Other Expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Legal and Professional Charges #(Refer note below "a")	50,150	34,029
Miscellaneous Expenses	-	-
Total	**50,150**	**34,029**

Legal and Professional charges include auditors remuneration

(a): Details of payments to auditors

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Payment to auditors		
As auditor:		
-Statutory Audit	18,290	12,000
-Tax Audit	-	-
In other capacities		
-Re-imbursement of expenses	-	-
Total payments to auditors	**18,290**	**12,000**

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2019

Note 10: 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 11: Financial risk management
Being a non - operating company, the company is not exposed to any kind of risk.

Note 12: 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, 2019 and March 31, 2018.

Borderless Travel Services Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2019

Note 13: 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, 2019	As at March 31, 2018
Thomas Cook (India) Limited, India ("TCIL") holds 100% of Equity Shares of the Company. (Fairbridge Capital (Mauritius) Limited, Mauritius ("FCML") holds 66.94% 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 Management personnel

Particulars
Amit Madhan
Rajeev Kale
Abraham Alapatt

(c) Transactions with related parties
The following transactions occurred with related parties:

Nature of transaction	March 31, 2019	March 31, 2018
(i) Holding Company		
Reimbursement of Expenses (Net)		
Thomas Cook (India) Limited	6,02,312.4	67,760
Balance as at the year end		
Outstanding Payable		
Thomas Cook (India) Limited	10,15,297.0	4,12,985

Note 14: Earnings Per Share

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Net Profit attributable to equity shareholders	-51,990	-34,374
Weighted average number of outstanding shares	5,000	5,000
(a) Basic earnings per share		
Attributable to the equity holder of the company	-10.40	-6.87
(b) Diluted earnings per share		
Attributable to the equity holder of the company	-10.40	-6.87

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

Particulars	March 31, 2019	March 31, 2018
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	-51,990	-34,374
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	**-51,990**	**-34,374**

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

Particulars	March 31, 2019	March 31, 2018
Weighted average number of equity shares used as the denominator in calculating basic earning per share	5,000	5,000
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	5,000	5,000

Note 15: Segmental Reporting

Since the Company has no operations, there are no reportable segments.

Note 16: 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, 2019. 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.

Note 17

As at March 31, 2019, 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 23, 2019 by written support letter.

Signatures to Notes 1 to 17 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

For and on behalf of the Board of Directors

Atul Shah
Partner
Membership No. 39569

Date: May 23, 2019
Place: Mumbai

Rajeev Kale
Director
DIN: 6775970

Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

TC Forex Services Limited

(formerly known as Tata Capital Forex Limited)

Balance Sheet

as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March, 2019	As at 31 March, 2018
ASSETS			
Non-current assets:			
Property, plant and equipment	4	**28.68**	55.13
Other intangible Assets	5	**4.11**	-
Financial assets			
- Loans	6 (c)	**113.17**	46.15
- Other financial assets	6 (d)	-	-
Non Current Tax assets	9	**277.98**	269.62
Deferred tax assets (net)	9(a)	-	-
Other non-current assets	7	**119.73**	133.56
Total non-current assets		**543.67**	**504.47**
Current assets:			
Financial assets			
- Trade receivables	6 (a)	**3,586.99**	5,008.37
- Cash and cash equivalents	6 (b)	**724.52**	898.18
- Loans	6 (c)	**48.82**	138.69
- Other financial assets	6 (d)	**2.76**	42.46
Other current assets	8	**127.01**	53.18
Total current assets		**4,490.10**	**6,140.87**
TOTAL ASSETS		**5,033.77**	**6,645.34**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10 (a)	**1,184.51**	1,184.51
Other equity	10 (b)	**(1,062.36)**	(1,094.89)
Total Equity		**122.15**	**89.62**
LIABILITIES			
Non-current liabilities			
Employee Benefit Obligations	14	-	-
Other non-current liabilities	12	**127.50**	127.50
Total non-current liabilities		**127.50**	**127.50**
Current liabilities			
Financial liabilities			
- Borrowings	11 (a)	**2,564.36**	3,434.36
- Trade payables	11 (c)	**1,951.48**	2,647.73
- Other financial liabilities	11 (b)	**129.42**	189.38
Employee Benefit Payable	14	**9.40**	24.89
Other current liabilities	13	**129.46**	131.86
Total current liabilities		**4,784.12**	**6,428.22**
TOTAL LIABILITIES		**4,911.62**	**6,555.72**
TOTAL EQUITY AND LIABILITIES		**5,033.77**	**6,645.34**

Significant accounting policies and notes to 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

For and on behalf of the Board of Directors
TC Forex Services Limited
(CIN No: U65921MH2006PLC238745)

Bhavesh Dhupelia
Partner
Membership No: 042070

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

TC FOREX SERVICES LIMITED

Place : Mumbai
Date : 27 May, 2019

Brijesh Modi
Chief Financial Officer

Tanmay Bidikar
Company Secretary

TC Forex Services Limited
(formerly known as Tata Capital Forex Limited)

Statement of Profit and Loss
for the year ended 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Income			
Revenue from operations	15	**1,237.68**	1,440.87
Other income	16	**61.03**	64.02
Total income		**1,298.71**	**1,504.89**
Expenses			
Employee benefits expense	17	**582.78**	710.10
Finance Cost	20	**266.52**	331.62
Depreciation and amortisation expense	18	**27.85**	27.39
Other expenses	19	**381.33**	519.64
Total expenses		**1,258.48**	**1,588.75**
Profit/(Loss) before tax		**40.23**	**(83.86)**
Less : Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expenses		-	-
Profit/(Loss) for the year (A)		**40.23**	**(83.86)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		**(7.70)**	**7.27**
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive (Loss)/income for the year, net of taxes (B)		**(7.70)**	**7.27**
Total comprehensive income/(Loss) for the year (A+B)		**32.53**	**(76.59)**
Profit per equity share (Face value of INR 10/- each)	25		
- Basic and Diluted earnings per share		**0.34**	**(0.75)**

Significant accounting policies and notes to 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

For and on behalf of the Board of Directors
TC Forex Services Limited
(CIN No: U65921MH2006PLC238745)

Bhavesh Dhupelia
Partner
Membership No: 042070

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Place : Mumbai
Date : 27 May, 2019

Brijesh Modi
Chief Financial Officer

TC FOREX SERVICES LIMITED

Tanmay Bidikar
Company Secretary

TC Forex Services Limited
(formerly known as Tata Capital Forex Limited)

Statement of Changes in Equity
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

A Equity Share Capital

Particulars	Equity share capital
As at 01 April, 2017	**1,093.40**
Changes in Equity share capital during the year (Refer Note 10)	91.11
As at 31 March, 2018	**1,184.51**
Changes in Equity share capital during the year (Refer Note 10)	-
As at 31 March, 2019	**1,184.51**

B Other Equity

Particulars	Securities Premium Account	General Reserve	Retained Earnings	Total Reserves and Surplus
Balance as at 1 April, 2017	-	**13.73**	**(1,040.88)**	**(1,027.15)**
Loss for the year	-	-	(83.86)	(83.86)
Addition on account of fresh issue	8.84	-	-	8.84
Other Comprehensive Income	-	-	7.27	7.27
Balance as at 31 March, 2018	**8.84**	**13.73**	**(1,117.47)**	**(1,094.90)**
Profit for the year	-	-	40.23	40.23
Other Comprehensive Income	-	-	(7.70)	(7.70)
Balance as at 31 March, 2019	**8.84**	**13.73**	**(1,084.94)**	**(1,062.37)**

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

For and on behalf of the Board of Directors
TC Forex Services Limited
(CIN No: U65921MH2006PLC238745)

Bhavesh Dhupelia
Partner
Membership No: 042070

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Place : Mumbai
Date : 27 May, 2019

Brijesh Modi
Chief Financial Officer

TC FOREX SERVICES LIMITED

Tanmay Bidikar
Company Secretary

TC Forex Services Limited
(formerly known as Tata Capital Forex Limited)

Statement of Cash Flows
for the year ended 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
A) Cash flow from operating activities			
Profit/(Loss) before tax		**40.23**	(83.86)
Adjustments for			
Depreciation and Amortisation	*18*	**27.85**	27.39
(Profit)/Loss on sale of property plant and equipment		**(0.92)**	11.25
Liabilities Written Back		**(46.27)**	(11.74)
Finance Costs	*20*	**258.08**	311.99
Bad Debts and Advances written off	*19*	**71.03**	0.06
Provision for doubtful debts	*19*	**(72.76)**	6.25
Provision for doubtful Advances	*19*	**1.64**	0.61
Net unrealised exchange loss		**(0.36)**	(2.67)
Cash generated before Working Capital changes		**278.52**	259.28
Change in Working Capital			
(Decrease)/Increase in Trade Payables		**(645.31)**	295.92
(Decrease)/Increase in Other financial Liabilities		**(63.16)**	146.60
Decrease in Other Liabilities		**(2.40)**	(221.73)
(Decrease)/Increase in Employee Benefit Obligations		**(23.20)**	1.98
Decrease/(Increase) in Trade Receivables		**1,416.59**	(940.98)
Decrease in Loans		**22.85**	0.39
Decrease in Other Financial Assets		**39.70**	44.17
Increase in Other Assets		**(60.00)**	(17.50)
Cash generated from operations		**963.59**	**(431.87)**
Income taxes paid		**(8.36)**	15.90
Net cash inflow generated from/(used in) operating activities		**955.23**	**(415.97)**
B) Cash flow from investing activities:			
Proceeds from sale of property plant and equipment		**2.86**	0.52
Purchase of property plant and equipment		**(7.45)**	(6.80)
Net cash flow used in investing activities		**(4.59)**	**(6.28)**
C) Cash flow from financing activities			
Proceeds from Issue of Equity Shares		**-**	99.95
Loan received from holding company		**500.00**	6,509.36
Loan repaid to holding company		**(1,370.00)**	(6,090.00)
Finance Costs paid		**(254.89)**	(290.20)
Net cash (used in)/generated from financing activities		**(1,124.89)**	**229.11**
Net decrease in cash and cash equivalents		**(174.25)**	**(193.14)**
Add: Cash and cash equivalents at the beginning of the financial year		**898.19**	**1,085.74**
Effects of exchange rate changes on cash and cash equivalents		**0.58**	5.59
Cash and cash equivalents at the end of the year		**724.52**	**898.19**

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, 2019

(All amounts in Rs. Lakh , unless otherwise stated)

Notes:-

1. The Statement of Cash Flows has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on "Statement of Cash Flows" 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

For and on behalf of the Board of Directors
TC Forex Services Limited
(CIN No: U65921MH2006PLC238745)

Bhavesh Dhupelia
Partner
Membership No: 042070

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Place : Mumbai
Date : 27 May, 2019

Brijesh Modi
Chief Financial Officer

TC FOREX SERVICES LIMITED

Tanmay Bidikar
Company Secretary

TC Forex Services Limited
(formerly known as Tata Capital Forex Limited)

Notes forming part of the Financial Statements
for the year ended 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

Corporate 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 2019 were approved by the Board of Directors and authorised for issue on 27 May, 2019.

1 Significant Accounting Policies

1.1 Statement of compliance

(a) These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') presribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting standards) Rules as amednded from time to time.

(b) Historical cost convention
The 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 financial statements are presented in Indian Rupees "(Rs.)" which is also the Company's functional currency and all values are rounded off to nearest lakhs ('00,000) except where otherwise indicated. Wherever the amount is represented as '0' ('zero') it construes a value less than fifty thousand.

1.2 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.

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.

TC FOREX SERVICES LIMITED

1 Significant Accounting Policies *(Continued)*

1.4 Revenue Recognition

Revenue is measured based on transaction price, which is the consideration paid for services. Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services. Revenue from rendering of services is net of Indirect taxes and discounts.

Effective April 1, 2018, the Company has applied Ind AS 115 which replaces Ind AS 18 revenue recognition. Refer note 1.4 – Significant accounting policies – Revenue recognition in the financials of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18.

Income from operation

The Company earns revenue from foreign exchange services.

Foreign exchange services comprise of income arising from the buying and selling of foreign currencies on the net margins earned and agency commissions from authorised dealers on sale of their foreing currency denominated prepaid cards.

Contract balances (effective from 1 April 2018)
a) Contract asset
A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company performs by rendering services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities
A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

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.

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

1 Significant Accounting Policies *(Continued)*

1.6 Leases

(a) <u>Determining whether an arrangement contains a lease:</u>
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) *<u>Operating Lease</u>*
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.

<u>Finance Lease</u>
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.

TC FOREX SERVICES LIMITED

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.

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

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.

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

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.

TC FOREX SERVICES LIMITED

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.

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, 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.

(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.

(All amounts in Rs. Lakhs, unless otherwise stated)

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:

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.

3 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective from April 1, 2019:

Ind AS - 116

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 16, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

1 Significant Accounting Policies *(Continued)*

With effect from April 01, 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

On preliminary assessment, for leases other than short-term leases and leases of low value assets, the Company will recognise a right-of-use asset of Rs 134.41 Lakh and a corresponding lease liability of Rs 134.41 Lakh with the cumulative effect of applying the standard by adjusting retained earnings net of taxes. There will be consequent reclassification in the cash flow categories in the statement of cash flows.

TC FOREX SERVICES LIMITED *

TC Forex Services Limited

(formerly known as Tata Capital Forex Limited)

Notes forming part of the Financial Statements

as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

4 Property, plant and equipment:

Particulars	Leasehold Improvements	Furniture and Fixtures	Computers	Office Equipments	Total
Gross carrying amount					
Opening as at 1 April, 2017	65.24	6.00	17.57	27.99	116.80
Additions	-	-	5.27	0.31	5.58
Disposals/transfer	(10.40)	(0.20)	-	(1.71)	(12.32)
Closing gross carrying amount	**54.84**	**5.80**	**22.84**	**26.59**	**110.07**
Accumulated depreciation					
Opening as at 1 April, 2017	13.24	0.79	5.01	9.05	28.09
Depreciation charge during the year	11.54	2.25	7.29	6.32	27.39
Disposals	-	(0.00)	-	(0.55)	(0.55)
Closing accumulated depreciation	**24.77**	**3.04**	**12.30**	**14.82**	**54.93**
Net carrying amount as at 31 March, 2018	**30.06**	**2.76**	**10.54**	**11.77**	**55.13**
Gross carrying amount					
Opening as at 1 April, 2018	54.84	5.80	22.84	26.59	110.07
Additions	-	-	0.43	0.80	1.23
Disposals/transfer	(11.70)	(3.24)	(0.76)	(6.24)	(21.94)
Closing gross carrying amount	**43.14**	**2.56**	**22.51**	**21.14**	**89.36**
Accumulated depreciation					
Opening as at 1 April, 2018	24.77	3.04	12.30	14.82	54.93
Depreciation charge during the year	13.96	0.39	6.85	4.54	25.74
Disposals	(11.70)	(2.49)	(0.76)	(5.05)	(19.99)
Closing accumulated depreciation	**27.04**	**0.94**	**18.39**	**14.31**	**60.68**
Net carrying amount as at 31 March, 2019	**16.10**	**1.63**	**4.12**	**6.83**	**28.68**

TC FOREX SERVICES LIMITED

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

5 Intangible Assets:

Particulars	Software
Gross carrying amount	
Opening as at 1 April, 2017	0.03
Additions	-
Disposals	-
Closing gross carrying amount	**0.03**
Accumulated amortisation	
Opening as at 1 April, 2017	0.03
Amortisation charge for the year	-
Disposals	-
Closing accumulated amortisation	**0.03**
Net carrying amount as at 31 March, 2018	**-**
Gross carrying amount	
Opening as at 1 April, 2018	0.03
Additions	6.22
Disposals	-
Closing gross carrying amount	**6.25**
Accumulated amortisation	
Opening as at 1 April, 2018	0.03
Amortisation charge for the year	2.11
Disposals	-
Closing accumulated amortisation	**2.14**
Net carrying amount as at 31 March, 2019	**4.11**

TC FOREX SERVICES LIMITED

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

6 Financial Assets

6 (a) Trade receivables

Particulars	31 March, 2019	31 March, 2018
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	3,595.54	5,088.48
Trade receivables which have significant increase in credit risk	-	-
Total	**3,595.54**	**5,088.48**
Less : Allowance for doubtful debts	(8.55)	(80.11)
Total	**3,586.99**	**5,008.37**

6 (b) Cash and cash equivalents

Particulars	31 March, 2019	31 March, 2018
Balances with banks :		
In current accounts	479.69	518.14
Balance in EEFC accounts	5.14	7.40
Cash on hand (including foreign currencies and Notes)	239.69	372.64
Total	724.52	898.18

6 (c) Loans

Particulars	Current 31 March, 2019	Non-current 31 March, 2019	Current 31 March, 2018	Non-current 31 March, 2018
Security Deposits	48.82	113.17	138.69	36.99
Less: Allowance for doubtful advances	-	-	-	(0.49)
Prepaid Rent Deposit	-	-	-	9.65
Total	48.82	113.17	138.69	46.15

6 (d) Other financial Assets

Particulars	Current 31 March, 2019	Non-current 31 March, 2019	Current 31 March, 2018	Non-current 31 March, 2018
Accrued Revenue	2.76	-	26.15	-
Insurance claim receivable	16.31	-	16.31	-
Less: Allowance for doubtful Claim	(16.31)	-	-	-
Total	2.76	-	42.46	-

TC FOREX SERVICES

TC Forex Services Limited
(formerly known as Tata Capital Forex Limited)

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

7 Other Non-Current Assets:

Particulars	31 March, 2019	31 March, 2018
Prepaid expenses	-	0.27
Gratuity Asset (Net)	**2.65**	12.21
Custom Deposit	**1.00**	5.00
Claim Receivable	**116.08**	116.08
Total	**119.73**	**133.56**

8 Other Current Assets:

Particulars	31 March, 2019	31 March, 2018
Advance to Suppliers		
Unsecured, considered good	**93.67**	4.34
Unsecured ,considered Doubtful	**5.61**	5.96
Less: Allowance for doubtful advances	**(5.61)**	(5.96)
Advance to Employees		
Unsecured, considered good	**0.04**	0.14
Unsecured, considered Doubtful	-	-
Staff Loan	**0.37**	-
Prepaid expenses	**15.03**	19.95
Balances with Government Authorities	**17.90**	28.75
Total	**127.01**	**53.18**

9 Non Current Tax Assets / Current Tax Liabilities:

Particulars	31 March, 2019	31 March, 2018
Opening Balance	**269.62**	285.52
Less: Current Tax payable for the year	-	-
Add: Taxes Paid	**8.36**	26.83
Less: Refund received during the year	-	(42.73)
Closing Balances	**277.98**	**269.62**
Disclosed as:		
Non Current Tax Assets (as per Balance sheet)	**277.98**	**269.62**
Current Tax Liability (as per Balance sheet)	-	-

TC FOREX SERVICES LIMITED

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

9(a) Deferred Tax Assets/(Liabilities):

The balance comprises of temporary differences attributable to:

Particulars	31 March, 2019	31 March, 2018
Deferred Tax (Liabilities)		
On Fiscal Allowances on Fixed Assets		
Provision for gratuity	-	-
Provision for leave encashment	-	-
Less: Deferred Tax Assets		
On Fiscal Allowances on Fixed Assets	**19.12**	19.64
Provision for doubtful debts	-	-
Provision for gratuity	**1.54**	3.05
On unabsorbed depreciation/losses*	**21.80**	21.95
Net Deferred Tax Assets	42.46	**44.64**

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.

TC FOREX SERVICES LIMITED

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

10 (a) Share Capital and Other Equity:

Particulars	Equity Share Capital	
	No of Shares (In Lakh)	Amount
AUTHORISED		
As at 01 April,2017	**200.00**	**2,000.00**
Increase/(Decrease) during the period	-	-
As at 31 March, 2018	**200.00**	**2,000.00**
Increase/(Decrease) during the period	-	-
As at 31 March, 2019	**200.00**	**2,000.00**

Consists of following:
20,000,000 (Previous Year 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 (In Lakh)	Amount
As at 01 April,2017	109.34	1,093.40
Increase during the period	9.11	91.11
As at 31 March, 2018	**118.45**	**1,184.51**
Increase during the period	-	-
As at 31 March, 2019	**118.45**	**1,184.51**

(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, 2019		31 March, 2018	
	No of Shares (In Lakh)	% of Holding	No of Shares (In Lakh)	% of Holding
Equity Shares				
Thomas Cook India Limited & its nominees *	**118.45**	**100%**	**118.45**	**100%**

* 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

TC FOREX SERVICES LIMITED *

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

10 (b) Reserves and surplus

Particulars	31 March, 2019	31 March, 2018
Securities Premium Account	8.84	8.84
General Reserve	13.73	13.73
Retained Earnings	(1,084.93)	(1,117.46)
Total	**(1,062.36)**	**(1,094.89)**

(i) Securities Premium Account

Particulars	31 March, 2019	31 March, 2018
Opening Balance	8.84	-
Add: Fresh Issue of shares	-	8.84
Closing Balance	**8.84**	**8.84**

(ii) General Reserve

Particulars	31 March, 2019	31 March, 2018
Opening Balance	13.73	13.73
Add: Transfer during the year	-	-
Closing Balance	**13.73**	**13.73**

(iii) Retained Earnings

Particulars	31 March, 2019	31 March, 2018
Opening Balance	(1,117.47)	(1,040.88)
Net Profit /(Loss) For the period	40.23	(83.86)
Items of other Comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit	(7.70)	7.27
Closing Balance	**(1,084.94)**	**(1,117.47)**

TC FOREX SERVICES LIMITED

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

11 Financial Liabilities:

11 (a) Current Borrowings

Particulars	Maturity Date	Terms of Payment	Coupon/ Interest Rate	31 March, 2019	31 March, 2018
Unsecured					
Inter Corporate Deposit		Payable on Demand	8.55 % (31 March, 2018 :8.95%)	**2,564.36**	3,434.36
Total				**2,564.36**	**3,434.36**

11 (b) Other Financial Liabilities

Particulars	31 March, 2019		31 March, 2018	
	Non-Current	Current	Non-Current	Current
Current				
Interest payable to Related parties	-	**45.99**	-	42.80
Facility charges payable to Related parties	-	**45.48**	-	29.66
Book overdraft	-	**37.95**	-	116.92
Total	-	**129.42**	-	**189.38**

11 (c) Trade Payables

Particulars	31 March, 2019	31 March, 2018
-Dues of micro enterprises and small enterprises	-	-
-Dues of creditors other than micro enterprises and small enterprises	**1,951.48**	2,647.73
Total	**1,951.48**	**2,647.73**

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.

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

12 Other Non-Current Liabilities

Particulars	31 March, 2019	31 March, 2018
Claim Payable	**127.50**	127.50
Total	**127.50**	**127.50**

13 Other Current Liabilities

Particulars	31 March, 2019	31 March, 2018
Statutory Dues	**30.14**	38.22
Advance from customers	**99.32**	93.64
Total	**129.46**	**131.86**

TC FOREX SERVICES LIMITED

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

14 Employee Benefit Obligations

Particulars	31 March, 2019			31 March, 2018		
	Non-Current	Current	Total	Non-Current	Current	Total
Employee benefits payable	-	9.40	9.40	-	24.89	24.89
Total	-	9.40	9.40	-	24.89	24.89

(i) 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.

(ii) Defined contribution Plans

The Company has recognised the following amounts in Statement of Profit and Loss for the year:

Particulars	31 March, 2019	31 March, 2018
Contribution to Employees State Insurance	5.36	6.72
Contribution to Labour Welfare Fund	0.06	0.09
Superannuation Contribution	-	2.72
Contribution to provident fund	23.01	30.42
	28.43	39.95

TC FOREX SERVICES LIMITED

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

14 Employee Benefit Obligations *(Continued)*

(ii) 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
01 April,2017	**50.58**	**(50.08)**	**0.50**
Current service cost	6.35	-	6.35
Past Serviuces Cost	-	-	-
Interest expense/(income)	3.40	(3.37)	0.04
Total amount recognised in profit and loss	**9.75**	**(3.37)**	**6.39**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(1.19)	(1.19)
(Gain)/loss from change in demographic assumptions	(0.01)	-	(0.01)
(Gain)/loss from change in financial assumptions	2.03	-	2.03
Experience (gains)/losses	(8.64)	-	(8.64)
Adjustmet to recognized the effect of assets ceiling	-	0.53	0.53
Total amount recognised in other comprehensive income	**(6.62)**	**(0.65)**	**(7.27)**
Employer contributions	-	(11.83)	(11.83)
Benefit payments	(17.58)	17.58	-
31 March, 2018	**36.13**	**(48.34)**	**(12.21)**
01 April,2018	**36.13**	**(48.34)**	**(12.21)**
Current service cost	6.81	-	6.81
Past Serviuces Cost	-	-	-
Interest expense/(income)	2.44	(3.37)	(0.94)
Total amount recognised in profit and loss	**9.25**	**(3.37)**	**5.87**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	4.95	4.95
(Gain)/loss from change in demographic assumptions	(0.00)	-	(0.00)
(Gain)/loss from change in financial assumptions	0.51	-	0.51
Experience (gains)/losses	2.81	-	2.81
Adjustmet to recognized the effect of assets ceiling	-	(0.54)	(0.54)
Total amount recognised in other comprehensive income	**3.32**	**4.42**	**7.74**
Employer contributions	-	(4.05)	(4.05)
Benefit payments	(18.40)	18.40	-
31 March, 2019	**30.30**	**(32.95)**	**(2.65)**

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

Particulars	31 March, 2019	31 March, 2018
Present value of funded obligations	**30.30**	36.13
Fair value of plan assets	**(32.95)**	(48.34)
Adjustmet to recognized the effect of assets ceiling	-	-
Deficit of funded plan / (Surplus)	**(2.65)**	(12.21)
Unfunded plans	-	-
Deficit of gratuity plan	**(2.65)**	**(12.21)**

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

14 Employee Benefit Obligations *(Continued)*

(ii) Defined contribution Plans *(Continued)*

Significant estimates: Actuarial assumptions and sensitivity for gratuity

The significant actuarial assumptions were as follows:

Particulars	31 March, 2019	31 March, 2018
Discount rate	**7.00%**	7.35%
Salary growth rate	**6.00%**	6.00%

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 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, 2019	**31 March, 2019**	**31 March, 2019**
Discount rate	**50 bps on DBO**	**(0.71)**	**0.78**
Salary growth rate	**50 bps on DBO**	**0.78**	**(0.72)**

Particulars	Impact on defined benefit obligation		
	Change in assumptions	**Increase in assumptions**	**Decrease in assumptions**
	31 March, 2018	**31 March, 2018**	**31 March, 2018**
Discount rate	50 bps on DBO	(0.89)	0.93
Salary growth rate	50 bps on DBO	0.94	(0.90)

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 2019	**-**	**32.95**	**32.95**	**100%**
Insurer (LIC) Managed Funds - 31 March 2018	-	48.34	48.34	100%

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

14 Employee Benefit Obligations *(Continued)*

(ii) 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 4.89 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, 2019 - Post Employment Obligations	**4.74**	**5.84**	**11.57**	**23.18**	**45.33**
31 March, 2018 - Post Employment Obligations	5.95	5.57	15.43	29.05	**56.00**

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

15 Revenue from Operations

Particulars	31 March, 2019	31 March, 2018
Sale of Services	**969.63**	1,080.57
Other Operating Revenue	**268.05**	360.30
Total	**1,237.68**	**1,440.87**

IND AS 115 'Revenue from Contracts with Customers'

With effect from 1 April 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' that replaces Ind AS 18. It introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer.

The Company has opted for the cumulative effect method (modified retrospective application) permitted by Ind AS 115 upon adoption of new standard. Accordingly, the standard has been applied for the year ended March 31, 2019 only (i.e. the initial application period). This method requires the recognition of cumulative impact of adoption of Ind AS 115 on all contracts as at April 1, 2018 ('transition date') in equity and the comparative information continues to be reported under Ind AS 18. The impact of the adoption of the standard on the financial statements is not material.

Also the Company has elected to use the practical expedient that there is no financing component involved when the credit period offered to customers is less than 12 months. (Also refer Credit Risk)

Prior to adoption of IND AS 115, the Company's revenue was primarily comprised of Revenue from travel and related services, financial services and human resource services. The recognition of these revenue streams is largely unchanged by Ind AS 115.

i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its Statement of Profit and Loss

Revenue from operations
Revenue from contract with customers

Particulars	31 March, 2019
Foreign exchange services	1,237.68
Total Revenue from opeartions	**1,237.68**

ii) Disaggregate Revenue

The following table presents Company revenue disaggregated by type of revenue stream and by reportable segment:

Revenue based on geography
Revenue from contract with customers

Particulars	31 March, 2019
India	1,237.68
Overseas	-
Total Revenue from opeartions	**1,237.68**

Revenue based on product and services
Revenue from contract with customers

Particulars	31 March, 2019
Foreign exchange services	1,237.68
Total Revenue from opeartions	**1,237.68**

iii) Contract Balances

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over / services delivered.

Advance Collections is recognised when payment is received before the related performance obligation is satisfied.

Particulars	31 March, 2019	1 April, 2018
Advance collected from customers	-	-
Total	-	-

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

16 Other Income

Particulars	31 March, 2019	31 March, 2018
Miscellaneous Income	60.11	64.02
Profit on sale of property plant and equipment	0.92	-
Total	**61.03**	**64.02**

17 Employee Benefit Expense

Particulars	31 March, 2019	31 March, 2018
Salaries Wages and Bonus	527.30	622.60
Contribution to Provident and Other Funds	28.43	39.95
Gratuity	5.91	6.39
Staff Welfare Expenses	21.14	41.16
Total	**582.78**	**710.10**

18 Depreciation and Amortisation Expense

Particulars	31 March, 2019	31 March, 2018
Depreciation on Tangible Assets	25.74	27.39
Amortisation on Intangible Assets	2.11	-
Total	**27.85**	**27.39**

19 Other Expenses

Particulars	31 March, 2019	31 March, 2018
Auditor Remuneration	8.80	8.82
Rent	131.74	178.45
Electricity	7.01	14.01
Repairs to Others	25.97	26.69
Insurance	4.61	5.67
Rates and Taxes	27.50	21.90
Security Services	16.34	20.29
Travelling Expenses	48.63	92.28
Directors Sitting Fees	-	2.30
Commission & Brokerage	5.62	10.80
Legal and Professional Charges	38.09	47.51
IT Expenses	5.74	16.94
Printing and Stationery	14.68	6.87
Communication Expenses	23.48	25.23
Bad Debts and Advances Written Off	71.03	0.06
Provisions for doubtful debts and Advances	(71.12)	6.86
Loss on sale of property plant and equipment	-	11.25
Miscellaneous Expenses	23.21	23.71
Total	**381.33**	**519.64**

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

19 Other Expenses *(Continued)*

19 (a) Details of payments to auditors

Particulars	31 March, 2019	31 March, 2018
Payment to auditors		
As auditor:		
-Statutory Audit	8.00	7.70
-Certification	0.80	1.00
-Re-imbursement of expenses	-	0.12
Total	**8.80**	**8.82**

20 Finance Costs

Particulars	31 March, 2019	31 March, 2018
Interest and finance charges on financial liabilities not at fair value through profit and loss	258.08	311.99
Other Finance Charges	8.44	19.63
Total	**266.52**	**331.62**

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

21 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 year presented, the Company's strategy has been unchanged. The gearing ratios as at the year ends were as follows:

Particulars	31 March, 2019	31 March, 2018
Debt	1,839.84	2,536.18
Total equity	122.15	89.62
Debt to equity ratio	**15.06**	**28.30**

[Note - Debt = Current Borrowing - Cash & Cash Equivalents]

TC FOREX SERVICES LIMITED *

(All amounts in Rs. Lakhs, unless otherwise stated)

22 Financial risk management

The Company's activities expose it to credit risk, market risk and liquidity risk.

(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 2019	**3,586.99**	**8.55**	**3,595.54**
31 March 2018	5,008.37	80.11	5,088.48
31 March 2017	4,053.89	74.01	4,127.89

Reconciliation of loss allowance provision – Trade receivables

Reconciliation of loss allowance	Amount
Loss allowance on 31 March, 2017	**74.01**
Changes in loss allowance	6.10
Loss allowance on 31 March 2018	**80.11**
Changes in loss allowance	(71.56)
Loss allowance on 31 March 2019	**8.55**

(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 March 19 & 31 March 18 expressed in INR, are as follows

	31 March, 2019 (Amounts in INR)			
	EUR	GBP	USD	Others
CNY Stock	28.38	27.62	87.90	73.90
Balance in FCY Accounts	-	-	2.80	2.34
Trade Debtors	537.70	434.31	402.12	159.74
Trade payables	(509.51)	(417.11)	(379.66)	(159.53)
Net Exposure	56.57	44.82	113.16	76.45

	31 March, 2018 (Amounts in INR)			
	EUR	GBP	USD	Others
CNY Stock	56.66	38.87	207.00	64.08
Balance in FCY Accounts	3.54	0.06	3.03	0.76
Trade Debtors	415.66	556.46	753.24	154.54
Trade payables	(389.42)	(533.84)	(648.26)	(153.39)
Net Exposure	86.44	61.55	315.01	65.99

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

22 Financial risk management *(Continued)*

(B) Market risk *(Continued)*

(i) Foreign currency risk *(Continued)*

(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, 2019 (Amounts in INR)		Impact on profit after tax 31 March, 2018 (Amounts in INR)	
	Strengthening	Weakening	Strengthening	Weakening
Effect in INR				
1% movement				
EUR	**0.57**	**(0.57)**	0.86	(0.86)
GBP	**0.45**	**(0.45)**	0.62	(0.62)
USD	**1.13**	**(1.13)**	3.15	(3.15)
Others	**0.76**	**(0.76)**	0.66	(0.66)

TC FOREX SERVICES LIMITED

Notes forming part of the Financial Statements *(Continued)*

as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

22 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	**< 1 year**	**Between 1 and 2 years**	**> 2 years**	**Total**
31 March, 2019				
Borrowings	**2,564.36**	-	-	**2,564.36**
Trade payables	**1,951.48**	-	-	**1,951.48**
Other financial liabilities	**129.42**	-	-	**129.42**
Total liabilities	**4,645.26**	-	-	**4,645.26**

Contractual maturities of financial liabilities	**< 1 year**	**Between 1 and 2 years**	**> 2 years**	**Total**
31 March, 2018				
Borrowings	3,434.36	-	-	3,434.36
Trade payables	2,647.73	-	-	2,647.73
Other financial liabilities	189.38	-	-	189.38
Total liabilities	**6,271.46**	-	-	**6,271.46**

TC FOREX SERVICES LIMITED

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

23 Fair value measurements

Financial instruments by category

	31 March, 2019				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	-	-	3,586.99	3,586.99	-	-	-	-
Cash and cash equivalents	-	-	724.52	724.52	-	-	-	-
Loans	-	-	48.82	48.82				
Other financial assets	-	-	2.76	2.76	-	-	-	-
Total	-	-	**4,363.09**	**4,363.09**	-	-	-	-
Financial liabilities								
Borrowings	-	-	2,564.36	2,564.36	-	-	-	-
Trade Payable	-	-	1,951.48	1,951.48	-	-	-	-
Other financial liabilities	-	-	129.42	129.42	-	-	-	-
Total	-	-	**4,645.26**	**4,645.26**	-	-	-	-

	31 March, 2018				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	-	-	5,008.37	5,008.37	-	-	-	-
Cash and cash equivalents	-	-	898.18	898.18	-	-	-	-
Loans	-	-	138.69	138.69				
Other financial assets	-	-	42.46	42.46	-	-	-	-
Total	-	-	**6,087.70**	**6,087.70**	-	-	-	-
Financial liabilities								
Borrowings	-	-	3,434.36	3,434.36	-	-	-	-
Trade Payable	-	-	2,647.73	2,647.73	-	-	-	-
Other financial liabilities	-	-	189.38	189.38	-	-	-	-
Total	-	-	**6,271.46**	**6,271.46**	-	-	-	-

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) 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.

TC FOREX SERVICES LIMITED *

Notes forming part of the Financial Statements *(Continued)*
for the period ended 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

24 Related Party Transactions

(a) Ultimate Holding Company

Name	Type	Place of Incorporation
Fairfax Financials Holdings Limited (w.e.f 31 October, 2017)	Ultimate Holding Company	Canada
TATA Sons Limited (up to 30 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 30 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 :

Name of Entity	Place of Business/country of incorporation	Relationship
w.e.f 31 October, 2017		
TC Travel And Services Limited	India	Fellow Subsidiary Company
Co-Achieve Solutions Private Limited	India	Fellow Subsidiary Company
Quess Corp Limited [Quess India]	India	Fellow Subsidiary Company
Terrier Security Services (India) Private Limited	India	Fellow Subsidiary Company
Conneqt Business Services Private Limited	India	Fellow Subsidiary Company
up to 30 October, 2017		
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
Dhp Division	India	Fellow Subsidiary Company

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

24 Related Party Transactions *(Continued)*

(c) Key Management personnel

Name	Designation
Mr. Dhan Tata (up to 30 October, 2017)	Chief financial Officer
Mr. Tanmay Bidikar (w.e.f 31 October, 2017)	Company Secretary
Mr . Ashwin Savoor (w.e.f 31 October, 2017)	Business Head

(d) Key Management personnel compensation

Particulars	31 March, 2019	31 March, 2018
Mr. Dhan Tata	-	49.37
Mr. Tanmay Bidikar	5.32	2.36
Total compensation	**5.32**	**51.73**

(e) (i) Transactions with related parties

Particular	Year	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Total
Finance Cost	Mar-19	-	258.08	-	258.08
	Mar-18	-	311.99	-	311.99
Rent & Other Expenses	Mar-19	-	83.49	-	83.49
	Mar-18	21.77	26.97	62.03	110.77
Share Capital- Investment purchase/sale:	Mar-19	-	-	-	-
	Mar-18	-	99.95	-	99.95
ICD Received	Mar-19	-	500.00	-	500.00
	Mar-18	-	6,509.36	-	6,509.36
ICD Paid	Mar-19	-	1,370.00	-	1,370.00
	Mar-18	-	6,090.00	-	6,090.00
Services Rendered #	Mar-19	-	1,224.18	6.42	1,230.60
	Mar-18	59.20	866.87	742.89	1,668.96
Services Availed	Mar-19	-	3,548.00	21.09	3,569.09
	Mar-18	-	521.61	9.31	530.92

(e) (ii) Outstanding balances of Related Parties

Particular	Year	Ultimate Holding Company	Holding Company	Fellow Subsidiary	Total
ICD Loan Payable	Mar-19	-	2,564.36	-	2,564.36
	Mar-18	-	3,434.36	-	3,434.36
ICD Interest Payable	Mar-19	-	45.99	-	45.99
	Mar-18	-	42.80	-	42.80
Travel Expenses Payable	Mar-19	-	3.10	-	3.10
	Mar-18	-	2.17	-	2.17
Outstanding Payable	Mar-19	-	40.60	1.79	42.39
	Mar-18	-	28.29	-	28.29
Outstanding Receivable	Mar-19	-	2.24	-	2.24
	Mar-18	-	-	-	-

TC FOREX SERVICES LIMITED

TC Forex Services Limited

(formerly known as Tata Capital Forex Limited)

Notes forming part of the Financial Statements *(Continued)*

for the period ended 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

24 Related Party Transactions *(Continued)*

(e) (iii) Transactions with related parties

The following transactions occurred with related parties:

Nature of transaction	31 March, 2019	31 March, 2018
(i) Ultimate Holding Company		
Rent & Other Expenses - Tata Sons Limited	-	21.77
Services Rendered - Tata Sons Limited	-	59.20
(ii) Holding Company		
Finance Costs - ICD - Interest expenses		
Thomas Cook (India) Limited	258.08	126.45
Tata Capital Limited	-	185.54
Rent & Other Expenses - Thomas Cook (India) Limited	83.49	26.97
Revenue		
Purchase of currency		
Thomas Cook (India) Limited	3,548.00	521.61
Sale of Currency & Referral Incentive		
Thomas Cook (India) Limited	1,224.18	781.73
Tata Capital Limited	-	85.14
Share Capital- Investment purchase/sale:		
Subscription of Equity Share Capital - Issue of shares	-	99.95
Current Borrowings (Transaction summary)		
Thomas Cook (India) Limited		
ICD - Loan Received	500.00	4,209.36
ICD - Loan repaid	1,370.00	775.00
Tata Capital Limited		
ICD - Loan Received	-	2,300.00
ICD - Loan repaid	-	5,315.00
(iii) Fellow subsidiaries		
Services Rendered		
Infiniti Retail Limited	-	0.26
Advinus Therapeutics Limited	-	1.30
Air International Thermal Systems Limited	-	14.96
Dhp Division	-	2.93
One Excelton Private Limited	-	2.41
Taj Air Limited	-	12.63
TASEC LIMITED	-	1.39
Tata Advanced System Limited	-	57.31
Tata AIG General Insurance Co Limited	-	7.19
Tata Autocomp Gy Batteries Private Limited	-	3.42
Tata Autocomp Katcon Exhaust Systems Private Limited	-	1.42
Tata Autocomp System Limited	-	41.85
Tata Boeing Aerospace Limited	-	15.97
Tata Business Support Services Limited	-	61.78
Tata Capital Financial Services Limited	-	4.44
Tata Capital Housing Finance Limited	-	0.24
Tata Consulting Engineers Limited	-	343.33
Tata Ficosa Automotive Systems Private Limited	-	6.42
Tata Housing Development Company Ltd	-	4.97
Tata Industries Limited	-	12.46
Tata Lockheed Martin Aerostructure Limited	-	5.17
Tata Securities Limited	-	4.78
Tata Sia Airlines Limited	-	61.40
Tata Sikorsky Aerospace Limited (formerly known as Tara Aerospace Systems Limited)	-	10.86
Tata Sky Limited	-	7.32
Tata Toyo Radiator Limited	-	16.29
Tata Unistore Limited	-	1.07
Tata Value Homes Limited	-	1.11
Tm Automotive Seating Systems Private Limited	-	1.51
Viom Networks Limited	-	1.80
TC Travel And Services Limited	6.42	34.88
Services Availed		
Tata Capital Financial Services Limited	-	62.03
Co-Achieve Solutions Private Limited	10.51	-
Quess Corp Limited [Quess India]	2.71	-
Terrier Security Services (India) Private Limited	1.44	-
TC Travel And Services Limited	6.42	9.31

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

24 Related Party Transactions *(Contiuned)*

(f) Outstanding payable 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, 2019	31 March, 2018
Holding Company		
Other Financial Liabilities		
Amount Payable to - Thomas Cook (India) Limited		
Rent Payable (Net of TDS)	40.60	26.64
IT expenses payable (Net of TDS)	-	1.65
Current Borrowings		
ICD - Loan payable - Thomas Cook (India) Limited	2,564.36	3,434.36
Other Financial Liabilities		
Interest Payable to - Thomas Cook (India) Limited	45.99	42.80
Fellow subsidiaries		
TC Travel Services Limited	3.10	2.17
Co-Achieve Solutions Private Limited	1.04	-
Quess Corp Limited [Quess India]	0.69	
Terrier Security Services (India) Private Limited	0.06	-

(g) Outstanding balances

Particulars	31 March, 2019	31 March, 2018
Outstanding receivables		
Thomas Cook (India) Limited- Receivable	2.24	-

(h) Loans to/from related parties

Particulars	31 March, 2019	31 March, 2018
Loan from related party		
Tata Capital Limited (up to 30-Oct-17)		
Beginning of the year	-	3,015.00
Loan received	-	2,300.00
Loan repaid	-	(5,315.00)
Interest charged	-	185.54
Interest Paid (Net of TDS)	-	(185.54)
End of the year (Principal + Interest)	-	(0.00)
Thomas Cook (w.e.f 30-Oct-17)		
Beginning of the year	3,477.16	3,709.36
Loan received	500.00	500.00
Loan repaid	(1,370.00)	(775.00)
Interest charged	232.27	126.45
Interest Paid (Net of TDS)	(229.08)	(83.65)
End of the year (Principal + Interest)	2,610.35	3,477.16

TC FOREX SERVICES LIMITED

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

25 Earnings Per Share

Particulars	31 March, 2019	31 March, 2018
Net Profit/ (Loss) for the year	40.23	(83.86)
Weighted average number of equity shares outstanding during the year (Shares in Lakh)	118.45	112.44
Basic and diluted earnings per share *	0.34	(0.75)

* Since the company does not have the diluted securities, the basic and diluted EPS are the same.

TC FOREX SERVICES LIMITED

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs, unless otherwise stated)

26 Contingent liabilities:

Contingent liabilities

There are no contingent liabilities as at 31 March 2019 (31 March 2018: Nil)

27 Commitments

Capital commitments

Capital expenditure contracted for at the end of the reporting year but not recognised as liabilities is as follows:

Particulars	31 March, 2019	31 March, 2018
Estimated value of contracts on capital account remaining to be executed and not provided for	-	6.22

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 Statement of Profit & Loss

Particulars	31 March, 2019	31 March, 2018
(a) Lease payment for the year	131.74	178.45

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, 2019	31 March, 2018
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.

TC FOREX SERVICES LIMITED

(All amounts in Rs. Lakhs, unless otherwise stated)

31 Events occurring after the reporting period

The Company evaluated all events or transactions that occurred after 31 March,2019 through 27 May,2019, the date the Company issued these 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

For and on behalf of the Board of Directors
TC Forex Services Limited
(CIN No: U65921MH2006PLC238745)

Bhavesh Dhupelia
Partner
Membership No: 042070

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Place : Mumbai
Date : 27 May, 2019

Brijesh Modi
Chief Financial Officer

Tanmay Bidikar
Company Secretary

Indian Horizon Marketing Services Limited
Balance Sheet as at March 31, 2019

(Amount in Rupees)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Current assets			
Financial assets			
- Cash and cash equivalents	3(a)	27,49,928	22,21,290
- Bank balances other than above	3(b)	-	5,48,958
- Other financial assets	3(c)	-	16,366
Current Tax Assets	4	9,900	8,263
Other current assets		-	-
Total current assets		**27,59,828**	**27,94,877**
TOTAL ASSETS		**27,59,828**	**27,94,877**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	5	5,00,000	5,00,000
Other equity			
-Reserve & surplus	6	-3,56,716	-3,61,305
Total Equity		**1,43,284**	**1,38,695**
LIABILITIES			
Current liabilities			
Financial liabilities			
- Other financial liabilities	7	26,15,544	26,55,887
Other current liabilities	8	1,000	295
Total current liabilities		**26,16,544**	**26,56,182**
TOTAL LIABILITIES		**26,16,544**	**26,56,182**
TOTAL EQUITY AND LIABILITIES		**27,59,828**	**27,94,877**

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

For and on behalf of the Board of Directors

Atul Shah
Partner
Membership No. 39569

Date: May 23, 2019
Place: Mumbai

Debasis Nandy
Director
DIN No. 6368365

Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

Indian Horizon Marketing Services Limited
Statement of Profit And Loss for the year ended March 31, 2019

(Amount in Rupees)

Particulars	**Notes**	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Income			
Other income	9	64,418	52,625
Total income		**64,418**	**52,625**
Expenses			
Finance Cost	10	354	608
Other expenses	11	57,862	40,761
Total expenses		**58,216**	**41,369**
Profit before tax		**6,202**	**11,256**
Less : Tax expense			
Current tax	12	1,612	2,927
Deferred tax		-	-
Total tax expenses		**1,612**	**2,927**
Profit for the year (A)		**4,589**	**8,329**
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)		**4,589**	**8,329**
Earnings per equity share (Face value of INR 10 each)	17		
- Basic earnings per share (In INR)		0.09	0.17
- Diluted earnings per share (In INR)		0.09	0.17

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

For and on behalf of the Board of Directors

Atul Shah
Partner
Membership No. 39569

Date: May 23, 2019
Place: Mumbai

Debasis Nandy
Director
DIN No. 6368365

Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

Indian Horizon Marketing Services Limited
Notes to financial statements for the year ended March 31, 2019

STATEMENT OF CHANGES IN EQUITY

Equity share capital **(Amount in Rupees)**

Particulars	Amount
Balance as at April 1, 2017	**5,00,000**
changes in equity share capital during the year	-
Balance as at March 31, 2018	**5,00,000**
changes in equity share capital during the year	-
Balance as at March 31, 2019	**5,00,000**

Other Equity

Particulars	Retained Earnings	Total Other Equity
Balance as at April 1, 2017	**-3,69,634**	**-3,69,634**
Profit for the year	8,329	8,329
Other Comprehensive Income	-	-
Total Comprehensive Income for the year ended March 31,2018	-	-
Transaction with owners in their capacity as owners		
Balance at the March 31, 2018	**-3,61,305**	**-3,61,305**
Profit for the year	4,589	4,589
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	-	-
Transaction with owners in their capacity as owners		
Balance as at March 31, 2019	**-3,56,716**	**-3,56,716**

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

For and on behalf of the Board of Directors

Atul Shah
Partner
Membership No. 39569

Date: May 23, 2019
Place: Mumbai

Debasis Nandy
Director
DIN No. 6368365

Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

Indian Horizon Marketing Services Limited
Statement of Cash Flows for the year ended March 31, 2019

(Amount in Rupees)

Particulars	Note	Year ended March 31,2019	Year ended March 31, 2018
A) Cash flow from operating activities			
Profit before income tax		**6,202**	**11,256**
Adjustments for:			
Interest income	9	(17,234)	(52,625)
Operating profit before changes in operating assets and liabilities		**(11,032)**	**(41,369)**
Change in operating assets and liabilities:			
Increase/(Decrease) in Other financial Liabilities		(40,343)	5,22,323
Increase/(Decrease) in Other Liabilities		705	(1,205)
Increase/ (Decrease) in Other Assets		-	5,030
Increase/ (Decrease) in Other Financial Assets		16,366	(16,366)
Cash generated from operations		**(34,304)**	**4,68,412**
Income taxes paid		(3,250)	(3,667)
Net cash inflow from operating activities		**(37,553)**	**4,64,745**
B) Cash flow from investing activities:			
Interest Received		66,192	20,033
Invesment in Subsidiaries		-	-
Dividend received on Mutual Funds		-	-
Proceeds / (Investment) in Bank fixed deposits		5,00,000	-
Loan given to subsidiary		-	-
Repayment of loan given to subsdiary		-	-
(Investment) in mutual funds		-	-
Proceeds from redemption of mutual funds		-	-
Net cash inflow / (outflow) from investing activities		**5,66,192**	**20,033**
Net increase in cash and cash equivalents		5,28,639	4,84,778
Add: Cash and cash equivalents at the beginning of the financial year		22,21,290	17,36,512
Cash and cash equivalents at the end of the year		**27,49,928**	**22,21,290**
Reconciliation of Cash Flow statements as per the cash flow statement		**31 March 2019**	**31 March 2018**
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents		27,49,928	22,21,290
Bank Overdrafts		-	-
Balances as per statement of cash flows		27,49,928	22,21,290

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 (Acounts) Rules, 2015.
2. 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

For and on behalf of the Board of Directors

Atul Shah
Partner
Membership No. 39569

Date: May 23, 2019
Place: Mumbai

Debasis Nandy
Director
DIN No. 6368365

Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

General Information

Indian Horizon Marketing Services Limited was incorporated on December 26th, 1989 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') In accordance with proviso of the Rule 4A of Companies Accounting Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting standards 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, 2019.

These financial statements for the year ended 31st March, 2019 has prepared under Ind AS.

Current V/s Non-Current

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 in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-noncurrent classification of assets and liabilities.

1.2 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.

1.3 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.

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.

1.4 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.

1.5 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.

1.6 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.

1.7 Rounding of amounts

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

1.8 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.

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.

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2019

Note 3: Financial Assets

3(a) Cash and cash equivalents **(Amount in Rupees)**

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks :		
In current accounts	27,49,928	22,21,290
Cash in hand	-	-
Cheques on hand	-	-
Total Cash and cash equivalents	**27,49,928**	**22,21,290**

3(b) Bank balances other than above

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposits with maturity of more than 3 months but less than 12 months	-	5,00,000
Interest Accrued on fixed deposits	-	48,958
Total Cash and cash equivalents	**-**	**5,48,958**

3(c) Other financial Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Accrued Revenue	-	16,366
Total Other Financial Assets	**-**	**16,366**

Note 4: Current Tax Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Tax	9,900	8,263
Total Current Tax Assets	**9,900**	**8,263**

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2019

Note 5: Equity Share Capital

Equity Share capital **(Amount in Rupees)**

Particulars	No of Shares	Amount
AUTHORISED		
As at April 1, 2017	**30,00,000**	**3,00,00,000**
Increase during the year	-	-
As at March 31, 2018	**30,00,000**	**3,00,00,000**
Increase during the year	-	-
As at March 31, 2019	**30,00,000**	**3,00,00,000**

(i) Movement in Equity Share Capital during the Year

Particulars	No of Shares	Amount
As at April 1, 2017	**50,000**	**5,00,000**
Add: No of Shares issued during the year	-	-
As at March 31, 2018	**50,000**	**5,00,000**
Add: No of Shares issued during the year	-	-
As at March 31, 2019	**50,000**	**5,00,000**

(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 Holding Company

Particulars	As at March 31, 2019		As at March 31, 2018	
	No of Shares	Amount	No of Shares	Amount
Equity Shares				
Thomas cook (India) Limited(Holding Company) and its Nominees	50,000	5,00,000	50,000	5,00,000

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

Category of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No of Shares	% of Holding	No of Shares	% of Holding
Equity Shares				
Thomas cook (India) Limited(Holding Company) and its Nominees	50,000	100%	50,000	100%

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2019

Note 6: Reserves and surplus **(Amount in Rupees)**

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Retained Earnings	-3,56,716	-3,61,305
Total reserves and surplus	**-3,56,716**	**-3,61,305**

Retained Earnings

Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Opening Balance	**-3,61,305**	**-3,69,634**
Net Profit for the year	4,589	8,329
Items of other Comprehensive income recognised directly in retained earnings		
Closing Balance	**-3,56,716**	**-3,61,305**

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2019

Note 7: Other Financial Liablities **(Amount in Rupees)**

Particulars	As at March 31,2019	As at March 31,2018
Advance from Related Party	26,03,544	25,48,454
Liabilities against expense	12,000	1,07,432
Total Other Financial Liablities	**26,15,544**	**26,55,887**

Note 8: Other Current Liabilities

Particulars	As at March 31,2019	As at March 31,2018
Statutory Dues	1,000	295
Total Other Current Liabilities	**1,000**	**295**

Note 9: Other Income

(Amount in Rupees)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Income on Bank Deposits	17,234	52,625
Claims Written back	47,184	-
Total	**64,418**	**52,625**

Note 10: Finance Costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Other Finance Charges	354	608
Total	**354**	**608**

Note 11: Other Expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Legal and Professional Charges #(Refer note below "a")	57,820	33,520
Miscellaneous Expenses	42	7,241
Total	**57,862**	**40,761**

Legal and Professional charges include auditors remuneration

(a): Details of payments to auditors

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Payment to auditors		
As auditor:		
-Statutory Audit	25,960	12,000
-Tax Audit	-	-
In other capacities		
-Re-imbursement of expenses	-	-
Total payments to auditors	**25,960**	**12,000**

Note 12: Income Tax Expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Income tax expense		
Current tax		
Current tax on profits for the year	1,612	2,927
Adjustments for current tax of prior periods	-	-
Total current tax expense	**1,612**	**2,927**
Deferred tax		
increase in deferred tax assets	-	-
Total deferred tax credit	-	-
Income tax expense	**1,612**	**2,927**

(b) The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit from continuing operations before income tax expense	6,202	11,256
Tax at the Indian tax rate of 26% (PY - 26%)	**1,612**	**2,927**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Interest on shortfall of advance tax	-	-
CSR Expenditure	-	-
Buffer tax created	-	-
Dividend income	-	-
Sec 14A Disallowance	-	-
On account of rate difference as compared to previous year	-	-
Other items	-	-
Income tax expense	**1,612**	**2,927**

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2019

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, 2019 and March 31, 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 March 31, 2019	As at March 31, 2018
Thomas Cook (India) Limited, India ("TCIL") holds 100% of Equity Shares of the Company. (Fairbridge Capital (Mauritius) Limited, Mauritius ("FCML") holds 66.94% 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 Management personnel

Particulars
Amit Madhan
R R Kenkare
Abraham Alapatt

(c) Transactions with related parties

The following transactions occurred with related parties:

Nature of transaction	March 31, 2019	March 31, 2018
(i) Holding Company		
Reimbursement of Expenses (Net)		
Thomas Cook (India) Limited	55,089.4	4,53,859
Balance as at the year end		
Outstanding Payable		
Thomas Cook (India) Limited	26,03,543.8	25,48,454

Note 17: Earnings Per Share

Particulars	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Net Profit attributable to equity shareholders	4,589	8,329
Weighted average number of outstanding shares	50,000	50,000
(a) Basic earnings per share		
Attributable to the equity holder of the company	0.09	0.17
(b) Diluted earnings per share		
Attributable to the equity holder of the company	0.09	0.17

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

Particulars	**March 31, 2019**	**March 31, 2018**
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	4,589	8,329
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	**4,589**	**8,329**

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

Particulars	**March 31, 2019**	**March 31, 2018**
Weighted average number of equity shares used as the denominator in calculating basic earning per share	50,000	50,000
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	50,000	50,000

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2019

Note 18: Segmental Reporting
Since the Company has no operations, there are no reportable segments.

Note 19: 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, 2019. 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.

Signatures to Notes 1 to 19 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 23, 2019
Place: Mumbai

For and on behalf of the Board of Directors

Debasis Nandy
Director
DIN No. 6368365

Date: May 23, 2019
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: May 23, 2019
Place: Mumbai

B S R & Co. LLP
Chartered Accountants

KRM Tower, 1st & 2nd Floor,
No 1, Harrington Road, Chetpet,
Chennai - 600 031, India.

Telephone : +91 44 4608 3100
Fax : +91 44 4608 3199

INDEPENDENT AUDITOR'S REPORT

To the Members of Sterling Holiday Resorts Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sterling Holiday Resorts Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of profit and loss (including 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 the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 March 31, 2019, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 50 to the financial statements which describes the alleged financial irregularities by an employee, the efforts being taken by the Company to address the matters arising therefrom and the recording of necessary accounting adjustments of Rs. 101 lakhs on the basis of the work performed till date.

Our report is not modified in respect of this matter.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's report, but does not include the financial statements and our auditor's report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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. When we read the Board's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as required under applicable laws and regulations.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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) specified 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 of 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 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 and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company'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 SAs 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 SAs, 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

   (A) 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 changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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".

(B) 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 as at March 31, 2019 on its financial position in its financial statements - Refer Notes 43 and 45 to the 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 - Refer Notes 8 and 28 to the financial statements. The Company does not have derivative contracts.

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

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2019.

(C) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Sethuraman

S Sethuraman
Partner
Membership No. 203491
Place: Chennai
Date: May 27, 2019

Annexure A to the Independent Auditor's Report to the members of Sterling Holiday Resorts Limited For the year ended March 31, 2019

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sterling Holiday Resorts Limited of even date)

(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 three 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 this programme, certain fixed assets were verified during the year and discrepancies noticed were properly dealt with in the books of accounts. Also refer Note 3 to the financial statements.

(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, as disclosed in Note 3 are held in the name of the Company, except for the assets mentioned in Note 45 to the financial statements.

(ii) The inventory has been physically verified by the management during the year. The procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. In our opinion, the frequency of verification is reasonable. The discrepancies noted on verification between physical stock and book records were not material and have been properly dealt with in the books of accounts.

(iii) According to the information and explanation given to us, the Company has granted loans to three companies listed 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 loans were granted were not, prima facie, prejudicial to the interest of the Company.

b) There was no schedule of repayment of principal and payment of interest stipulated. We do not comment on the regularity of repayment of principal and payment of interest in such cases where there were no stipulated terms.

c) We do not comment on the amount overdue as there are no stipulated terms of repayment of principal and payment of interest.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of the loans and investments made, and guarantees and security provided it.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the rules framed thereunder to the extent notified. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) The Central Government of India has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the activities of the Company and accordingly paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of an examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, cess and other material statutory dues have been regularly deposited by the Company with the appropriate authorities, though there has been a slight delay in a few cases. As explained to us, the Company did not have any dues on account of sales tax, service tax, value added tax, duty of customs and duty of excise.

The extent of the arrears of statutory dues outstanding as at March 31, 2019 for a period of more than six months from the date they became payable is as follows:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
The Income Tax Act, 1961	Fringe benefit tax	72.94	Assessment Years 2006-07 and 2009-10	March 31, 2006 and March 31, 2009 respectively	Yet to be paid

(b) According to the information and explanations given to us, there were no dues of duty of customs and duty of excise which have not been deposited with the appropriate authorities on account of any dispute. The particulars of dues of service tax, value added tax, income tax and luxury tax as at March 31, 2019 which have not been deposited on account of dispute are as follows:

Name of the Statute	Nature of dues	Amount in Rs. Lakhs	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service tax	527.03*	Assessment Year 2006-07 to 2007-08	Central Excise and Service tax Appellate Tribunal
Tamil Nadu VAT Act, 2006	Value Added Tax	37.60	Assessment Year 2013-14	Madurai Bench of Madras High Court
The Income Tax Act, 1961	Income tax	2,362.58	Assessment Year 2015-16	The Commissioner of Income Tax (Appeals), Mumbai
Tamil Nadu Luxury Tax Act	Luxury tax	77.47	Assessment Year 2000-01	Madras High Court
Himachal Pradesh Luxury Tax Act	Luxury tax	77.64*	Assessment Year - 1998-99 to 2003-04	The Commissioner – Shimla
Kerala Luxury Tax Act	Luxury tax	909.49*	Assessment Year - 2007-08 & 2009-10 to 2015-16	Deputy Commissioner
Kerala Luxury Tax Act	Luxury tax	36.64*	Assessment Year 2006-07, 2007-08 & 2011-12	Tribunal – Kottayam
Uttarakhand VAT Act	Value added tax	11.57	Assessment Year 2014-15	Deputy Commissioner
Tamil Nadu Luxury tax Act	Luxury tax	22.56	Assessment Years 2010-11 to 2014-15	Deputy Commissioner

*Net of amounts deposited under protest.

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

(ix) The Company did not raise any money by initial public offer or further public offer (including debt instruments) and term loans 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 any material fraud on the Company by its officers or employees has been noticed or reported during the course of our audit except for the matter more fully described in Note 50 to the financial statements wherein, subsequent to the balance sheet date, the Company has identified instance of suspected financial irregularities by an employee of the Company aggregating to approximately Rs. 101 lakhs.

(xi) 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.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into transactions with related parties in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the 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 made a private placement of Optionally Convertible Cumulative Redeemable Preference shares during the year and has complied with the provisions of section 42 of the Act. Pending utilization for the stated purpose, the funds have been temporarily used for the purpose other than for which the funds were raised.

(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 non-cash transactions with directors or persons connected with them. 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 Registration Number: 101248W/W-100022

Sethuraman

S Sethuraman
Partner
Membership No. 203491
Place: Chennai
Date: May 27, 2019

Annexure B to the Independent Auditor's report on the standalone financial statements of Sterling Holiday Resorts Limited for the year ended March 31, 2019

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Opinion

We have audited the internal financial controls with reference to financial statements of Sterling Holiday Resorts Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2019, 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are 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. 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 (hereinafter referred to as "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, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 whether 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 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 such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

Annexure B to the Independent Auditor's report to the members of Sterling Holiday Resorts Limited For the year ended March 31, 2019

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.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls 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 controls with reference to financial statements include 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 controls 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.

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership No. 203491
Place: Chennai
Date: May 27, 2019

Sterling Holiday Resorts Limited
Balance Sheet as at March 31, 2019
(All amounts in Rs. lakhs, unless otherwise stated)

	Note	As at March 31, 2019	As at March 31, 2018
Assets			
Non-current assets			
Property, plant and equipment	3	91,273.84	45,647.45
Capital work-in-progress	4	569.19	582.80
Other intangible assets	5	1,323.81	234.13
Intangible assets under development	6	37.67	361.32
Financial assets			
i. Investments	7(a)	2,257.58	3,927.14
ii. Trade receivables	8(a)	1,255.92	3,074.00
iii. Loans	9	-	1,059.65
iv. Other financial assets	10	1,329.21	1,413.42
Other tax assets	11	1,159.58	870.19
Other non-current assets	12	7,679.52	316.69
Total non-current assets		**1,06,886.32**	**57,486.79**
Current assets			
Inventories	13	75.61	91.60
Financial assets			
i. Investments	7(b)	312.26	867.74
ii. Trade receivables	8(b)	8,813.79	8,441.35
iii. Cash and cash equivalents	14	232.82	229.32
iv. Bank balances other than (iii) above	15	71.40	48.32
v. Loans	9	2,461.23	1,083.51
vi. Other financial assets	10	286.62	255.04
Other current assets	16	1,253.15	1,161.41
Total current assets		**13,506.88**	**12,178.29**
Total assets		**1,20,393.20**	**69,665.08**
Equity and liabilities			
Equity			
Equity share capital	17	2,905.00	2,905.00
Other equity			
Reserves and surplus	18	(18,841.11)	13,517.20
Other reserves	19	44,709.61	944.07
Total equity		**28,773.50**	**17,366.27**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	20(a)	2,606.13	3,491.56
ii. Other financial liabilities	21(a)	18.87	35.63
Provisions			
i. Provision for employee benefit obligations	22	308.79	295.73
Other non-current liabilities	24	73,376.35	33,000.94
Total non-current liabilities		**76,310.14**	**36,823.86**
Current liabilities			
Financial liabilities			
i. Borrowings	20(b)	1,770.53	1,918.25
ii. Trade payables	25		
Total outstanding dues of micro enterprises and small enterprises		52.23	8.44
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,818.13	3,047.76
iii. Other financial liabilities	21(b)	1,764.89	2,501.18
Provisions			
i. Provision for employee benefit obligations	22	252.21	214.28
ii. Other provisions	26	2,212.13	2,212.13
Other current liabilities	27	6,439.44	5,572.91
Total current liabilities		**15,309.56**	**15,474.95**
Total liabilities		**91,619.70**	**52,298.81**
Total equity and liabilities		**1,20,393.20**	**69,665.08**
Significant accounting policies	1.3		

The accompanying notes are an integral part of these financial statements

As per our report of even date

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: May 27, 2019

For and on behalf of the Board of Directors of
Sterling Holiday Resorts Limited
(CIN: U63040TN1989PLC114064)

Ramesh Ramanathan
Managing Director
DIN No.: 00174550

R. Anand
Director
DIN No.: 00243485

M. Balasubramaniyan

M Balasubramaniyan
Company Secretary

Manish Jain
Chief Financial Officer

Place: Chennai
Date: May 16, 2019

Sterling Holiday Resorts Limited
Statement of Profit and Loss for the year ended March 31, 2019
(All amounts in Rs. lakhs, unless otherwise stated)

	Note	For year ended March 31, 2019	For year ended March 31, 2018
Income			
Revenue from operations	28	22,473.05	24,034.96
Other income	29	1,429.59	1,578.74
Total income		**23,902.64**	**25,613.70**
Expenses			
Cost of materials consumed	30	1,370.66	1,294.57
Employee benefits expense	31	11,166.02	10,410.58
Finance costs	32	658.75	771.33
Depreciation and amortisation expense	33	2,433.66	2,170.13
Other expenses	34	13,659.80	13,546.88
Total expenses		**29,288.89**	**28,193.49**
Loss before tax		**(5,386.25)**	**(2,579.79)**
Income tax expense	35		
Current tax		-	-
Deferred tax		(3,022.86)	-
Loss for the year		**(2,363.39)**	**(2,579.79)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post employment benefit obligations		(4.70)	55.30
Revaluation gain relating to property, plant and equipment (Refer Note 53)		46,860.49	-
Change in fair value of FVOCI equity instruments		-	248.48
Income tax relating to these items		(3,022.86)	-
Other comprehensive income for the year, net of income tax		**43,832.93**	**303.78**
Total comprehensive income for the year		**41,469.54**	**(2,276.01)**
Earnings per share (Face value of Rs. 10 each)			
Basic and diluted earnings per share (in Rs.)	54	(8.14)	(8.88)

Significant accounting policies 1.3

The accompanying notes are an integral part of these financial statements

As per our report of even date

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: May 27, 2019

For and on behalf of the Board of Directors of
Sterling Holiday Resorts Limited
(CIN: U63040TN1989PLC114064)

Ramesh Ramanathan
Managing Director
DIN No.: 00174550

R. Anand
Director
DIN No.: 00243485

M Balasubramaniyan
Company Secretary

Manish Jain
Chief Financial Officer

Place: Chennai
Date: May 16, 2019

Sterling Holiday Resorts Limited
Statement of changes in equity for the year ended March 31, 2019
(All amounts in Rs. lakhs, unless otherwise stated)

I) Equity share capital

	Note	Amount
Balance as at April 1, 2017		2,905.00
Changes in equity share capital during the year	17	-
Balance as at March 31, 2018		**2,905.00**
Changes in equity share capital during the year	17	-
Balance as at March 31, 2019		**2,905.00**

II) Other equity

	Notes	Reserves and surplus			Other reserves			Total
		Securities premium	General reserve	Retained earnings	ESOP reserve	Equity instruments through OCI	Revaluation reserve	
Balance as at April 1, 2017		**32,057.94**	**4.70**	**(16,020.95)**	**619.82**	**21.24**	-	**16,682.75**
Loss for the year	18	-	-	(2,579.79)	-	-	-	**(2,579.79)**
Stock compensation expense	20	-	-	-	54.53	-	-	**54.53**
Other comprehensive income	19	-	-	55.30	-	248.48	-	**303.78**
Balance as at March 31, 2018		**32,057.94**	**4.70**	**(18,545.44)**	**674.35**	**269.72**	-	**14,461.27**
Loss for the year	18	-	-	(2,363.39)	-	-	-	**(2,363.39)**
Stock compensation expense	20	-	-	-	197.63	-	-	**197.63**
Adoption of Ind AS 115 (Refer Note 52)		-	-	(30,259.94)	-	-	-	**(30,259.94)**
Other comprehensive income	19	-	-	265.02	-	(269.72)	43,837.63	**43,832.93**
Balance as at March 31, 2019		**32,057.94**	**4.70**	**(50,903.75)**	**871.98**	-	**43,837.63**	**25,868.50**

Significant accounting policies 1.3

The accompanying notes are an integral part of these financial statements
As per our report of even date

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: May 27, 2019

For and on behalf of the Board of Directors of
Sterling Holiday Resorts Limited
(CIN: U63040TN1989PLC114064)

Ramesh Ramanathan
Managing Director
DIN No.: 00174550

R. Anand
Director
DIN No.: 00243485

M. Balasubramaniyan

M Balasubramaniyan
Company Secretary

Manish Jain
Chief Financial Officer

Place: Chennai
Date: May 16, 2019

Sterling Holiday Resorts Limited
Cash flow statement for the year ended March 31, 2019
(All amounts in Rs. lakhs, unless otherwise stated)

	Note	As at March 31, 2019	As at March 31, 2018
Cash flow from operating activities			
Loss before tax		(5,386.25)	(2,579.79)
Adjustments for:			
Depreciation and amortisation	33	2,433.66	2,170.13
Finance costs	32	658.75	771.33
Interest income	29	(282.66)	(331.86)
Profit on sale of assets	29	(10.08)	(744.61)
Employee share based payments	51	197.63	54.53
Gain on sale of investments (net)	29	(27.50)	(129.29)
Change in fair value of financials assets at fair value through profit or loss	29	(22.72)	(57.68)
Gain on modification of debt	29	-	(172.52)
Liabilities no longer required written back	29	(4.82)	(93.72)
Provision for doubtful advances	34	1.84	58.49
Provision for bad and doubtful debts	34	52.93	3.71
Working capital adjustments:			
(Increase)/Decrease in trade receivables		6,807.71	(688.93)
Decrease in inventories		15.99	48.28
(Increase)/Decrease in other financial assets		98.89	(158.80)
Increase in other assets		(476.92)	(206.72)
Increase/(Decrease) in trade payables		(181.02)	1,173.68
Increase/(Decrease) in other liabilities		(1,494.29)	3,387.97
Increase in employee benefit obligations		46.29	132.99
Increase/(Decrease) in other financial liabilities		16.01	(179.79)
Cash generated from operations		**2,443.46**	**2,457.40**
Income tax paid		(289.39)	(342.17)
Net cash generated from operating activities		**2,154.07**	**2,115.23**
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(2,252.23)	(5,915.88)
Loans to subsidiaries (net)	9	(249.41)	(141.54)
Investment in fixed deposits		(23.08)	-
Proceeds from sale of assets		16.37	791.80
Proceeds from sale of investments		2,275.26	4,730.06
Interest received		167.73	213.35
Net cash flow generated used in investing activities		**(65.35)**	**(322.21)**
Cash flows from financing activities			
Interest paid		(572.37)	(786.84)
Repayment of borrowings		(1,395.42)	(1,683.44)
Proceeds from issue of optionally convertible preference shares		30.30	-
Proceeds from borrowings for working capital (net)		-	1,481.51
Net cash flow used in financing activities		**(1,937.49)**	**(988.77)**
Net increase in cash and cash equivalents		151.22	804.24
Cash and cash equivalents at the beginning of the year		(688.93)	(1,493.18)
Cash and cash equivalents at end of the year	14	**(537.71)**	**(688.94)**
Reconciliation of cash and cash equivalents as per cash flow statement			
Cash and cash equivalents as per the above comprises of the following:			
Cash and cash equivalents		232.82	229.32
Bank overdrafts		(770.53)	(918.25)
Balances as per statement of cash flows	14	**(537.71)**	**(688.93)**
Significant accounting policies	1.3		

The accompanying notes are an integral part of these financial statements

As per our report of even date

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: May 27, 2019

For and on behalf of the Board of Directors of
Sterling Holiday Resorts Limited
(CIN: U63040TN1989PLC114064)

Ramesh Ramanathan
Managing Director
DIN No.: 00174550

R. Anand
Director
DIN No.: 00243485

M Balasubramaniyan
Company Secretary

Manish Jain
Chief Financial Officer

Place: Chennai
Date: May 16, 2019

1.1. Reporting entity

Sterling Holiday Resorts Limited (the "Company") is engaged in selling Membership including Leisure Hospitality Services (Time Share and Resort business). The Company is a subsidiary of Thomas Cook (India) Limited and the ultimate holding company is Fairfax Financial Holdings Limited, Canada.

1.2. Basis of preparation

1.2.1. Statement of compliance

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 were authorized for issue by the Company's Board of Directors on May 16, 2019.

Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities are measured at fair value (Refer Note 36);
- defined benefit plans — plan assets measured at fair value (Refer Note 22);
- share-based payments (Refer Note 31 and 51); and
- freehold and leasehold land measured at fair value (Refer Note 3 and 53).

1.2.2 Segment reporting

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. Refer Note 40 for segment information presented.

1.2.3. Foreign currency transaction

a) Functional and presentation currency
Items included in the financial statements of the Company are measured using the currency of primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (Rs.) which is the Company's functional and presentation currency.

b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. 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 year end exchange rates are generally recognised in profit or loss.

1.3. Significant accounting policies

1.3.1. Revenue recognition

The Company's business is to sell membership and provide holiday facilities to members for a specified period each year, over a number of years, for which membership fee is collected either in full upfront, or on a deferred payment basis.

B S R & Co. LLP * Chartered Accountants *

STERLING HOLIDAY RESORTS LIMITED ★ CHENNAI

1.3 Significant accounting policies (contd.)

1.3.1 Revenue recognition (contd.)

The Company has adopted Ind AS 115, Revenue from Contracts with Customers (which replaces earlier revenue recognition standards) using the cumulative effect method (without practical expedients). The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018) and included in retained earnings as on April 1, 2018.

Under Ind AS 115, 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. The standard establishes a five-step approach to revenue recognition that includes identifying contracts with customers, identifying performance obligations, determining transaction prices, allocating transaction prices to performance obligations and recognizing revenues when or as the performance obligations are satisfied.

a) Revenue from membership fees

In respect of sale of membership, the Company determines the transaction price and allocates the same to each performance obligation in the membership contract based on their respective fair values. Revenue from membership fee is recognized over the effective membership period as the performance obligation is fulfilled over the tenure of membership applicable to the respective member. The revenue to be recognized in future periods is classified as deferred income under the head 'other non-current'/ 'other current liabilities'. Revenue from offers and other benefits given to the customer is recognized as and when such benefits are provided to customers.

In the previous year under Ind AS 18 Revenue, in respect of sale of membership, 60% of the product value, being admission fee was recognized as income in the year of sale. This is non-refundable after a limited period as per the terms and conditions agreed with the customer. The remaining 40%, being entitlement fee, which entitles the vacation ownership member for the specified facilities over the membership usage period, was recognised as income equally over the period of entitlement. In respect of all other vacation ownership products prior to November 2011, 45% of the product value, being admission fee was recognised as income in the year of sale. This was non-refundable after a limited period as per the terms and conditions agreed with the customer. The remaining 55%, being Advance Subscription towards Customer Facilities (ASCF), which entitles the vacation ownership member for the specified facilities over the membership usage period, was recognised as income equally over the period of entitlement. The balance of entitlement fee and ASCF as at the year-end was classified as deferred income under the head other non-current/other current liabilities.

b) Revenue from annual subscription fees

Income in respect of annual subscription fee or annual amenity charges dues from members is recognized only when it is reasonably certain that the ultimate collection will be made. Where the length of time between rendering services and collection of consideration from the customers is more than one year, the Company adjusts the consideration for time value of money.

c) Interest income on membership plans

Interest is recognised as income based on the terms of the contracts entered into with the members if they are reasonably certain to be recovered from the customers.

Provision for cancellation of membership contracts is recognized based on the Company's cancellation policy and historical trends and experience.

B S R & Co. LLP * Chartered Accountants *

STERLING HOLIDAY RESORTS LIMITED * CHENNAI

1.3. Significant accounting policies (contd.)

1.3.1. Revenue recognition (contd.)

d) Incremental costs of obtaining and fulfilling a contract

The Company recognises as an asset the incremental costs of obtaining a contract with a customer if the entity expects to recover those costs. The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained are recognised as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained. If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard, the Company recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

(a) the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;

(b) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

(c) the costs are expected to be recovered.

The above costs to obtain and fulfill a contract are amortized over the effective membership period.

e) Revenue from resorts

Income from resorts comprising of sale of food and beverages, room rentals and other services are recognized when these are sold and as services are rendered.

1.3.2. Income taxes

The income tax expense or benefit 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 at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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.

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1.3. Significant accounting policies (contd.)

1.3.2. Income taxes (contd.)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

1.3.3. Leases

a) As a lessee:

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or 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.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

b) As a lessor:

Lease income from operating leases where the Company is a lessor is recognised as income in accordance with the terms of the arrangement. The respective leased assets are included in the balance sheet on the lease being classified as an operating lease and the ownership, risk and rewards pertaining to the assets are retained by the company.

1.3.4. Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. 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 group of 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.

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1.3. Significant accounting policies (contd.)

1.3.5. 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. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1.3.6. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment / cancellation.

1.3.7. Inventories

Inventories comprising of provisions, perishables, beverages and operating supplies are stated at lower of cost and net realizable value. Cost is determined using the first-in-first out (FIFO) method. The cost comprise of purchase price, non-refundable taxes and delivery handling cost incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are written down for slow moving / non-moving items, wherever necessary.

1.3.8. Investments and other financial assets

a) Classification:

The Company classifies its financial assets in the following measurement categories:

a. those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
b. those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement:

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

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

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1.3. Significant accounting policies (contd.)

1.3.8. Investments and other financial assets (contd.)

i. Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

ii. Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

iii. Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The Company subsequently measures all equity investments other than investment in subsidiaries 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 recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

c) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 37 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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1.3. Significant accounting policies (contd.)

1.3.8. Investments and other financial assets (contd.)

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

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

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

d) De-recognition of financial assets:

A financial asset is derecognised only when

i. The Company has transferred the rights to receive cash flows from the financial asset or

ii. retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

1.3.9. Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

1.3.10. Property, plant and equipment

Recognition and measurement

The Company adopts the cost measurement approach for property, plant and equipment other than freehold and leasehold land.

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1.3. Significant accounting policies (contd.)

1.3.10. Property, plant and equipment (contd.)

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

On April 1, 2018, the Company adopted the revaluation model for measurement of freehold and leasehold land. Freehold and leasehold land will be recognized at fair value based on periodic, at least triennial, valuations done by external independent valuers, less subsequent depreciation of leasehold land. Increase in the carrying amount arising on revaluation of land are recognized, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity.

Fair value of land is determined using the market comparable method, i.e., the valuations performed by the valuer are based on active market sale prices, adjusted for difference in the nature, location or condition of the specific property. Refer Note 53.

Depreciation methods, estimated useful lives and residual value:
Based on technical evaluation carried out, depreciation on property, plant and equipment is provided, on a pro-rata basis, on Straight Line Method (SLM) over the estimated useful lives of the assets, which equates to the useful lives prescribed under Schedule II to the Companies Act, 2013, as follows:

Asset class	Useful life (in years)
Building	60
Plant and machinery	15
Furniture and fixtures – general	10
Furniture and fixtures – others	8
Office equipment	5
Computer equipment – Servers & Network	6
Computer equipment – Desktop, laptop and end-user items	3
Electrical installations	10
Vehicles	8

Premium paid for acquiring leasehold land is amortised over the period of lease. Assets constructed on leasehold land/leasehold improvements are amortised over the primary period of lease or its estimated useful life, whichever is lower.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

1.3.11. Intangible assets

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 the end of each financial year. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

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1.3. Significant accounting policies (contd.)

1.3.11. Intangible assets (contd.)

Computer software and other intangibles are amortised on a straight line basis over a period of 5 years.

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.

1.3.12. Trade and other payables

These amounts represent unsecured liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.3.13. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed 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 profit or loss as other gains/(losses).

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. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

1.3.14. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

1.3.15. Provisions (other than for employee benefits)

Provisions for legal claims, volume discounts and returns 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 will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

1.3. Significant accounting policies (contd.)

1.3.15. Provisions (other than for employee benefits) (contd.)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

1.3.16. Employee benefits

a) Defined contribution plan
Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Plan as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

b) Defined benefit plan
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) by an independent actuary at the end of each year. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. The Group Gratuity plan is funded with Life Insurance Corporation of India, for all of the employees, under New Group Gratuity Cash Accumulation Plan.

c) Compensated absences
Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) by an independent actuary at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

d) Share based payments
Employee options

The fair value of options granted is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

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STERLING HOLIDAY RESORTS LIMITED ★ CHENNAI

1.3. Significant accounting policies (contd.)

1.3.16. Employee benefits (contd.)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

1.3.17. Earnings per share

a) Basic earnings per share
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (Refer Note 54).

b) Diluted earnings per share
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.

1.3.18. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019.

Ind AS 116, Leases

The Company is required to adopt Ind AS 116, leases from April 1, 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. Lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, leases.

A. Leases in which the Company is a lessee

The Company will recognise new assets and liabilities for its operating leases of offices, resorts and staff accommodation. The nature of expenses related to those leases will now change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

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1.3. Significant accounting policies (contd.)

1.3.18. Recent accounting pronouncement (contd.)

In addition, the Company will no longer recognise provisions for operating leases that it assesses to be onerous. Instead, the Company will include the payments due under the lease in its lease liability and apply Ind AS 36, Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment.

No significant impact is expected for the Company's existing finance leases.

B. Leases in which the group is a lessor

The Company will reassess the classification of sub-leases in which the Company is a lessor. Based on the information currently available, the Company expects that it will reclassify one sub-lease as a finance lease.

No significant impact is expected for other leases in which the Company is a lessor.

C. Transition

The Company plans to apply Ind AS 116 initially on April 1, 2019, using the modified retrospective approach without restating the comparative financial statements. Under this approach, the right of use asset will be equal to the present value of future lease commitments as on March 31, 2019. Hence there will be no impact, on transition to Ind AS 116, to opening retained earnings.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before April 1, 2019 and identified as leases in accordance with Ind AS 17.

The Company is in the process of assessing the impact of Ind AS 116 on its standalone financial statements.

Ind AS 12 Income Taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

1.3. Significant accounting policies (contd.)

1.3.18. Recent accounting pronouncement (contd.)

Ind AS 19 – Plan amendment, curtailment or settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

1.3.19. Current / Non-current classification

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 in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

1.3.20. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off and presented in lakhs with decimals as per the requirement of Schedule III, unless otherwise stated.

2. Critical estimates and judgements:

In preparing these financial statements, management has made judgements, 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 recognised prospectively.

The areas involving critical estimate or judgement are:

Note 28 - Recognition of revenue including provision for cancellation of contracts

Note 43 and 45 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Note 53 – Valuation of freehold and leasehold land

Note 41 – Going concern assessment

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

3 Property, plant and equipment

Reconciliation of carrying amount for the year ended March 31, 2018:

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	3,603.52	35.46	4.62	3,634.36	-	-	-	-	3,603.52	3,634.36
Land - leasehold	1,698.94	-	-	1,698.94	76.80	18.67	-	95.47	1,622.14	1,603.47
Building	27,043.85	6,503.72	-	33,547.57	1,109.58	744.74	-	1,854.32	25,934.27	31,693.25
Computer equipment	426.15	89.28	4.14	511.29	246.58	106.82	1.90	351.50	179.57	159.79
Plant and machinery	2,004.48	426.41	3.75	2,427.14	274.52	199.56	1.50	472.58	1,729.96	1,954.56
Furniture and fixtures	3,135.93	741.12	39.78	3,837.27	677.65	475.88	8.45	1,145.08	2,458.28	2,692.19
Office equipment	136.06	60.00	0.03	196.03	134.07	20.97	0.03	155.01	1.99	41.02
Vehicles	148.00	19.53	12.93	154.60	42.14	24.31	12.93	53.52	105.86	101.08
Electrical installations	3,598.29	1,276.42	8.92	4,865.79	645.02	455.20	2.16	1,098.06	2,953.27	3,767.73
Total	**41,795.22**	**9,151.94**	**74.17**	**50,872.99**	**3,206.36**	**2,046.15**	**26.97**	**5,225.54**	**38,588.86**	**45,647.45**

Reconciliation of carrying amount for the year ended March 31, 2019:

Asset description	Gross carrying amount				Accumulated Depreciation				Net carrying amount	
	As at April 1, 2018	Additions / Adjustments	Disposals	As at March 31, 2019	As at April 1, 2018	Depreciation for the year	Disposals	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019
Land - freehold	3,634.36	45,690.12	-	49,324.48	-	-	-	-	3,634.36	49,324.48
Land - leasehold	1,698.94	1,206.53	-	2,905.47	95.47	33.66	-	129.13	1,603.47	2,776.34
Building	33,547.57	629.11	-	34,176.68	1,854.32	828.43	-	2,682.75	31,693.25	31,493.93
Computer equipment	511.29	4.20	6.78	508.71	351.50	62.02	6.78	406.74	159.79	101.97
Plant and machinery	2,427.14	38.40	54.12	2,411.42	472.58	223.84	53.99	642.43	1,954.56	1,768.99
Furniture and fixtures	3,837.27	144.84	90.31	3,891.80	1,145.08	553.44	90.31	1,608.21	2,692.19	2,283.59
Office equipment	196.03	2.93	28.24	170.72	155.01	16.20	28.24	142.97	41.02	27.75
Vehicles	154.60	4.70	18.28	141.02	53.52	23.58	12.11	64.99	101.08	76.03
Electrical installations	4,865.79	183.98	13.12	5,036.65	1,098.06	530.95	13.12	1,615.89	3,767.73	3,420.76
Total	**50,872.99**	**47,904.81**	**210.85**	**98,566.95**	**5,225.54**	**2,272.12**	**204.55**	**7,293.11**	**45,647.45**	**91,273.84**

a. Consequent to the Scheme referred in Note 48 becoming effective, the Company is in the process of transferring the title of land and buildings in the name of Company.

b. Leasehold land of Rs. 2,905.47 lakhs (March 31, 2018: Rs. 1,698.94 lakhs) represents parcels of land which were obtained by the Company for a lease term of more than or equal to 92 to 105 years.

c. Refer Note 44 for capital commitments.

d. Refer Note 45 for certain property related matters.

e. During the year, the Company has written off assets with net carrying amount of Rs. 56.19 lakhs based on physical verification conducted.

f. During the year, the Company has changed its accounting policy with respect to measurement of freehold and leasehold land from the cost model to revaluation model with effect from April 1, 2018. Refer Notes 1.3.10 and 53.

The carrying amounts as at March 31, 2019 under revaluation and cost models are given below

Block of asset	Revaluation model	Cost model
Freehold land	49,324.48	3,623.04
Leasehold land	2,776.34	1,614.83
Total	**52,100.82**	**5,237.87**

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STERLING HOLIDAY RESORTS LIMITED * CHENNAI

(All amounts in Rs. lakhs, unless otherwise stated)

4 Capital work-in-progress

Reconciliation of carrying amount for the year ended March 31, 2018:

Asset description	Gross carrying amount			
	As at April 1, 2017	Additions	Disposals / Transfers	As at March 31, 2018
Capital work-in-progress	3,970.74	5,609.98	8,997.92	582.80

Reconciliation of carrying amount for the year ended March 31, 2019:

Asset description	Gross carrying amount			
	As at April 1, 2018	Additions	Disposals / Transfers	As at March 31, 2019
Capital work-in-progress	582.80	1,064.07	1,077.68	569.19

Capital work-in-progress mainly comprises of resort properties under construction/renovation.

5 Other intangible assets

Reconciliation of carrying amount for the year ended March 31, 2018:

Asset description	Gross carrying amount				Accumulated amortisation				Net carrying amount	
	As at April 1, 2017	Additions	Disposals/ Adjustments	As at March 31, 2018	As at April 1, 2017	Amortisation charge during the year	Disposals/ Adjustments	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018
Computer software	565.52	66.05	-	631.57	273.46	123.98	-	397.44	292.06	234.13

Reconciliation of carrying amount for the year ended March 31, 2019:

Asset description	Gross carrying amount				Accumulated amortisation				Net carrying amount	
	As at April 1, 2018	Additions	Disposals/ Adjustments	As at March 31, 2019	As at April 1, 2018	Amortisation charge during the year	Disposals/ Adjustments	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019
Computer software	631.57	1,251.21	-	1,882.78	397.44	161.53	-	558.97	234.13	1,323.81

6 Intangible assets under development

Asset description	Gross carrying amount			
	As at April 1, 2017	Additions	Disposals/Transfers	As at March 31, 2018
Intangible assets under development	128.07	233.25	-	361.32

Asset description	Gross carrying amount			
	As at April 1, 2018	Additions	Disposals/Transfers	As at March 31, 2019
Intangible assets under development	361.32	927.56	1,251.21	37.67

Intangible assets under development comprise the Company's software and website which is under development.

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(All amounts in Rs. lakhs, unless otherwise stated)

		As at March 31, 2019	As at March 31, 2018
7(a)	**Non-current investments**		
	Investment in equity instruments (fully paid-up)		
	Equity investments at cost		
	Investment in subsidiaries - Unquoted:		
	49,000 (March 31, 2018: 49,000), equity shares of Sterling Holidays (Ooty) Limited	73.48	73.48
	49,000 (March 31, 2018: 49,000), equity shares of Sterling Holiday Resorts (Kodaikanal) Limited	116.68	116.68
	147,578 (March 31, 2018: 147,578) equity shares of Nature Trails Resorts Private Limited	2,066.09	2,066.09
	Equity investments at FVTPL		
	Unquoted:		
	Investment in equity shares of Rs. 10 each, fully paid-up:		
	100,000 (March 31, 2018: 100,000) equity shares of Sterling Holiday Finvest Limited	-	-
	100,000 (March 31, 2018: 100,000) equity shares of Sterling Securities & Futures Limited	-	-
	520,000 (March 31, 2018: 520,000) equity shares of Sterling Resorts Home Finance Limited	-	-
	700,000 (March 31, 2018: 700,000) equity shares of Sterling Holiday Financial Services Limited	-	-
	Investment in no. of teak units:		
	28,765 (March 31, 2018: 28,765) equity shares of Sterling Tree-Magnum (India) Limited	-	-
	Quoted:		
	Investment in Equity Shares of Rs. 10 each, fully paid-up:		
	1,100 (March 31, 2018: 1,100) equity shares of Tourism Finance Corporation of India Limited	1.33	1.67
	Equity investments at FVOCI		
	Unquoted:		
	Nil (March 31, 2018: 73,234) equity shares of Travel Corporation (India) Limited	-	1,669.22
	Total	**2,257.58**	**3,927.14**
	Aggregate amount of quoted investments and market value thereof	1.33	1.67
	Aggregate value of unquoted investments	2,256.25	3,925.47
	Aggregate amount of impairment in the value of investments	1,145.00	1,145.00
7(b)	**Current investments**		
	Quoted mutual funds		
	Investment in Mutual Funds at FVTPL - Quoted:		
	Nil (March 31, 2018: 1,037,468) units of Kotak Treasury Advantage Fund - Reg- Growth*	-	288.35
	10,985 (March 31, 2018: 10,985) units of TATA Floater Fund - Growth*	312.26	289.34
	Nil (March 31, 2018: 959,041) units of HDFC FRIF - Short Term Plan - Growth*	-	290.05
	Total	**312.26**	**867.74**
	Aggregate amount of quoted investments and market value thereof	312.26	867.74

*Represents investments amounting to Nil (March 31, 2018: Rs 779.17) given as security for loan availed by Nature Trails Resorts Private Limited.

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		As at March 31, 2019	As at March 31, 2018
8(a)	**Trade receivables non-current**		
	Considered good	1,255.92	3,074.00
	Considered doubtful	410.34	655.99
		1,666.26	**3,729.99**
	Less: Deferred income	(410.34)	(396.07)
	Less: Provision for cancellation	-	(259.92)
	Total	**1,255.92**	**3,074.00**
8(b)	**Trade receivables current**		
	Considered good	8,971.17	8,441.35
	Considered doubtful	12,563.55	12,107.92
		21,534.72	**20,549.27**
	Less: Deferred income	(11,953.87)	(6,452.90)
	Less: Provision for cancellation	(609.68)	(5,550.57)
	Less: Loss allowance	(157.38)	(104.45)
	Total	**8,813.79**	**8,441.35**
	Of the above, trade receivables from related parties are as below:		
	Total trade receivables from related parties (Refer Note 42)	58.97	109.50
	Loss allowance	-	-
	Net trade receivables	**58.97**	**109.50**

For receivables secured against borrowings, see Note 20.
The Company's exposure to credit and loss allowances related to trade receivables are disclosed in Note 37.

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 amounts are as follows:		
Total transferred receivables	847.85	1,063.03
Associated securitised borrowing (Refer Note 20)	22.26	514.83

		As at March 31, 2019		As at March 31, 2018	
		Current	Non Current	Current	Non Current
9	**Loans**				
	Unsecured, considered good				
	Loans and advances to related parties - Subsidiaries (Refer Note 42)	1,986.13	-	677.07	1,059.65
	Interest accrued on loans and advances to related parties (Refer Note 42)	422.14	-	287.79	-
	Employee advances	52.96	-	118.65	-
	Total	**2,461.23**	**-**	**1,083.51**	**1,059.65**
10	**Other financial assets**				
	Security deposits	136.60	731.62	88.20	815.83
	Receivable on sale of fixed assets [Refer Note 45(b)]	-	597.59	-	597.59
	Interest accrued on fixed deposits	4.03	-	23.45	-
	Unbilled revenue	114.40	-	143.39	-
	Other receivables	31.59	-	-	-
	Total	**286.62**	**1,329.21**	**255.04**	**1,413.42**

		As at March 31, 2019	As at March 31, 2018
11	**Other tax assets (net)**		
	Advance tax [Net of provision for tax Rs. 213.92 lakhs (March 31, 2018: Rs. 213.92 lakhs)]	1,159.58	870.19
		1,159.58	**870.19**

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CHENNAI

(All amounts in Rs. lakhs, unless otherwise stated)

		As at March 31, 2019	As at March 31, 2018
12	**Other non-current assets**		
	Prepaid expenses	270.30	220.10
	Unamortized expenses (Refer note below)	7,372.68	-
	Capital advances		
	- Considered good	36.54	96.59
	- Considered doubtful	888.51	886.67
		925.05	**983.26**
	- Less: Provision for doubtful advances	(888.51)	(886.67)
		36.54	**96.59**
	Total	**7,679.52**	**316.69**

Note:
Unamortised expenses relates to incremental costs of acquisition of the member that are deferred over the period of effective membership. Incremental costs are those that would not have been incurred if the contract was not obtained. Refer Note 52.

13	**Inventories**		
	Food and beverages	43.42	39.05
	Operating supplies	32.19	52.55
	Total	**75.61**	**91.60**
14	**Cash and cash equivalents**		
	Balances with banks		
	- in current accounts	203.25	218.93
	Cash on hand	29.57	10.39
	Cash and cash equivalents in the balance sheet	**232.82**	**229.32**
	Bank overdrafts used for cash management purposes [Refer Note 20 (b)]	(770.53)	(918.25)
	Cash and cash equivalents in the statement of cash flows	**(537.71)**	**(688.93)**
15	**Other bank balances**		
	Short term bank deposits	71.40	48.32
	(Deposits with maturity of more than 3 months but less than 12 months)		
	Total	**71.40**	**48.32**
16	**Other current assets**		
	Prepaid expenses	325.21	413.61
	Unamortized expenses (Refer note below)	380.70	-
	Advances to vendors		
	Considered good	283.48	459.02
	Considered doubtful	57.87	57.87
		341.35	**516.89**
	Less: Provision for doubtful advance	(57.87)	(57.87)
		283.48	**459.02**
	Balances with statutory authorities	263.76	288.78
	Total	**1,253.15**	**1,161.41**

Note:
Unamortised expenses relates to incremental costs of acquisition of the member that are deferred over the period of effective membership. Incremental costs are those that would not have been incurred if the contract was not obtained. Refer Note 52.

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17 Equity share capital

Authorised equity share capital

Authorised	**March 31, 2019**	**March 31, 2018**
400 lakhs (March 31, 2018: 400 lakhs) equity shares of Rs.10 each	4,000.00	4,000.00
Issued, subscribed and paid-up		
290.50 lakhs (March 31, 2018: 290.50 lakhs) equity shares of Rs.10 each	2,905.00	2,905.00
As at March 31, 2019	**2,905.00**	**2,905.00**

Reconciliation of shares outstanding at the beginning and at the end of the year

	March 31, 2019		**March 31, 2018**	
	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

	March 31, 2019		**March 31, 2018**	
	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

	March 31, 2019		**March 31, 2018**	
	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, 2019	As at March 31, 2018
18	**Reserves and surplus**		
	Securities premium reserves	32,057.94	32,057.94
	General reserve	4.70	4.70
	Retained earnings	(50,903.75)	(18,545.44)
	Total	**(18,841.11)**	**13,517.20**
	Movement in reserves and surplus balances is as follows :		
	a) Securities premium		
	Opening balance	32,057.94	32,057.94
	Additions during the year	-	-
	Closing balance	**32,057.94**	**32,057.94**
	b) General reserve		
	Opening balance	4.70	4.70
	Additions during the year	-	-
	Closing balance	**4.70**	**4.70**
	c) Retained earnings		
	Opening balance	(18,545.44)	(16,020.95)
	Loss for the year	(2,363.39)	(2,579.79)
	Adoption of Ind AS 115 (Refer Note 52)	(30,259.94)	-
	Gain on sale of investments - Transferred from other reserves - FVOCI	269.72	-
	Items of other comprehensive income recognised directly in retained earnings		
	- Remeasurements of post-employment benefit obligation, net of tax	(4.70)	55.30
	Closing balance	**(50,903.75)**	**(18,545.44)**

19 Other reserves

	ESOP reserve	Other comprehensive income: Remeasurement of post-employment benefit obligation	Other comprehensive income: Equity instruments through OCI	Revaluation Reserve	Total
As at April 1, 2017	619.82	-	21.24	-	641.06
Additions during the year	54.53	55.30	248.48	-	358.31
Transferred to retained earnings	-	(55.30)	-	-	(55.30)
As at March 31, 2018	**674.35**	-	**269.72**	-	**944.07**
Additions during the year	197.63	(4.70)	-	43,837.63	44,030.56
Transferred to retained earnings	-	4.70	(269.72)	-	(265.02)
As at March 31, 2019	**871.98**	-	-	**43,837.63**	**44,709.61**

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 the holding company (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.

Revaluation reserve

The Company has changed its accounting policy on measurement of land from cost model to revaluation model w.e.f. April 1, 2018. Land is recognized at fair value based on valuations by external independent valuers. Increase in the carrying amount arising on revaluation of land are recognized, net of tax, in other comprehensive income and accmulated in other reserves in shareholders' equity. Refer Note 53.

Movement in revaluation reserve	**Amount**
As at March 31, 2018	-
Revaluation surplus during the year	46,860.49
Income tax effect	(3,022.86)
As at March 31, 2019	**43,837.63**

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20(a) Non-current borrowings

	As at March 31, 2019	As at March 31, 2018
Term loan		
- From banks		
Secured bank loans	2,575.83	3,491.56
Optionally convertible cumulative redeemable preference shares (OCCRPS)	30.30	-
Total	**2,606.13**	**3,491.56**

20(b) Current borrowings

Loans from banks		
Current portion of secured bank loans	925.59	1,344.82
Secured short-term working capital loan	1,000.00	1,000.00
Bank overdraft	770.53	918.25
	2,696.12	**3,263.07**
Less: Amount included under 'Other financial liabilities'	(925.59)	(1,344.82)
Total current borrowings	**1,770.53**	**1,918.25**

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 loan amount outstanding as at year end is Rs. 3,216.67 lakhs (March 31, 2018: Rs. 3989.54 lakhs). Out of this, Rs.833.33 lakhs (March 31, 2018: 782.09 lakhs) is repayable within 1 year and the balance amount of Rs. 2,383.34 lakhs (March 31, 2018: 3,207.45 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 bank 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. 22.26 lakhs (March 31, 2018: Rs.514.34 lakhs). The entire amount of Rs. 22.26 lakhs (March 31, 2018: 492.73 lakhs) is repayable within 1 year.

c 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. 262.50 lakhs (March 31, 2018: Rs. 332.50 lakhs). Out of this loan, Rs. 70 lakhs (March 31, 2018: Rs. 70.00 lakhs) is repayable within 1 year and the balance amount of Rs. 192.50 lakhs (March 31, 2018: Rs. 262.50 lakhs) is repayable after 1 year from the balance sheet date.

Optionally convertible cumulative redeemable preference shares (OCCRPS)
The Company issued 303,000 Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of Rs.10 each to its parent company Thomas Cook (India) Limited in April 2018. The OCCRPS carries a fixed Cumulative dividend at a rate of 8.5% payable from the date of allotment. Every 303,000 OCCRPS shall be converted at the option of the Company into 10 equity shares of Rs.10 each. Such conversion shall be at the option of the Company at any time after 1 year from the date of allotment of shares but not later than 7 years from the date of allotment. The redemption shall be made out of the profits of the Company or proceeds of fresh issue of shares made for the purpose of redemption. The conversion will result in allotment of 10,000 equity shares of Rs.10 each. As per the terms of the OCCRPS, there is a contractual obligation to deliver cash to the holder (dividend is non-discretionary). The holder does not have the right to convert the instrument into equity shares any time during the tenure of the preference shares, right to conversion lies with the issuer. Further, the OCCRPS is neither a derivative instrument, nor does it fall within the scope of puttable instruments. Therefore, the OCCRPS has been classified as a financial liability. The corresponding dividend paid or accrued has been disclosed as finance cost.

Short-term working capital loan
Short-term borrowing of Rs. 1,000 lakhs (March 31, 2018: Rs. 1,000 lakhs) 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
Bank overdraft of Rs. 770.53 lakhs (March 31, 2018 Rs. 918.25 lakhs) from Kotak Mahindra Bank with an interest rate of 10.8% 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.

The carrying amounts of financial and non-financial assets pledged as security for non-current borrowings are disclosed in Note 49.

20(c) Reconciliation of movement of liabilities to cash flows arising from financing activities

Particulars	**March 31, 2019**	**March 31, 2018**
Non-current borrowings	3,531.72	4,836.38
Current borrowings	1,000.00	1,000.00
Cash and cash equivalents (Bank overdrafts used for cash management purposes)	770.53	918.25
Net debt	**5,302.25**	**6,754.63**

Particulars	**Cash and cash equivalents**	**Current borrowings**	**Non-current borrowings**	**Total**
Balance as at April 1, 2017	**1,703.86**	-	**6,210.88**	**7,914.74**
Proceeds from loans and borrowings	-	-	350.00	350.00
Repayment of borrowings	-	-	(1,551.93)	(1,551.93)
Change in bank overdraft and working capital loan	(785.61)	1,000.00	-	214.39
Foreclosure charges	-	-	(54.36)	(54.36)
Non-cash changes				
- Impact of effective interest amortisation	-	-	54.30	54.30
- Gain on modification of financial liability	-	-	(172.52)	(172.52)
Balance as at March 31, 2018	**918.25**	**1,000.00**	**4,836.38**	**6,754.63**
Proceeds from loans and borrowings	-	-	-	-
Repayment of borrowings	-	-	(1,395.42)	(1,395.42)
Proceeds from issue of OCCRPS	-	-	30.30	30.30
Change in bank overdraft and working capital loan	(147.72)	-	-	(147.72)
Non-cash changes				
- Impact of effective interest amortisation	-	-	60.46	60.46
Balance as at March 31, 2019	**770.53**	**1,000.00**	**3,531.72**	**5,302.25**

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(All amounts in Rs. lakhs, unless otherwise stated)

		As at March 31, 2019	As at March 31, 2018
21	**Other financial liabilities**		
21(a)	**Non-current**		
	Creditors for capital expenditure	18.87	35.63
	Total	**18.87**	**35.63**
21(b)	**Current**		
	Current maturities of long-term borrowings	925.59	1,344.82
	Interest accrued but not due on borrowings	34.70	39.15
	Dividend payable on optionally convertible cumulative redeemable preference shares	2.49	-
	Creditors for capital expenditure	640.80	976.20
	Security deposits	24.60	17.39
	Other liabilities	132.42	123.62
	Interest payable to micro enterprises and small enterprises (Refer Note 47)	4.29	-
	Total	**1,764.89**	**2,501.18**

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CHENNAI

22 Provision for employee benefit obligations

	As at March 31, 2019			As at March 31, 2018		
	Current	Non-current	Total	Current	Non-current	Total
Compensated absences	132.06	105.58	237.64	121.45	134.03	255.48
Gratuity	120.15	203.21	323.36	92.83	161.70	254.53
Total	**252.21**	**308.79**	**561.00**	**214.28**	**295.73**	**510.01**

(i) 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 salary 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, 2018	391.03	136.50	**254.53**
Current service cost	72.87	-	**72.87**
Past service cost	-	-	**-**
Interest expense/(income)	28.24	10.12	**18.12**
Total amount recognised in profit or loss	**101.11**	**10.12**	**90.99**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(4.04)	**4.04**
(Gain)/loss from change in demographic assumptions	(1.19)	-	**(1.19)**
(Gain)/loss from change in financial assumptions	(40.08)	-	**(40.08)**
Experience (gains)/losses	41.93	-	**41.93**
Total amount recognised in other comprehensive income	**0.67**	**(4.04)**	**4.70**
Employer contributions	(61.32)	14.41	**(75.73)**
Benefit payments	(12.45)	(61.32)	**48.87**
March 31, 2019	**419.03**	**95.66**	**323.36**

	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2017	364.84	139.98	**224.86**
Current service cost	81.63	-	**81.63**
Past service cost	1.76	-	**1.76**
Interest expense/(income)	25.03	8.48	**16.55**
Total amount recognised in profit or loss	**108.42**	**8.48**	**99.94**
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	(13.93)	-	**(13.93)**
Experience (gains)/losses	(37.87)	-	**(37.87)**
Total amount recognised in other comprehensive income	**(51.80)**	**3.50**	**(55.30)**
Employer contributions	(15.46)	-	**(15.46)**
Benefit payments	(14.97)	(15.46)	**0.49**
March 31, 2018	**391.03**	**136.50**	**254.53**

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

	March 31, 2019	March 31, 2018
Present value of funded obligations	419.03	391.03
Fair value of plan assets	95.66	136.50
Deficit of funded plan	**323.36**	**254.53**
Current benefit obligation	92.83	92.83
Non-current benefit obligation	230.53	161.70
Deficit of gratuity plan	**323.36**	**254.53**

(ii) 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. 466.22 lakhs (March 31, 2018: Rs. 383.10 lakhs).

(All amounts in Rs. lakhs, unless otherwise stated)

(iii) Principal actuarial assumptions used in valuation of Gratuity

	March 31, 2019	March 31, 2018
Discount rate	7.13%	7.41%
Expected rate of return on plan assets	7.13%	7.41%
Salary growth rate	4.00%	7.00%
Attrition rate	28.00%	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

(iv) Sensitivity Analysis

a) Gratuity

	March 31, 2019	March 31, 2018
Discount rate:		
+ 100 basis points	(16.98)	(39.66)
- 100 basis points	19.52	42.48
Salary escalation rate:		
+ 100 basis points	15.87	31.38
- 100 basis points	(14.63)	(30.97)

b) Compensated absence

	March 31, 2019	March 31, 2018
Discount rate:		
+ 100 basis points	(5.23)	(26.18)
- 100 basis points	6.53	27.88
Salary escalation rate:		
+ 100 basis points	6.69	19.97
- 100 basis points	(5.98)	(18.95)

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 assumptions 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 LIC is in government bonds and securities and other approved securities. Hence, the Company is not exposed to the risk of asset volatility 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, 2019	As at March 31, 2018
Property, plant and equipment	4,665.76	4,598.20
On account of land revaluation	3,022.86	-
On account of fair valuation of investments	-	269.11
Total deferred tax liabilities	**7,688.62**	**4,867.31**
Set-off of deferred tax liabilities pursuant to set-off provisions	7,688.62	4,867.31
Deferred tax liability as per the balance sheet	-	-
Net unrecognised deferred tax liabilities	-	-
Unabsorbed depreciation allowance and business loss carried forward	8,600.23	8,560.35
Provision for employee benefits	297.92	267.00
Provision for doubtful debts	189.76	1,816.42
Total deferred tax assets	**9,087.91**	**10,643.77**
Set-off of deferred tax liabilities pursuant to set-off provisions	7,688.62	4,867.31
Deferred tax asset as per the balance sheet	-	-
Net unrecognised deferred tax assets	**1,399.29**	**5,776.47**

Movement in deferred tax liabilities

	Property, plant and equipment	On account of land revaluation	On account of fair valuation of investments	Others	Total
At April 1, 2017	4,558.68	-	188.49	-	4,747.17
(Charged)/credited:					-
- to profit or loss	39.52	-	80.62	-	120.14
- to other comprehensive income	-	-	-	-	-
At March 31, 2018	**4,598.20**	-	**269.11**	-	**4,867.31**
(Charged)/credited:					
- to profit or loss	67.56	3,022.86	(269.11)	-	2,821.31
- to other comprehensive income	-		-	-	-
At March 31, 2019	**4,665.76**	**3,022.86**	-	-	**7,688.62**

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, 2017	10,816.58	239.20	1,787.07	23.70	12,866.55
Movement in deferred tax asset	(2,256.23)	27.80	29.35	(23.70)	(2,222.78)
At March 31, 2018	**8,560.35**	**267.00**	**1,816.42**	-	**10,643.77**
Movement in deferred tax asset	39.88	30.92	(1,626.66)	-	(1,555.87)
At March 31, 2019	**8,600.23**	**297.92**	**189.76**	-	**9,087.90**

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		As at March 31, 2019	As at March 31, 2018
24	**Other non-current liabilities**		
	Deferred income (Refer Note 52)	73,111.59	32,830.90
	Advance received from customers	264.76	170.04
	Total	**73,376.35**	**33,000.94**

25	**Trade payables**		
	Dues to related parties [Refer Note 42(f)]	129.69	287.93
	Dues to micro enterprises and small enterprises (Refer Note 47)	52.23	8.44
	Dues to creditors other than micro enterprises and small enterprises	2,688.44	2,759.83
	Total	**2,740.67**	**3,056.20**

The Company's exposure to liquidity risks related to trade payables is disclosed in Note 37.

26	**Other provisions**		
	Provision for fringe benefit tax	72.94	72.94
	Provision for stamp duty (Refer note below)	2,139.19	2,139.19
	Total	**2,212.13**	**2,212.13**

Note:

Pursuant to the Composite scheme of arrangement and amalgamation referred in Note 48, the immovable properties of the demerged undertaking (Timeshare & Resorts business) is being transferred to the Company. The Company has immovable properties in various states. As per the laws prevalent in the respective states, stamp duty is applicable on such transfer of property. Hence, on the basis of legal opinion, the Company has maintained a provision as on March 31, 2019 amounting to Rs. 2,139.19 lakhs (March 31, 2018: Rs. 2,139.19 lakhs) for the stamp duty liability that may arise.

27	**Other current liabilities**		
	Salaries, wages, bonus and employee payables	1,209.08	1,173.39
	Statutory liabilities	220.81	547.28
	Deferred income (Refer Note 52)	3,628.38	2,073.69
	Advance received from customers	1,381.17	1,778.55
	Total	**6,439.44**	**5,572.91**

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		For year ended March 31, 2019	For year ended March 31, 2018
28	**Revenue from operations**		
	Disaggregation of revenue:		
	On the basis of nature of goods or services:		
	Sale of services		
	Income from sale of membership:		
	- Membership fee/Admission fees (including income on cancellation of contracts)	4,271.02	5,628.14
	- Entitlement fees	-	1,322.44
	- Annual subscription fees/ Annual amenity charges	4,631.37	3,620.99
	- Interest income on trade receivables (instalment plan)	134.55	811.06
	Sale of products (Resort operations)		
	Food and beverages	4,906.10	4,535.05
	Sale of services		
	Income from resorts:		
	- Room rentals	7,163.79	6,837.11
	- Others	1,036.65	998.99
	- Management contract income	46.19	10.80
	Other operating revenues		
	Service charges	283.38	270.38
	Total	**22,473.05**	**24,034.96**
	On the basis of timing of transfer of goods or services		
	At a point in time	10,992.05	10,236.47
	Over a period of time	11,481.00	13,798.49
		22,473.05	**24,034.96**

a Refer Note 52 for adoption of Ind AS 115 Revenue from contracts with customers

b 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. 221.35 lakhs (March 31, 2018: Rs. 919.66 lakhs) for the sales relating to the year.

c Revenue recognised in the current year that was included in deferred income balance at the beginning of the year is Rs 2,951.81 lakhs.

29	**Other income**		
	Interest income on:		
	- Loans and advances to related parties	214.06	221.64
	- Bank deposits	3.89	6.64
	- Others	64.71	103.58
	Profit on sale of assets (net)	10.08	744.61
	Gain on sale of current investments (net)	27.50	129.29
	Net gain on financial assets mandatorily measured at fair value through profit or loss	22.72	57.68
	Gain on modification of financial liability	-	172.52
	Rental income	257.14	24.00
	Management fees	773.39	-
	Income from skill development training	41.83	-
	Scrap sales	3.61	5.00
	Provision/Liabilities no longer required written back	4.82	93.72
	Miscellaneous income	5.84	20.06
	Total	**1,429.59**	**1,578.74**
30	**Cost of materials consumed**		
	Inventory of materials at the beginning of the year	39.05	45.09
	Add: Purchases	1,375.03	1,288.53
	Less: Inventory of materials at the end of the year	43.42	39.05
	Cost of materials consumed	**1,370.66**	**1,294.57**
31	**Employee benefits expense**		
	Salaries, wages and bonus	9,496.63	8,959.31
	Contribution to provident and other funds	580.12	496.75
	Employee share-based payment expense	197.63	54.53
	Gratuity	91.00	99.94
	Compensated absences	47.17	93.18
	Staff welfare expenses	753.47	706.87
	Total	**11,166.02**	**10,410.58**

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(All amounts in Rs. lakhs, unless otherwise stated)

	For year ended March 31, 2019	For year ended March 31, 2018
32 Finance cost		
Interest and finance charges on financial liabilities measured at amortized cost	656.26	771.33
Dividend on OCCRPS	2.49	-
Total	**658.75**	**771.33**
33 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	2,272.13	2,046.15
Amortisation of intangible assets	161.53	123.98
Total	**2,433.66**	**2,170.13**
34 Other expenses		
Consumption of stores and spares	305.63	317.53
Power and fuel	1,648.41	1,454.68
Rent	3,091.49	3,192.21
Repairs and maintenance:		
-Building	157.62	135.94
-Plant and machinery	355.55	343.59
-Others	266.13	297.25
Insurance	58.26	30.15
Rates and taxes	188.23	177.92
Guest supplies	273.25	288.91
Laundry expenses	242.86	228.70
Communication	203.07	268.86
Recruitment and training	228.22	193.27
Travel and tours	435.29	324.86
Legal and professional	716.91	962.84
Directors' sitting fees	19.79	13.77
Payment to statutory auditors:		
As Auditor:		
- Statutory audit	12.07	25.00
- Limited review	16.50	15.00
For other audit services:		
- Other services	1.00	-
Reimbursement of expenses	4.09	3.43
Travel and conveyance	741.43	613.21
Security charges	339.06	294.53
Water charges	152.15	167.34
Sales commission	984.10	1,054.96
Sales promotion	2,304.12	2,193.45
Exchange loss	3.79	12.09
Bank charges	275.13	254.71
Provision for doubtful advances	1.84	58.49
Provision for doubtful debts	52.93	3.71
Printing and stationery	73.80	76.38
Corporate social responsibility expenses	16.23	-
Miscellaneous expenses	490.85	544.10
Total	**13,659.80**	**13,546.88**

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(All amounts in Rs. lakhs, unless otherwise stated)

35 Income tax expense

Particulars	**For year ended March 31, 2019**	**For year ended March 31, 2018**
Loss before income tax expense	(5,386.25)	(2,579.79)
Tax expense / (income) computed at Indian Tax rate of 31.2% (Previous year: 32.445%)	(1,680.51)	(837.01)
Net Tax effects of amount which are deductible/disallowed in calculating taxable income - other than temporary differences	(42.35)	(37.27)
	(1,722.86)	(874.28)
Unrecognised tax income on account of deferred tax assets for the year	1,722.86	874.28
Tax income	-	-

Tax losses

Unused tax losses for which no deferred tax assets have been recognised	4,484.91	17,803.87
Potential tax benefit at 31.2% (Previous year: 32.445%)	1,399.29	5,776.47

Tax losses on account of unrecognised deferred tax assets

Date of expiry to carry forward	**As at March 31, 2019**	**As at March 31, 2018**
31-Mar-27	2,703.51	-
31-Mar-24	916.97	916.97
31-Mar-22	709.56	709.56
31-Mar-21	154.87	1,534.61
31-Mar-20	-	4,092.67
31-Mar-19	-	1,038.28
Indefinite period	-	9,511.78
Total	**4,484.91**	**17,803.87**

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36 Fair value measurements

Financial instruments by category

	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	1.33	-	-	1.67	1,669.22	-
- Mutual funds	312.26	-	-	867.74	-	-
Trade receivables	-	-	10,069.71	-	-	11,515.35
Unbilled revenue	-	-	114.40	-	-	143.39
Loans	-	-	1,986.13	-	-	1,736.72
Interest accrued on loans and advances to related parties	-	-	422.14	-	-	287.79
Employee advances	-	-	52.96	-	-	118.65
Cash and cash equivalents	-	-	232.82	-	-	229.32
Bank balances other than above	-	-	71.40	-	-	48.32
Security deposits	-	-	868.22	-	-	904.03
Interest accrued on fixed deposits	-	-	4.03	-	-	23.45
Other receivables	-	-	629.18	-	-	597.59
Total financial assets	**313.59**	-	**14,450.99**	**869.41**	**1,669.22**	**15,604.61**
Financial liabilities						
Borrowings	-	-	5,336.95	-	-	6,793.77
Trade payables	-	-	2,870.36	-	-	3,056.20
Capital creditors	-	-	659.67	-	-	1,011.84
Security deposits	-	-	24.60	-	-	17.39
Other liabilities	-	-	139.20	-	-	123.62
Total financial liabilities	-	-	**9,030.78**	-	-	**11,002.82**

The summary of financial instruments above does not include investments held by the Company in its subsidiaries/associates amounting to Rs. 2,256.25 lakhs as on March 31, 2019 (March 31, 2018: Rs. 2,256.25 lakhs) which has been measured by applying the principles of Ind AS 27 - Separate Financial Statements.

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 Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVTPL:					
Equity instruments	7(a)	1.33	-	-	1.33
Mutual funds	7(b)	312.26	-	-	312.26
Total financial assets		**313.59**	-	-	**313.59**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Loans to subsidiaries	9	-	-	1,986.13	1,986.13
Interest accrued on loans and advances to related parties	9	-	-	422.14	422.14
Employee advances	9	-	-	52.96	52.96
Security deposits	10	-	-	868.22	868.22
Total financial assets		-	-	**3,329.45**	**3,329.45**
Financial liabilities					
Borrowings	20(a)	-	-	5,336.95	5,336.95
Total financial liabilities		-	-	**5,336.95**	**5,336.95**

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:					
Equity Instruments	7(a)	1.67	-	-	1.67
Mutual funds	7(b)	867.74	-	-	867.74
Financial investments at FVOCI:					
Equity instruments	7(a)	-	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)

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					
Loans to subsidiaries	9	-	-	1,736.72	1,736.72
Interest accrued on loans and advances to related parties	9	-	-	287.79	287.79
Employee advances	9	-	-	118.65	118.65
Security deposits	10	-	-	904.03	904.03
Total financial assets		**-**	**-**	**3,047.19**	**3,047.19**
Financial Liabilities					
Borrowings	20(a)	-	-	6,793.77	6,793.77
Total financial liabilities		**-**	**-**	**6,793.77**	**6,793.77**

There are no transfers between levels 1 and 2 during the year.

(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.

(iii) Fair value of financial assets and liabilities measured at amortised cost

	As at March 31, 2019		**As at March 31, 2018**	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial assets				
Loans				
Loans to subsidiaries	1,986.13	1,986.13	1,736.72	1,736.72
Interest accrued on loans and advances to related parties	422.14	422.14	287.79	287.79
Employee advances	52.96	52.96	118.65	118.65
Security deposits	868.22	868.22	904.03	904.03
Total financial assets	**3,329.45**	**3,329.45**	**3,047.19**	**3,047.19**
Financial liabilities				
Borrowings	5,336.95	5,336.95	6,793.77	6,793.77
Total financial liabilities	**5,336.95**	**5,336.95**	**6,793.77**	**6,793.77**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities approximate 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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37 Financial risk management

The Company'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.	Ageing analysis and credit ratings	Diversification of portfolio, credit limits
Liquidity risk	Borrowings, trade payables 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 Company'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.

(A) 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 that assesses and maintains 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 Management makes necessary course corrections and evaluation of credit loss based on the assessment of a default on a continuing basis.

(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, 2019:

(a) Expected credit loss for loans, security deposits and investments

The estimated gross carrying amount at default is Nil (March 31, 2018: Nil) for investments and loans and deposits. Consequently there are no expected credit loss recognised for these financial assets.

(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, 2019 the Company determined that the expected cancellation rate on initial recognition of membership sales is 14.6% based on which the Company has recognised an amount of Rs. 221.35 lakhs (March 2018: Rs. 919.66 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 28.

(iii) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on April 1, 2017	101.87
Changes in loss allowance	2.58
Loss allowance on March 31, 2018	**104.45**
Changes in loss allowance	52.93
Loss allowance on March 31, 2019	**157.38**

(B) 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 Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	March 31, 2019	March 31, 2018
Floating rate		
- Expiring within one year (bank overdraft and other facilities)	285.63	106.67
- Expiring beyond one year (bank loans)	-	-
Marketable securities *(including investments held for sale)**	312.26	867.74

* Does not include investments offerred as security for loan taken by a subsidiary

The marketable securities can be disposed by the Company at any point of time based on the objects and working capital requirements 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.

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. There are no derivative financial instruments.
The amounts disclosed in the table are the contractual undiscounted cash flows, including interest. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

March 31, 2019	Carrying amout	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Above 2 years	Total
Non-derivatives							
Borrowings	5,339.44	2,116.54	300.59	584.17	1,107.13	1,993.43	6,101.86
Trade payables	2,870.36	2,870.36	-	-	-	-	2,870.36
Other financial liabilities	820.98	802.11	-	-	18.87	-	820.98
Total non-derivative liabilities	**9,030.78**	**5,789.01**	**300.59**	**584.17**	**1,126.00**	**1,993.43**	**9,793.20**

March 31, 2018	Carrying amout	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Above 2 years	Total
Non-derivatives							
Borrowings	6,793.78	1,268.57	1,359.22	661.60	924.94	2,692.50	6,906.83
Trade payables	3,056.20	3,056.20	-	-	-	-	3,056.20
Other financial liabilities	1,152.84	1,117.21	-	-	35.63	-	1,152.84
Total non-derivative liabilities	**11,002.82**	**5,441.98**	**1,359.22**	**661.60**	**960.57**	**2,692.50**	**11,115.87**

C) Market risk - Interest rate risk

The Company'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 Company's borrowings to interest rates are as below:

	March 31, 2019	March 31, 2018
Variable rate borrowings	1,792.79	2,432.59
Fixed rate borrowings	3,595.83	4,361.18
	5,388.62	**6,793.77**

	March 31, 2019			March 31, 2018		
	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	9.95%	1,792.79	33.27%	10.00%	2,432.59	35.81%

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. 17.93 lakhs (March 31, 2018: Rs. Rs. 24.33 lakhs)

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

38 Capital management

Risk 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, 2019	As at March 31, 2018
Total liabilities	5,336.95	6,793.78
Less: Cash and cash equivalents	(304.22)	(277.64)
Adjusted net debt	**5,032.73**	**6,516.14**
Total equity	28,773.50	17,366.27
Adjusted net debt to equity ratio	**0.17**	**0.38**

39 Exemption from preparing consolidated financial statements

These financial statements are the standalone financial statements of the Company. The Company has used the exemption under Paragraph 4(a) of Ind AS 110 and has elected not to prepare the Consolidated financial statements. The consolidated financial statements are prepared by the holding company, Thomas Cook India Limited, Mumbai. Refer below for the details of subsidiaries/associates of the Company:

Name of the investee	% of shares held	
	March 31, 2019	March 31, 2018
Sterling Holidays (Ooty) Limited	98%	98%
Sterling Holiday Resorts (Kodaikanal) Limited	98%	98%
Nature Trails Resorts Private Limited	100%	100%

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:

- Sterling membership and resort operations: This segment deals with timeshare business on account of membership and the resort business.

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, as at March 31, 2019, the Company has certain non-core investments amounting to Rs. 313.59 lakhs (Previous year: Rs. 2,538.63 lakhs). Accordingly, these financial statements are prepared on a going concern basis.

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STERLING HOLIDAY RESORTS LIMITED ★ CHENNAI

(All amounts in Rs. lakhs, unless otherwise stated)

42 Related party transactions

(a) Parent entities

The Company is controlled by following entity:

Name of entity	Type	Ownership interest held by the Group	
		March 31, 2019	March 31, 2018
Fairfax Financial Holdings Limited, Canada	Ultimate Holding Company	-	-
Thomas Cook (India) Limited	Holding Company	100%	100%

(b) Subsidiaries

Name of entity	Principal Activities	Ownership interest held by the Group	
		March 31, 2019	March 31, 2018
Sterling Holidays (Ooty) Limited ('Ooty')	Timeshare & resorts business	98%	98%
Sterling Holiday Resorts (Kodaikanal) Limited ('Kodai')	Timeshare & resorts business	98%	98%
Nature Trails Resorts (Private) Limited ('NT')	Adventure holiday activities business	100%	100%

(c) Fellow subsidiaries with whom transactions have been entered

Travel Corporation (India) Limited
TC Tours Private Limited
SOTC Travel Services Private Limited
Quess Corporation Limited (Fellow subsidiary up to February 28, 2018, associate w.e.f March 1, 2018)
CentreQ Business Services Ltd (up to February 28, 2018)
Coachieve Solutions Pvt Ltd (up to February 28, 2018)

(d) Key management personnel compensation

	March 31, 2019	March 31, 2018
Mr. Ramesh Ramanathan (Managing Director)		
Short-term employee benefits	210.00	172.80
Post-employment benefits	15.84	12.96
Employee share-based payment	53.39	27.79
Performance bonus	105.00	-
Total compensation	**384.23**	**213.55**
Mr. Manish Jain (Chief Financial Officer)*		
Short-term employee benefits	22.70	-
Post-employment benefits	0.72	-
Employee share based payment	-	-
Performance bonus	-	-
Total compensation	**23.42**	-

*Mr. Manish Jain was appointed as the Chief Financial Officer with effect from December 2, 2018.

	March 31, 2019	March 31, 2018
Mr. Udhay Shankar (Chief Financial Officer)*		
Short-term employee benefits	13.13	55.12
Post-employment benefits	12.56	1.70
Employee share based payment	11.02	7.49
Performance bonus	-	-
Total compensation	**36.71**	**64.31**

*Mr. Udhay Shankar ceased to be the Chief Financial Officer with effect from June 30, 2018.

(e) Transactions with related parties

Transactions with related parties are as follows:

	March 31, 2019	March 31, 2018
Sale of services		
Thomas Cook (India) Limited	27.38	66.85
TC Tours Private Limited	37.48	-
SOTC Travel Services Private Limited	25.90	164.22
Travel Corporation (India) Limited	56.68	-
Interest income		
Sterling Holidays (Ooty) Limited	26.62	63.38
Sterling Holiday Resorts (Kodaikanal) Limited	75.45	80.08
Nature Trails Resorts Private Limited	111.99	78.18
Net recovery on account of holiday activities		
Thomas Cook (India) Limited	81.79	-
Miscellaneous income		
Sterling Holidays (Ooty) Limited	165.21	34.24
Sterling Holiday Resorts (Kodaikanal) Limited	67.93	30.96
Income from use of brand		
Sterling Holidays (Ooty) Limited	33.23	-
Sterling Holiday Resorts (Kodaikanal) Limited	19.65	-
Sale of investment during the year		
Thomas Cook (India) Limited	1,669.22	-
Rent paid		
Thomas Cook (India) Limited	1.46	1.35
Rent received		
Thomas Cook (India) Limited	24.00	24.00

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Sterling Holiday Resorts Limited Chennai

	March 31, 2019	March 31, 2018
Management fees received		
Sterling Holidays (Ooty) Limited	449.98	394.78
Sterling Holiday Resorts (Kodaikanal) Limited	270.53	262.03
Maintenance expenditure paid		
Sterling Holidays (Ooty) Limited	49.04	34.24
Sterling Holiday Resorts (Kodaikanal) Limited	75.72	30.96
Travel booking		
Thomas Cook (India) Limited	162.12	184.68
Recruitment expenses paid		
Quess Corp Limited	24.85	36.97
HR Payroll process service charges paid		
CentreQ Business Services Ltd	3.24	29.19
Coachieve Solutions Pvt Ltd	44.69	17.91
ESOP		
Thomas Cook (India) Limited	197.63	54.53
Loans and advances granted		
Sterling Holidays (Ooty) Limited	2,474.02	1,936.28
Sterling Holiday Resorts (Kodaikanal) Limited	1,591.13	1,384.25
Nature Trails Resorts Private Limited	283.74	144.34
Loans and Advances repaid		
Sterling Holidays (Ooty) Limited	2,648.57	2,001.27
Sterling Holiday Resorts (Kodaikanal) Limited	1,437.45	1,321.56
Nature Trails Resorts Private Limited	-	0.50

(f) Outstanding balances as at the year end

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

	March 31, 2019	March 31, 2018
Trade payables		
Thomas Cook (India) Limited	115.12	246.39
Quess Corporation Limited	3.25	33.43
CentreQ Business Services Ltd	-	5.62
Coachieve solutions Pvt Ltd	11.11	2.49
Nature Trails Private Limited	0.21	-
Total payables to related parties	**129.69**	**287.93**
Advances from customers		
SOTC Travel Services Private Limited	1.42	-
Trade Receivable		
Thomas Cook (India) Limited	-	60.40
TC Tours Private Limited	24.77	-
SOTC Travel Services Private Limited	-	49.10
Travel Corporation (India) Limited	34.20	-
Total receivables from related parties	**58.97**	**109.50**

(g) Loans to related parties

Loans to subsidiaries		
Sterling Holidays (Ooty) Limited	179.20	365.27
Sterling Holiday Resorts (Kodaikanal) Limited	799.13	667.49
Nature Trails Resorts Private Limited	1,008.00	703.96
Interest accrued on loans given		
Sterling Holidays (Ooty) Limited	87.47	75.95
Sterling Holiday Resorts (Kodaikanal) Limited	89.75	67.71
Nature Trails Resorts Private Limited	244.92	144.13

(h) Terms and conditions

The loans to Ooty, Kodai and NT are given at an interest rate of 10% p.a. and are repayable on demand. The total loans receivable from the subsidiaries (including interest receivable) aggregates to Rs. 2,408.47 lakhs (Previous year Rs. 2,024.51 lakhs). During the year, the Company has paid amounts on behalf of the subsidiaries aggregating to Rs. 4,348.88 lakhs (Previous year Rs. 3,464.87 lakhs) and have recovered amounts aggregating to Rs. 4,086.02 lakhs (Previous year Rs. 3,323.33 lakhs). The accumulated losses as at March 31, 2019 of Ooty, Kodai and NT are Rs. 471.20 lakhs, Rs. 1,020.27 lakhs and Rs. 150.93 lakhs respectively (Previous year Rs. 515.52 lakhs, Rs. 879.24 lakhs and Rs. 388.99 lakhs respectively). The future financial projections of the subsidiary companies reflect positive cash flows from operations due to higher occupancy/tariffs from refurbished properties. Accordingly, the Management is of the view that these loans are good and recoverable.

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Sterling Holiday Resorts Limited Chennai

	As at March 31, 2019	As at March 31, 2018
43 Contingent liabilities and contingent assets		
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. There is no tax liability on account of such order owing to carry forward losses and unabsorbed depreciation available under Income Tax Act.	-	-
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.	-	-
In respect of Assessment Year 2010-11, the income tax department has re-opened the assessment and the assessing officer has disallowed the brough forward depreciation loss of the demerged entity Sterling Holiday Resorts India Limited from the AY 1996-97 to AY 2001-02. The Company has filed appeals before Commissioner of Income Tax (Appeals), Mumbai 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.	-	-
In respect of Assessment Year 2015-16, the Assessing Officer (AO) had issued an order with respect to treatment of ASCF/Entitlement fee and disallowance of brought forward loss of the demerged entity Sterling Holiday Resorts India Limited and for other disallowances. The Company had filed an appeal before Commissioner of Income Tax (Appeals), Mumbai and the case is pending as of date. Since the entire brought forward loss was disallowed, this has resulted in a tax demand.	2,362.58	2,362.58
(b) In respect of service tax matters:		
'Demand towards service tax matters in respect of which stay order obtained (excludes show cause notices aggregating Rs. 8,646.41 lakhs which have been responded by the Company/ stay order obtained and against which no demands have been raised as of date)	557.04	557.04
(c) Others:		
Luxury tax related demands under appeal	1,910.93	1,897.39
VAT related matters	49.17	41.17
GST related matters	113.28	-
Customer, vendor, employee and property related disputes under appeal	1,421.89	1,496.84

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.

(d) Supreme Court vide their judgement dated February 28, 2019 clarified that Provident fund deduction is to be made on basic salary and on other salary components which are universally made available to all employees. The Company, based on external advice, believes that there are interpretative challenges on the application of the judgement retrospectively. Pursuant to the ruling, the Company recorded a provision of Rs. 45.33 lakhs, with respect to demands received for Manali (for the period of April 2007 to December 2015) and Munnar (for periods prior to 2013). Based on the advice and in the absence of the reliable measurement of the provision for earlier periods, the Company has not recorded a provision with respect to any period other than as mentioned above. The Company would update the provision in future based on clarification received from the relevant authorities.

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STERLING HOLIDAY RESORTS LIMITED * CHENNAI

44 **Commitments**	**As at March 31, 2019**	**As at March 31, 2018**
(a) Capital commitments		
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment	72.07	273.42

(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.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within one year	2,419.75	2,072.54
Later than one year but not later than five years	7,984.45	8,694.79
Later than five years	2,542.02	3,352.55
Total	**12,946.22**	**14,119.88**
Rental expense relating to operating leases		
Minimum lease payments		
Total rental expense relating to operating leases	3,091.49	3,192.21

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, 2019 in respect of the said property aggregates to Rs. 8,217.06 lakhs (March 31, 2018: Rs. 4,490.32 lakhs). In view of the management and based on the independent legal opinion obtained, the Company has a fair chance to succeed in the 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, 2018: Rs. 527.10 lakhs) (included under "Other financial assets") was 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. Application for rejection of the plaint by the defendant has been dismissed. The Defendant filed a revision before the High Court at Goa and proceedings were stayed.

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. 550.00 lakhs (March 31, 2018: Rs. 87.36 lakhs). The title deeds for 3 acres of land are 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. The High Court has ordered status Quo on the property. The Company has filed an application for appointment of the receiver.

d **Other property related matters**

Property	**Net carrying amount as on March 31, 2019**	**Net carrying amount as on March 31, 2018**	**Remarks**
Kodai Valley View (Revalued - Refer Note 53)	6,510.00	108.94	The Company has submitted the original title documents with the District Magistrate as part of the plaint filed in response to litigation for title in 1993. The trial has been stayed by the High Court. Steps have been taken to vacate the stay.
Hubli	5.16	6.61	Sale deed was not registered in the name of the Company. The Company had paid the entire consideration and taken over possession of the property. Seller company was liquidated in the past, accordingly the Company needs to take necessary legal steps to register the title in its name. The Company has approached the official liquidators office and is yet to receive next steps from them.
Peermedu (Revalued - Refer Note 53)	1,483.15	1,514.56	The Company is in possession of a land at Peermedu which was initially under lease. Subsequently, an agreement for sale was also entered into with lessors and sale consideration was paid as one time deposit. The Company had filed a legal case against the lessors invoking specific performance of the sale agreement. The Court had issued notice to both the lessors / sellers, that was not responded by them. The Court has ordered publications in the news papers. The Company has taken necessary steps to obtain a favourable order.

46 The Company holds 98% equity shares in Sterling Holidays (Ooty) Limited and Sterling Holiday Resorts (Kodaikanal) Limited and each subsidiary company is responsible for maintaining the property pursuant to the property timeshare agreement with the property time share members. However, certain property time share weeks of these two properties are unsold and retained by the Company. Pursuant to the necessary approvals obtained by the Company and subsidiary companies as required under the Companies Act, 2013, the subsidiary companies can rent out weeks sold to property timeshare members and unsold weeks retained by the Company which are vacant and earn revenue from it. The property time share members and the Company shall have no claim on the revenue generated from it. Further, pursuant to the exchange clause under property timeshare agreement, property time share members of the said property are also eligible to utilize facilities at Company's other resorts.

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Sterling Holiday Resorts Limited Chennai

47 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2018-19, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act

		As at March 31, 2019	As at March 31, 2018
i	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	52.23	8.44
ii	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.29	-
iii	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	163.86	-
iv	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	3.57	-
vii	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	0.72	-

48 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 Sterling Holiday Resorts (India) Limited ("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 were 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.

		As at March 31, 2019	As at March 31, 2018
49	**Assets pledged as security**		
	Financial assets		
	Receivables	847.85	1,063.03
	Investments	65.00	770.00
	Non-current		
	Freehold land (Revalued - Refer Note 53)	5,408.00	1,184.26
	Freehold buildings	7,699.68	7,744.06
	Moveable assets	3,874.69	5,565.44

50 Subsequent to the balance sheet date, the Company has identified an instance of suspected financial irregularities by an employee of the Company aggregating to approximately Rs 101 lakhs. Efforts for recovery of the outstanding amount have been initiated by the Company. The Company has filed a criminal complaint under various sections of Indian Penal Code and also appointed an external expert to investigate into the matter.

Based on the work done till date, the Company has taken steps to enhance internal controls in this regard in relation to one of its division and has recorded necessary adjustments on a prudent basis for the aforesaid amount. The Company will consider further implications, if any, in due course upon conclusion of the matter.

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B S R & Co. LLP Chartered Accountants

Sterling Holiday Resorts Limited CHENNAI

(All amounts in Rs. lakhs, unless otherwise stated)

51 Share based payments

(a) Employee option plan

The options outstanding as at March 31, 2019, represent the vested and exercisable options granted by the erstwhile Sterling Holiday Resorts (India) Limited (SHRIL) which was merged with the Company as per the scheme mentioned in Note 48 and was subsequently replaced by the options of Thomas Cook India Limited (Thomas Cook), the holding company, at fair value. These replaced options have been presented as forfeited and the options of Thomas Cook 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 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, 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.

Thomas Cook Employees Stock Scheme 2018 - Management (ESOP 2018 – Management)

The Company has established an Employee Stock Option Scheme called -"Thomas Cook Employees Stock Scheme 2018 - Management (ESOP 2018 – Management)". Grant date of the scheme is September 1, 2018 and the exercise price of the vested option shall be 50% of the market price as defined under the SEBI Regulations. The purpose of this Scheme is to reward and retain the employees of the subsidiary companies of Thomas Cook under its control for high levels of individual performance and for exceptional efforts to improve the financial performance of the respective subsidiary companies, which will ultimately contribute to the success of Thomas Cook. This purpose is sought to be achieved through the grant of options, for and on behalf of, and at the behest of the subsidiary companies to their employees.

Thomas Cook Employees Stock Scheme 2018 - Execom

The exercise price shall be equal to face value of shares i.e Re. 1 per option.

The objective of the ESOP 2018 - Execom is to reward the Execom Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The Scheme shall be applicable to the Execom and Employees of TCIL, its subsidiary companies in India and abroad, as determined by the Committee on its own discretion from time to time.

Options granted under ESOP 2018 - Execom would vest only at the end of 5 years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company and certain performance parameters. The specific performance parameters will be decided by the Committee from time to time and will be communicated to the employees. The attainment of such performance parameters would be determined by the Committee from time to time which shall be a mandatory condition for vesting of options.

i) Summary of options granted under plan:

TCIL ESOP 2018 Execom	March 31, 2019		March 31, 2018	
	Avg exercise price per share option	Number of options	Avg exercise price per share option	Number of options
Opening balance	-	-	-	-
Granted during the year	-	7,30,919	-	-
Exercised during the year	1.00	-	-	-
Forfeited during the year	-	-	-	-
Closing balance		**7,30,919**		**-**

TCIL ESOP 2018 Management	March 31, 2019		March 31, 2018	
	Avg exercise price per share option	Number of options	Avg exercise price per share option	Number of options
Opening balance	-	-	-	-
Granted during the year	-	2,55,639	-	-
Exercised during the year	125.10	-	-	-
Forfeited during the year	-	14,631	-	-
Closing balance		**2,41,008**		**-**

ESOS 2012 (Grant II)	March 31, 2019		March 31, 2018	
	Avg exercise price per share option	Number of options	Avg exercise price per share option	Number of options
Opening balance	-	91,650	-	1,50,490
Granted during the year	-	-	108.46	-
Exercised during the year	108.46	23,400	-	36,040
Forfeited during the year	-	1,350	-	22,800
Closing balance		**66,900**		**91,650**

ESOP 2015	March 31, 2019		March 31, 2018	
	Avg exercise price per share option	Number of options	Avg exercise price per share option	Number of options
Opening balance	-	3,02,190	-	5,30,708
Granted during the year	-	-	165.92	-
Exercised during the year	165.92	1,51,546	-	1,47,218
Forfeited during the year	-	21,666	-	81,300
Closing balance		**1,28,978**		**3,02,190**

(All amounts in Rs. lakhs, unless otherwise stated)

ii) Share options outstanding at the end of year have following expiry date and exercise prices

	Grant date	Expiry date	Exercise price	Share options	
				March 31, 2019	March 31, 2018
ESOP 2018 - Execom	October 5, 2018	September 29, 2043	1.00	7,30,919	-
ESOP 2018 - Management	September 1, 2018	August 29, 2031	125.10	2,55,639	-
ESOS 2012 (Grant II)	July 30, 2014	July 27, 2024	108.46	66,900	61,050
ESOP 2015	August 25, 2015	August 24, 2025	165.92	1,28,978	3,02,190

iii) Fair value of options granted

The fair value at grant date is determined using the Black-Scholes Model which takes into account the exercise price, expected volatility, option's life, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for the options granted during the year ended March 31, 2019 included:

Particulars	
Grant date	September 1, 2018
Weighted average share price	256.72
Exercise price	125.10
Expected volatility (%)	30.40%
Expected life of the options (Years)	4
Risk free interest rate(%)	7.97%
Expected dividend (%)	0.18%
Weighted average fair value as on grant date	165.07

(b) Expense arising from share based payment transaction

	March 31, 2019	March 31, 2018
Employee option plan	197.63	54.53
Total expense	**197.63**	**54.53**

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(All amounts in Rs. lakhs, unless otherwise stated)

52 Recently adopted accounting standard

Adoption of Ind AS 115 Revenue from Contracts with Customers

Pursuant to the notification dated March 28, 2018 of the Ministry of Corporate Affairs, Ind AS 115 Revenue from Contracts with Customers has become applicable to the Company with effect from April 1, 2018. This standard replaces earlier revenue recognition standards. Refer Note 1.3.1 Revenue recognition for the accounting policy under Ind AS 115.

The core principle of Ind AS 115 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. Specifically, the standard establishes a five-step approach to revenue recognition that includes identifying contracts with customers, identifying performance obligations, determining transaction prices, allocating transaction prices to performance obligations and recognizing revenues when or as the performance obligations are satisfied

The Company's business is to sell membership and provide holiday facilities to members for specified period each year, over a number of years, for which membership fee is collected. The Company has assessed the impact of the accounting changes that has arisen from the adoption of Ind AS 115, which primarily includes recognition of the membership fees and incremental costs to obtain and/or fulfil a contract with a customer, as applicable, over the effective membership period.

The following table summarises the impact, net of tax, if any, of transition to Ind AS 115 on retained earnings (cumulative effect of contracts) as on April 1, 2018

Impact on adoption of Ind AS 115	As at April 1, 2018
Retained earnings	
Revenue from sale of memberships	(37,296.94)
Deferral of incremental costs to obtain and fulfill a contract	7,037.00
Impact at April 1, 2018	**(30,259.94)**

Movement of deferred income

Particulars	Membership	Offers	Total
Opening balance	42,426.82	286.43	42,713.25
Addition during the year (Net)	37,257.24	1,069.94	38,327.18
Income recognised during the year	(3,141.14)	(1,159.32)	(4,300.46)
Closing balance	**76,542.92**	**197.05**	**76,739.97**

The deferred contract liability relates to the consideration received/receivable from customers, for which services will be provided over the effective membership period and revenue is recognised over that period.

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B S R & Co. LLP Chartered Accountants

STERLING HOLIDAY RESORTS LIMITED CHENNAI

(All amounts in Rs. lakhs, unless otherwise stated)

The following table summarizes the amount by which each financial statement line item is affected in the current year as a result of applying Ind AS 115.

Balance Sheet as at March 31, 2019

Particulars	Note	Amounts without adoption of Ind AS 115	Impact of Ind AS 115	As reported
Assets				
Non-current assets				
Property, plant and equipment	3	91,273.84	-	91,273.84
Capital work-in-progress	4	569.19	-	569.19
Other intangible assets	5	1,323.82	-	1,323.82
Intangible assets under development	6	37.67	-	37.67
Financial assets				
i. Investments	7(a)	2,257.59	-	2,257.59
ii. Trade receivables	8(a)	1,255.92	-	1,255.92
iii. Loans	9	-	-	-
iv. Other financial assets	10	1,329.21	-	1,329.21
Other tax assets	11	1,159.58	-	1,159.58
Other non-current assets	12	306.84	7,372.68	7,679.52
Total non-current assets		**99,513.66**	**7,372.68**	**1,06,886.34**
Current assets				
Inventories	13	75.61	-	75.61
Financial assets				
i. Investments	7(b)	312.26	-	312.26
ii. Trade receivables	8(b)	8,211.97	601.82	8,813.79
iii. Cash and cash equivalents	14	232.82	-	232.82
iv. Bank balances other than (iii) above	15	71.40	-	71.40
v. Loans	9	2,461.23	-	2,461.23
vi. Other financial assets	10	286.62	-	286.62
Other current assets	16	872.45	380.70	1,253.15
Total current assets		**12,524.36**	**982.52**	**13,506.88**
Total assets		**1,12,038.02**	**8,355.20**	**1,20,393.22**
Equity and liabilities				
Equity				
Equity share capital	17	2,905.00	-	2,905.00
Other equity				
Reserves and surplus	18	12,474.99	(31,316.10)	(18,841.11)
Other reserves	19	44,709.61	-	44,709.61
Total equity		**60,089.60**	**(31,316.10)**	**28,773.50**
Liabilities				
Non-current liabilities				
Financial liabilities				
i. Borrowings	20(a)	2,606.13	-	2,606.13
ii. Other financial liabilities	21(a)	18.87	-	18.87
Provisions				
i. Provision for employee benefit obligations	22	308.79	-	308.79
Other non-current liabilities	24	35,200.72	38,175.63	73,376.35
Total non-current liabilities		**38,134.51**	**38,175.63**	**76,310.14**
Current liabilities				
Financial liabilities				
i. Borrowings	20(b)	1,770.53	-	1,770.53
ii. Trade payables	25	2,870.36	-	2,870.36
iii. Other financial liabilities	21(b)	1,764.89	-	1,764.89
Provisions				
i. Provision for employee benefit obligations	22	252.21	-	252.21
ii. Other provisions	26	2,212.13	-	2,212.13
Other current liabilities	27	4,943.79	1,495.65	6,439.44
Total current liabilities		**13,813.91**	**1,495.65**	**15,309.56**
Total liabilities		**51,948.42**	**39,671.28**	**91,619.70**
Total equity and liabilities		**1,12,038.02**	**8,355.18**	**1,20,393.20**

B S R & Co. LLP * Chartered Accountants *

STERLING HOLIDAY RESORTS LIMITED * CHENNAI

(All amounts in Rs. lakhs, unless otherwise stated)

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note	Amounts without adoption of Ind AS 115	Impact of Ind AS 115	As reported
Revenue from operations	28	24,548.30	(2,075.25)	22,473.05
Other income	29	1,429.59	-	1,429.59
Total Income		**25,977.89**	**(2,075.25)**	**23,902.64**
Cost of materials consumed	30	1,370.66	-	1,370.66
Employee benefit expenses	31	11,682.04	(516.02)	11,166.02
Finance costs	32	635.16	23.59	658.75
Depreciation and amortisation expense	33	2,433.66	-	2,433.66
Other expenses	34	13,584.68	75.12	13,659.80
Total expenses		**29,706.20**	**(417.31)**	**29,288.89**
Profit before tax		(3,728.31)	(1,657.94)	(5,386.25)
Income-tax expense / (benefit)	35	(3,022.86)	-	(3,022.86)
Profits for the period		**(705.45)**	**(1,657.94)**	**(2,363.39)**
Other Comprehensive Income		43,832.93	-	43,832.93
Total Comprehensive Income		**43,127.48**	**(1,657.94)**	**41,469.54**
Profit attributable to:				
Owners of the company		(705.45)	(1,657.94)	(2,363.39)
Non-controlling interests		-	-	-
Total comprehensive income attributable to:				
Owners of the company		43,127.48	(1,657.94)	41,469.54
Non-controlling interests		-	-	-
Earnings per share				
Basic and diluted earnings per share (INR)		(0.24)		(8.14)
Diluted earnings per share (INR)		(0.11)		(8.14)

53 Change in accounting policy

Revaluation of land

During the year, the Company has changed its accounting policy with respect to measurement of freehold and leasehold land from the cost model to revaluation model with effect from April 1, 2018. Freehold and leasehold land will be recognized at fair value based on periodic valuation done by external independent valuers, less subsequent amortization of leasehold land.

A revaluation surplus will be recorded in OCI and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognized in profit or loss, the increase is recognized in profit and loss. A revaluation deficit is recognized in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset recognized in the asset revaluation reserve.

Fair value of the land assets was determined by an external independent valuer using the market comparable method, i.e., the valuations performed by the valuer are based on active market sale prices, adjusted for difference in the nature, location or condition of the specific property. The carrying amounts as at March 31, 2019 under cost and revaluation models are given below:

Block of asset	Revaluation model	Cost model
Freehold land	49,324.48	3,623.04
Leasehold land	2,776.34	1,614.83
Total	**52,100.82**	**5,237.87**

Asset revaluation reserve (recognized in OCI)

As at March 31, 2018	-
Revaluation surplus during the period	46,860.49
Income tax effect	(3,022.86)
As at March 31, 2019	**43,837.63**

B S R & Co. LLP * Chartered Accountants *

STERLING HOLIDAY RESORTS LIMITED * CHENNAI

54 Earnings per share

	March 31, 2019	March 31, 2018
Loss for the year attributable to the equity holders of the Company	(2,363.39)	(2,579.79)
Weighted average number of equity shares outstanding (in lakhs)	290.50	290.50
Basic / diluted earnings per share	**(8.14)**	**(8.88)**

55 The disclosures regarding details of specified bank notes held and transacted during November 8, 2016 to December 30, 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended March 31, 2019.

As per our report of even date

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

S Sethuraman
Partner
Membership Number: 203491

Place: Chennai
Date: May 27, 2019

For and on behalf of the Board of Directors of
Sterling Holiday Resorts Limited
(CIN: U63040TN1989PLC114064)

Ramesh Ramanathan
Managing Director
DIN No.: 00174550

R. Anand
Director
DIN No.: 00243485

M. Balasubramaniyan

M Balasubramaniyan
Company Secretary

Manish Jain
Chief Financial Officer

Place: Chennai
Date: May 16, 2019

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Balance Sheet

as at 31 March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets:			
Property, plant and equipment	3	**68.73**	59.06
Other intangible Assets	4	**-**	29.09
Financial assets			
- Loans	5(c)	**3.41**	-
Other non-current assets	6	**13.63**	-
Non Current Tax assets	7	**285.87**	256.50
Deferred tax assets (net)	7(a)	**-**	-
Total non-current assets		**371.64**	**344.65**
Current assets:			
Financial assets			
- Trade receivables	5(a)	**2,130.36**	1,368.09
- Cash and cash equivalents	5(b)	**162.00**	347.00
- Loans	5(c)	**-**	11.00
- Other financial assets	5(d)	**419.43**	290.75
Other current assets	8	**93.56**	203.14
Total current assets		**2,805.35**	**2,219.98**
TOTAL ASSETS		**3,176.99**	**2,564.63**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	9(a)	**2,500.00**	2,500.00
Other Equity	9(b)	**(2,617.92)**	(2,385.99)
Total Equity		**(117.92)**	**114.01**
LIABILITIES			
Non-current liabilities			
Employee Benefit Obligations	11	**-**	61.63
Other non-current liabilities	12	**-**	12.00
Total non-current liabilities		**-**	**73.63**
Current liabilities			
Financial liabilities			
- Borrowings	10(a)	**1,150.00**	1,117.00
- Trade payables			
- Dues of micro enterprises and small enterprises	10(c)	**-**	-
- Dues of creditors other than micro enterprises and small enterprises	10(c)	**581.76**	1,062.27
- Other financial liabilities	10(b)	**8.97**	23.90
Employee Benefit Obligations	11	**8.00**	20.02
Other current liabilities	13	**1,546.18**	153.80
Total current liabilities		**3,294.91**	**2,376.99**
TOTAL LIABILITIES		**3,294.91**	**2,450.62**
TOTAL EQUITY AND LIABILITIES		**3,176.99**	**2,564.63**

Significant accounting policies and notes to financial statements (1 - 30) forming 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

For and on behalf of the Board of Directors
TC Travel Services Limited
(CIN:U63040MH2008PLC187559)

Bhavesh Dhupelia
Partner
Membership No: 042070

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Place: Mumbai
Date : 27 May, 2019

Brijesh Modi
Chief Financial Officer

Megha Sekharan
Company Secretary

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Statement of Profit and Loss
for the year ended 31 March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

Particulars	**Notes**	**For the year ended March 31, 2019**	**For the year ended March 31, 2018**
Income			
Revenue from operations	14	**791.03**	**893.49**
Other income	15	**3.28**	**14.00**
Total income		**794.31**	**907.49**
Expenses			
Employee benefits expense	16	**572.40**	**611.00**
Finance Cost	17	**137.73**	**112.00**
Depreciation and amortisation expense	18	**37.15**	**14.00**
Other expenses	19	**275.93**	**360.00**
Total expenses		**1,023.21**	**1,097.00**
Loss before exceptional item		**(228.90)**	**(189.51)**
Add Exceptional items:		**-**	-
Loss before tax		**(228.90)**	**(189.51)**
Less : Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expenses		**-**	**-**
Loss for the year (A)		**(228.90)**	**(189.51)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		**(3.42)**	9.51
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)		**(3.42)**	**9.51**
Total comprehensive Loss for the year (A+B)		**(232.32)**	**(180.00)**
Earnings per equity share (Face value of INR 10/- each)	24		
- Basic and diluted earnings per share		**(0.92)**	(0.76)

Significant accounting policies and notes to financial statements (1 - 30) forming 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

For and on behalf of the Board of Directors
TC Travel Services Limited
(CIN:U63040MH2008PLC187559)

Bhavesh Dhupelia
Partner
Membership No: 042070

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Place: Mumbai
Date : 27 May, 2019

Brijesh Modi
Chief Financial Officer

Megha Sekharan
Company Secretary

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

STATEMENT OF CHANGES IN EQUITY:

(All amounts in Rs. Lakhs , unless otherwise stated)

(A) Equity Share Capital

Particulars	**Equity share**
As at 01 April, 2017	2,500
Changes in Equity Share Capital during the period	-
Balance as at 31 March, 2018	2,500
Changes in Equity Share Capital during the period	-
Balance as at 31 March, 2019	**2,500**

(B) Other Equity

	Reserves and Surplus	
Particulars	**Retained Earnings**	**Total Reserves and Surplus**
Balance as at 01 April, 2017	(2,205.60)	**(2,205.60)**
Loss for the year	(189.51)	**(189.51)**
Other Comprehensive Income, net of tax	9.51	**9.51**
Balance as at 01 April, 2018	**(2,385.60)**	**(2,385.60)**
Loss for the year	(228.90)	**(228.90)**
Other Comprehensive Income, net of tax	(3.42)	**(3.42)**
Balance as at 31 March, 2019	**(2,617.92)**	**(2,617.92)**

Significant accounting policies and notes to financial statements (1 - 30) forming 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

For and on behalf of the Board of Directors
TC Travel Services Limited
(CIN:U63040MH2008PLC187559)

Bhavesh Dhupelia
Partner
Membership No: 042070

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Place: Mumbai
Date : 27 May, 2019

Brijesh Modi
Chief Financial Officer

Megha Sekharan
Company Secretary

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Statement of Cash Flow
for the year ended 31st March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
A) Cash flow from operating activities		
Loss before income tax	**(228.90)**	(189.51)
Adjustments for		
Liabilities Written Back	-	(99.92)
Dividend income from Investment	-	(0.51)
Depreciation and Amortisation	**37.15**	13.80
Profit on sale of Fixed Assets (Net)	**(0.08)**	-
Finance Costs	**126.04**	99.36
Bad Debts and Advances written off	**7.00**	-
Provision for doubtful debts and Advances (net)	**50.00**	25.77
Operating loss before Working Capital changes	**(8.79)**	**(151.01)**
Change in working capital		
(Decrease)/Increase in Trade Payables	**(480.38)**	549.15
Increase/(Decrease) in Other Liabilities	**1,380.38**	(474.58)
(Decrease)/Increase in Employee Benefit / Obligations Payable	**(90.71)**	31.68
(Increase)/ Decrease in Trade Receivables	**(819.27)**	512.28
(Increase) in Financial Assets	**7.59**	-
(Increase) in Other Financial Assets	**(128.68)**	(89.09)
Decrease/(Increase) in Other Assets	**109.57**	(138.30)
Cash used in / generated from operations	**(30.29)**	240.12
Income taxes paid (Net of refunds received)	**(29.37)**	48.47
Net cash (outflow)/inflow from operating activities	**(59.66)**	**288.59**
B) Cash flow from investing activities:		
Purchase of Fixed Assets	**(17.72)**	(29.81)
Sale of fixed assets	**0.09**	-
Profit on sale of fixed assets	**0.08**	-
Investment in Mutual Fund	-	(20.42)
Redemtion of Mutual Fund	-	20.93
Net cash used in investing activities	**(17.55)**	**(29.30)**
C) Cash flow from financing activities		
Loan received from holding company	**1,191.00**	2,276.84
Loan repaid to holding company	**(1,157.84)**	(2,310.00)
Finance Costs paid	**(140.97)**	(83.03)
Net cash flow used in financing activities	**(107.81)**	**(116.19)**
Net increase/(decrease) in cash and cash equivalents	**(185.02)**	143.10
Add: Cash and cash equivalents at the beginning of the financial year	**347.00**	203.66
Cash and cash equivalents at the end of the year	**161.98**	346.76

Notes:-

1. The above Statement of Cash Flow 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 attached

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

For and on behalf of the Board of Directors
TC Travel Services Limited
(CIN:U63040MH2008PLC187559)

Bhavesh Dhupelia
Partner
Membership No: 042070

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Place: Mumbai
Date : 27 May, 2019

Brijesh Modi
Chief Financial Officer

Megha Sekharan
Company Secretary

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

3 Property, plant and equipment:

Particulars	**Office Building**	**Leasehold Improvements**	**Furniture and Fixtures**	**Computers**	**Office Equipment**	**Total**
Gross carrying amount						
Opening as at 01 April, 2017	51.18	1.43	0.58	7.92	0.86	61.97
Additions	-	-	-	8.69	0.12	8.81
Disposals/transfer	-	-	-	-	-	-
Closing gross carrying amount	**51.18**	**1.43**	**0.58**	**16.61**	**0.98**	**70.78**
Accumulated depreciation						
Opening as at 01 April, 2017	0.96	1.43	0.47	2.66	0.20	5.72
Depreciation charge during the year	1.00	-	-	5.00	-	6.00
Disposals	-	-	-	-	-	-
Closing accumulated depreciation	**1.96**	**1.43**	**0.47**	**7.66**	**0.20**	**11.72**
Net carrying amount as at 31 March, 2018	**49.22**	**-**	**0.11**	**8.95**	**0.78**	**59.06**
Gross carrying amount						
Opening as at 01 April, 2018	51.18	1.43	0.58	16.61	0.98	70.78
Additions	-	9.57	0.84	3.94	3.37	17.72
Disposals/transfer			(0.14)			(0.14)
Closing gross carrying amount	**51.18**	**11.00**	**1.28**	**20.55**	**4.35**	**88.36**
Accumulated depreciation						
Opening as at 01 April, 2018	1.92	1.43	0.48	7.42	0.36	11.62
Depreciation charge during the year	0.96	1.38	0.07	5.26	0.39	8.06
Disposals	-	-	(0.05)	-	-	(0.05)
Closing accumulated depreciation	**2.88**	**2.81**	**0.50**	**12.68**	**0.75**	**19.63**
Net carrying amount as at 31 March, 2019	**48.30**	**8.19**	**0.78**	**7.87**	**3.60**	**68.73**

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

4 Other Intangible Assets:

Particulars	**Computer Software**
Gross carrying amount	
Opening as at 01 April, 2017	-
Additions	37.00
Disposals	-
Closing gross carrying amount	**37.00**
Accumulated amortisation	
Opening as at 01 April, 2017	
Amortisation charge for the year	7.91
Disposals	-
Closing accumulated amortisation	**7.91**
Net carrying amount as at 31 March, 2018	**29.09**
Opening as at 01 April, 2018	**37.00**
Additions	**-**
Disposals	**-**
Closing gross carrying amount	**37.00**
Accumulated amortisation	
Opening as at 01 April, 2018	**7.91**
Amortisation charge for the year	**29.09**
Disposals	**-**
Closing accumulated amortisation	**37.00**
Net carrying amount as at 31 March, 2019	**-**

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

5 Financial Assets

(a) Trade receivables

Particulars	31 March, 2019	31 March, 2018
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	**2,228.33**	1,659.07
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	-	-
Total	**2,228.33**	**1,659.07**
Less : Allowance for doubtful debts	**(97.97)**	(290.98)
Total	**2,130.36**	**1,368.09**

(b) Cash and cash equivalents

Particulars	31 March, 2019	31 March, 2018
Balances with banks :		
In current accounts	**162.00**	347.00
Cash on hand	-	-
Total	**162.00**	**347.00**

(c) Loans

Particulars	Non-current 31 March, 2019	Current 31 March, 2019	Non-current 31 March, 2018	Current 31 March, 2018
Security Deposits	3.41	-	-	11.00
Total	**3.41**	**-**	**-**	**11.00**

(d) Other financial Assets

Particulars	Non-current 31 March, 2019	Current 31 March, 2019	Non-current 31 March, 2018	Current 31 March, 2018
Deposit with Airline	-	**175.31**	-	103.68
Accrued Revenue	-	**184.00**	-	117.74
Other Recoverable	-	**60.12**	3.00	69.33
Less: Allowance for doubtful	-	-	(3.00)	-
Total	**-**	**419.43**	**-**	**290.75**

6 Other non-current assets

Particulars	31 March, 2019	31 March, 2018
Gratuity Asset (Net)	**13.63**	-
Total	**13.63**	-

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

7 Non Current Tax Assets / Current Tax Liabilities:

Particulars	31 March, 2019	31 March, 2018
Opening Balance	**256.50**	304.97
Less: Current Tax payable for the year		-
Add: Taxes Paid	**29.37**	45.36
Less: Refund Received	**-**	(93.83)
Closing Balances	**285.87**	**256.50**
Disclosed as:		
Non Current Tax Assets (as per Balance sheet)	**285.87**	256.50
Current Tax Liability (as per Balance sheet)	-	-

7 (a) Deferred Tax Assets/(Liabilities):

The balance comprises of temporary differences attributable to:

Particulars	31 March, 2019	31 March, 2018
Deferred Tax (Liabilities)		
Provision for gratuity	3.44	(15.41)
Provision for leave encashment	-	(0.33)
Provision for Doubtful Debts	13.03	-
Less: Deferred Tax Assets		
On difference between book balance and tax balance of fixed assets	(1.76)	23.05
On unabsorbed depreciation / Loss*	(114.76)	51.88
Net Deferred Tax Assets	**(100.05)**	**59.19**

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.

8 Other Current Assets:

Particulars	31 March, 2019	31 March, 2018
Advance to Suppliers		
Unsecured, considered good	**62.19**	163.29
Unsecured ,considered Doubtful	**1.48**	7.83
Less: Allowance for doubtful advances	**(1.48)**	(7.83)
Advance to Employees		
Unsecured, considered good	**3.95**	5.23
Prepaid expenses	**11.00**	19.48
Balances receivable from Govt Authorities	**16.42**	15.14
Total	**93.56**	**203.14**

(All amounts in Rs. Lakhs , unless otherwise stated)

9 (a) Share Capital and Other Equity:

Particulars	31-Mar-19	
	No of Shares	**Amount**
AUTHORISED		
As at 01 April, 2017	250	2,500
Increase/(Decrease) during the year	-	-
As at 01 April, 2018	250	2,500
Increase/(Decrease) during the year	-	-
As at 31 March, 2019	**250**	**2,500**

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, 2019	
	Equity share capital	
	No of Shares	**Amount**
As at 01 April, 2017	250	2,500
As at 01 April, 2018	**250**	**2,500**
Increase/(Decrease) during the year	-	-
As at 31 March, 2019	**250**	**2,500**

(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, 2019		31 March, 2018	
	No of Shares	**Amount**	**No of Shares**	**Amount**
Equity Shares				
TC Tours Limited (w.e.f. 31st October, 2017)	-	-	250	2,500
	-	**-**	**250**	**2,500**

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

Category of Shareholder	31 March, 2019		31 March, 2018	
	No of Shares	**% of Holding**	**No of Shares**	**% of Holding**
Equity Shares				
Thomas Cook (India) Limited and its nominees (w.e.f. 02nd April, 2018)	**250**	**100%**	-	-
TC Tours Limited and its nominees	-	-	250	100%

*100% of shares of Tata Capital Limited & its nominees were acuired by TC Tours Limited vide share purchase agreement dated 30th October 2017.

(v) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

None

(All amounts in Rs. Lakhs , unless otherwise stated)

9 (b) Other Equity

Particulars	31 March, 2019	31 March, 2018
Retained Earnings	**(2,617.92)**	(2,385.99)
Total	**(2,617.92)**	**(2,385.99)**

(i) Retained Earnings

Particulars	31 March, 2019	31 March, 2018
Opening Balance	**(2,385.60)**	(2,205.60)
Net loss For the year	**(228.90)**	(190.00)
Other Comprehensive Income/(loss), net of tax	**(3.42)**	10.00
Closing Balance	**(2,617.92)**	**(2,385.60)**

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

10 Financial Liabilities:

(a) Current Borrowings

Particulars	Maturity Date	Terms of Payment	Coupon/ Interest Rate	31 March, 2019	31 March, 2018
Unsecured					
Inter Corporate Deposit (From Holding Company)	Payable on Demand		8.55%	**1,150.00**	-
Inter Corporate Deposit (From Fellow Subsidiary Company)			8.55% (Previous year: 2018 - 8.95%)	-	1,117.00
Total				**1,150.00**	**1,117.00**

(b) Other Financial Liabilities

Particulars	31 March, 2019		31 March, 2018	
	Non-Current	Current	Non-Current	Current
Current				
Interest payable to Related parties	-	**8.97**	-	**23.90**
Total	-	**8.97**	-	**23.90**

(c) Trade Payables

Particulars	31 March, 2019	31 March, 2018
-Dues of micro enterprises and small enterprises	-	-
-Dues of creditors other than micro enterprises and small enterprises	581.76	**1,062.27**
Total	**581.76**	**1,062.27**

*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.

(All amounts in Rs. Lakhs , unless otherwise stated)

11 Employee Benefit Obligations

Particulars	31 March, 2019			31 March, 2018		
	Non-Current	Current	Total	Non-Current	Current	Total
Leave Entitlement	-	-	-	-	1.31	1.31
Gratuity	-	-	-	61.63	-	61.63
Employee benefits payable	-	8.00	8.00	-	18.71	18.71
Total	**-**	**8.00**	**8.00**	**61.63**	**20.02**	**81.65**

(i) 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.

(ii) Defined contribution Plans

The Company has recognised the following amounts in Statement of Profit and Loss for the year:

Particulars	31 March, 2019	31 March, 2018
Contribution to Employees State Insurance	1.00	2.00
Contribution to Labour Welfare Fund	-	-
Contribution to provident fund	23.00	26.00
	24.00	**28.00**

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*
as at 31 March, 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

11 Employee Benefit Obligations *(Continued)*

(ii) Defined contribution Plans *(Continued)*

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2017	**78.68**	**84.92**	**(6.24)**
Current service cost	8.39	-	8.39
Interest expense/(income)	5.72	6.18	(0.46)
Total amount recognised in profit and loss	**14.11**	**6.18**	**7.93**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(6.18)	6.18
(Gain)/loss from change in demographic assumptions	2.23	-	2.23
(Gain)/loss from change in financial assumptions	4.95	-	4.95
Experience (gains)/losses	(22.87)	-	(22.87)
Adjustment to recognized the effect of assets ceiling	-	-	-
Total amount recognised in other comprehensive income	**(15.69)**	**(6.18)**	**(9.51)**
Employer contributions	-	(69.46)	69.46
Benefit payments	(7.96)	(7.96)	-
31st March, 2018	**69.14**	**7.50**	**61.64**
1st April, 2018	**69.14**	**7.50**	**61.64**
Current service cost	8.99	-	8.99
Past Service Cost	-	-	-
Interest expense/(income)	4.86	0.61	4.25
Acquisitions (credit) / cost	-	-	-
Total amount recognised in profit and loss	**13.85**	**0.61**	**13.24**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	3.29	(3.29)
(Gain)/loss from change in demographic assumptions	(0.00)	-	(0.00)
(Gain)/loss from change in financial assumptions	0.80	-	0.80
Adjustment to recognized the effect of assets ceiling	-	7.02	(7.02)
Experience (gains)/losses	1.11		1.11
Total amount recognised in other comprehensive income	**1.91**	**10.31**	**(8.40)**
Employer contributions	-	91.93	(91.93)
Benefit payments	34.05	(35.05)	69.10
31 March, 2019	**118.95**	**75.30**	**43.65**

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

Particulars	31 March, 2019	31 March, 2018
Present value of funded obligations	118.95	69.14
Fair value of plan assets	75.30	7.50
Deficit of funded plan	43.65	61.64
Unfunded plans	-	-
Excess of gratuity plan	**43.65**	**61.64**

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

Particulars	31 March, 2019	31 March, 2018
Discount rate	7.00%	7.35%
Salary growth rate	6.00%	6.00%

(All amounts in Rs. Lakhs , unless otherwise stated)

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, 2019	31 March, 2018	31 March, 2019	31 March, 2018	31 March, 2019	31 March, 2018
Discount rate	Impact of Increase in 50 bps on DBO	Impact of Increase in 50 bps on DBO	(1.11)	(1.54)	1.22	1.61
Salary growth rate	Impact of Decrease in 50 bps on DBO	Impact of Decrease in 50 bps on DBO	1.22	1.62	(1.12)	(1.56)

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

(All amounts in Rs. Lakhs , unless otherwise stated)

11 Employee Benefit Obligations *(Continued)*

The major categories of plans assets for gratuity are as follows:

Particulars	31 March, 2019				31 March, 2018			
	Quoted	Unquoted	Total	In %	Quoted	Unquoted	Total	In %
Insurer (LIC) Managed Funds	-	75.30	75.30	100%	-	7.50	7.50	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 4.77 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, 2019 - Post Employment Obligations	11.49	6.99	19.14	34.64	72.26
31 March, 2018 - Post Employment Obligations	17.53	12.73	24.06	48.92	103.24

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*
as at 31 March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

12 Other Non-Current Liabilities

Particulars	31 March, 2019	31 March, 2018
Income Received In Advance	-	12.00
Total	**-**	**12.00**

13 Other Current Liabilities

Particulars	31 March, 2019	31 March, 2018
Advance receipts from Customers for which value is still to be given	**363.60**	95.89
Statutory Dues	**6.58**	29.00
Payable to Related Party	**1,176.00**	28.91
Total	**1,546.18**	**153.80**

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*
for the year ended 31st March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

14 Revenue from Operations

Particulars	31 March, 2019	31 March, 2018
Sale of Services	**754.37**	754.49
Other Operating Revenue	**36.66**	139.00
Total	**791.03**	**893.49**

IND AS 115 'Revenue from Contracts with Customers'

With effect from 1 April 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' that replaces Ind AS 18. It introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer.

The Company has opted for the cumulative effect method (modified retrospective application) permitted by Ind AS 115 upon adoption of new standard. Accordingly, the standard has been applied for the year ended March 31, 2019 only (i.e. the initial application period). This method requires the recognition of cumulative impact of adoption of Ind AS 115 on all contracts as at April 1, 2018 ('transition date') in equity and the comparative information continues to be reported under Ind AS 18. The impact of the adoption of the standard on the financial statements is not material.

Also the Company has elected to use the practical expedient that there is no financing component involved when the credit period offered to customers is less than 12 months. (Also refer Credit Risk)

Prior to adoption of IND AS 115, the Company's revenue was primarily comprised of Revenue from travel and related services. The recognition of these revenue streams is largely unchanged by Ind AS 115.

i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its Statement of Profit and Loss

Revenue from operations

Revenue from contract with customers

Particulars	**31 March 2019**
Travel and related services	791.03
Total Revenue from operations	**791.03**

ii) Disaggregate Revenue

The following table presents Company revenue disaggregated by type of revenue stream and by reportable segment:

Revenue based on geography

Revenue from contract with customers

Particulars	**31 March 2019**
India	**791.03**
Overseas	**-**
	791.03

Revenue based on product and services

Revenue from contract with customers

Particulars	**31 March 2019**
Travel and related services	**791.03**
Total Revenue from operations	**791.03**

iii) Contract Balances

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over / services delivered.

Advance Collections is recognised when payment is received before the related performance obligation is satisfied.

Particulars	**31 March 2019**
Advance collected from customers	**-**
	-

15 Other Income

Particulars	31 March, 2019	31 March, 2018
Dividend Income		
-From Mutual Fund Investments	**-**	1.00
Exchange Rate Fluctuation	**-**	4.00
Interest on Income Tax Refund	**-**	8.00
Profit on sale of Assets (net)	**0.08**	-
Miscellaneous Income	**3.20**	1.00
Total	**3.28**	**14.00**

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*
for the year ended 31st March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

16 Employee Benefit Expense

Particulars	31 March, 2019	31 March, 2018
Salaries Wages and Bonus	**523.60**	546.00
Contribution to Provident and Other Funds	**25.13**	27.00
Gratuity	**13.25**	8.00
Staff Welfare Expenses	**10.42**	29.00
Staff Training, Recruitment and Other Costs	**-**	1.00
Total	**572.40**	**611.00**

17 Finance Costs

Particulars	31 March, 2019	31 March, 2018
Interest and finance charges on financial liabilities measurred at amortized cost	**126.04**	99.00
Other Finance Charges	**11.69**	13.00
Total	**137.73**	**112.00**

18 Depreciation and Amortisation Expense

Particulars	31 March, 2019	31 March, 2018
Depreciation on Tangible Assets	**8.06**	6.00
Amortisation on Intangible Assets	**29.09**	8.00
Total	**37.15**	**14.00**

19 Other Expenses

Particulars		31 March, 2019	31 March, 2018
Audit Fees		**9.99**	9.00
Rent		**90.00**	154.00
Repairs to Others		**1.00**	-
Rates and Taxes		**2.00**	2.00
Travelling Expenses		**8.00**	26.00
Directors Sitting Fees		**-**	3.00
Legal and Professional Charges		**20.23**	62.00
Outsource Manpower Cost		**48.00**	21.00
Printing and Stationery		**8.00**	6.00
Communication Expenses		**15.00**	28.00
Bad Debts and Advances Written Off			
Bad Debt / Advance written off	253.00		
Less: Out of Provision	246.00	**7.00**	-
Provisions for doubtful debts and Advances		**50.00**	26.00
Miscellaneous Expenses		**16.71**	23.00
Total		**275.93**	**360.00**

19 (a) Details of payments to auditors

Particulars	31 March, 2019	31 March, 2018
Payment to auditors		
As auditor:		
-Statutory Audit	**8.80**	8.00
- Certification	**0.80**	0.80
In other capacities		
-Re-imbursement of expenses	**0.39**	0.13
Total payments to auditors	**9.99**	**8.93**

(All amounts in Rs. Lakhs , unless otherwise stated)

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:

	31 March, 2019	**31 March, 2018**
Debt	988.00	770.00
Total equity	(117.92)	114.01
Debt to equity ratio	(8.38)	6.75

[Note - Debt = Current Borrowing - Cash & Cash Equivalents]

(All amounts in Rs. Lakhs , unless otherwise stated)

21 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	More than 1	Total
31 March 2019	2,180.49	47.84	2,228.33
31 March 2018	4,309.89	277.15	4,587.04
31 March 2017	1,903.40	267.94	2,171.34

Reconciliation of loss allowance provision – Trade receivables

Reconciliation of loss allowance	Amount
Loss Allowance as on 01 April 2017	(290.59)
Changes in loss allowance	(0.39)
Loss allowance on 31 March, 2018	(290.98)
Changes in loss allowance	(193.01)
Loss allowance on 31 March, 2019	**(97.97)**

(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 31 March, 2019	**< 1 year**	**Between 1 and 2 years**	**> 2 years**	**Total**
Borrowings	1,150.00	-	-	1,150.00
Trade payables	581.76	-	-	581.76
Other financial liabilities	8.97	-	-	8.97
Total liabilities	**1,740.72**	**-**	**-**	**1,740.72**
Contractual maturities of financial liabilities 31 March, 2018	**< 1 year**	**Between 1 and 2 years**	**> 2 years**	**Total**
Borrowings	1,117.00	-	-	1,117.00
Trade payables	1,062.27	-	-	1,062.27
Other financial liabilities	23.90	-	-	23.90
Total liabilities	**2,203.17**	**-**	**-**	**2,203.17**

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*
for the year ended 31 March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

22 Fair value measurements

(i) Financial instruments by category

31 March, 2019	**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	-	-	2,130.36	2,130.36	-	-	-	-
Cash and cash equivalents	-	-	162.00	162.00	-	-	-	-
Others	-	-	419.43	419.43	-	-	-	-
Total financial assets	**-**	**-**	**2,711.79**	**2,711.79**				**-**
Financial liabilities								-
Borrowings	-	-	1,150.00	1,150.00	-	-	-	-
Trade Payable	-	-	581.76	581.76	-	-	-	-
Payable to related parties	-	-	1,176.00	1,176.00	-	-	-	-
Others	-	-	8.97	8.97	-	-	-	-
Total financial liabilities	**-**	**-**	**2,916.72**	**2,916.72**	**-**	**-**	**-**	**-**

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	-	-	1,368.09	1,368.09	-	-	-	-
Cash and cash equivalents	-	-	347.00	347.00	-	-	-	-
			11.00	11.00				
Others	-	-	290.75	290.75	-	-	-	-
Total financial assets	**-**	**-**	**2,016.84**	**2,016.84**	**-**	**-**	**-**	**-**
Financial liabilities								
Borrowings	-	-	1,117.00	1,117.00	-	-	-	-
Trade Payable	-	-	1,062.27	1,062.27	-	-	-	-
Payable to related parties	-	-	28.91	28.91	-	-	-	-
Others	-	-	23.90	23.90	-	-	-	-
Total financial liabilities	**-**	**-**	**2,232.08**	**2,232.08**	**-**	**-**	**-**	**-**

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	3.41	-
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.

Notes forming part of the Financial Statements *(Continued)*
for the year ended 31 March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

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
Thomas Cook (India) Limited (up to 02nd April, 2018)	Ultimate Holding Company	India
Fairfax Financials Holdings Limited (w.e.f 30th October, 2017)	Ultimate Holding Company	Canada

(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 (up to 02nd April, 2018)	Holding Company	India
Thomas Cook (India) Limited (w.e.f. 03rd April, 2018)	Holding Company	India

(c) 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 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

Notes forming part of the Financial Statements *(Continued)*

for the year ended 31 March 2019

Name of the related party and related party relationship (w.e.f 31st October, 2017)

TRIL Urban Transports Private Limited.	India	Fellow Subsidiary Company
TC Visa Services (India) Ltd	India	Fellow Subsidiary Company
TC Tours Limited	India	Fellow Subsidiary Company
TC Forex Services Limited	India	Fellow Subsidiary Company
SOTC Travel Ltd	India	Fellow Subsidiary Company
Horizon Travel Services LLC	USA	Fellow Subsidiary Company
Desert Adventures Tourism LLC	UAE	Fellow Subsidiary Company
Quess Corp Limited	India	Fellow Subsidiary Company
Terrier Security Services (India) Private Limited	India	Fellow Subsidiary Company
Conneqt Business Services Private Limited	India	Fellow Subsidiary Company

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*

for the year ended 31 March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

23 Related Party Transactions *(Continued)*

(c) Key Management personnel

Subash Mohanty :- Chief Financial Officer (upto 30 October 2017)
Brijesh Modi - Chief Financial Officer
Megha Sekharan :- Company Secretory

(d) (i) Key Management personnel compensation

Particulars	March 2019	March 2018
Megha Sekharan	21.16	12.60
Subash Mohanty (upto 30 October 2017)	-	10.84

(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	**2019**	-	68.94	48.48	117.42
	2018	-	*99.36*	-	99.36
Rent paid	**2019**	-	49.84	-	49.84
	2018	*79.55*	-	*46.17*	125.71
ICD Received	**2019**	-	1,191.00	-	1,191.00
	2018	-	*2,276.84*		2,276.84
ICD Paid	**2019**	-	41.00	1,116.84	1,157.84
	2018		*2,310.00*		2,310.00
Services Rendered	**2019**	-	-	9.52	9.52
	2018	478.07	*213.15*	*1,992.20*	2,683.43
Incentive Received	**2019**	-	-	89.42	89.42
	2018		-	*1.46*	1.46
Services Availed	**2019**	-	-	3,641.98	3,641.98
	2018		-	*317.87*	317.87
Corporate Gaurantee fees	**2019**	-	2.83	-	2.83
	2018	-	1.02	-	1.02
Reimbursement of expense paid	**2019**	-	10.49	6.42	16.91
	2018	-	-		-
Reimbursement of expense received	**2019**	-	-	51.72	51.72
	2018	-	-	-	-

(ii) Related Parties Balances Outstanding

Particular	Year	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Total
Outstanding payable	**2019**	-	9.76	1,171.76	1,181.52
	2018	-	*28.91*	-	*28.91*
Loan Payable	**2019**	-	1,150.00	-	1,150.00
	2018	-		*1,116.84*	*1,116.84*
ICD Interest Payable	**2019**	-	8.62	0.35	8.97
	2018	-		*23.90*	*23.90*
Trade Receivable	**2019**	-			-
	2018	-		*1.73*	*1.73*

Notes forming part of the Financial Statements *(Continued)*
for the year ended 31 March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

23 Related Party Transactions *(Continued)*

(e) (iii) Transactions with related parties

The following transactions occurred with related parties:

Nature of transaction	31 March, 2019	31 March, 2018
(i) Holding Company		
Rent Paid		
Thomas Cook (India) Limited	49.84	28.00
Tata Sons Limited	-	51.55
Finance Costs	-	-
TATA Capital Limited	-	54.75
TC Tours Limited	-	44.60
Services Rendered	-	-
Tata Capital Limited	-	213.15
Current Borrowings (Transaction summary)	-	-
TATA Capital Limited	-	-
ICD - Loan Received	-	875.00
ICD - Loan repaid	-	2,025.00
TC Tours Limited	-	-
ICD - Loan Received	-	1,401.84
ICD - Loan repaid	1,116.84	285.00
Thomas Cook (India) Limited	-	-
ICD - Loan Received	1,191.00	-
ICD - Loan repaid	41.00	-
(ii) Fellow subsidiary	-	-
Rent Paid	-	-
Tata Capital Financial Services Limited	-	41.34
Tata Capital Forex limited	-	4.82
SOTC Travel Ltd (Provision)	8.93	-
Reimbursement of expenses paid	-	-
Thomas Cook (India) Limited	9.54	-
Thomas Cook (India) Limited (Provision)	0.95	-
TC Forex Services Limited	6.42	-
Services Rendered	-	-
APEX	-	1.70
Dharamshala Ropeway Limited	-	6.22
Ewart Investments Limited	-	0.47
Gurgaon Realtech Limited	-	9.97
Indian Rotocraft Limited	-	0.84
Infiniti Retail Limited	-	19.46
International Infrabuild Private. Limited	-	4.54
Inshaallah Investments Limited	-	0.25
Manali Ropeways Limited.	-	1.83
MATHERAN ROPE-WAY Private. Limited.	-	0.20
MIKADO Realtors Private. Limited	-	0.63
Qubit Investment Private. Limited	-	18.88
Taj Air Limited	-	30.99
Tata Capital Housing Finance Limited	-	75.02
Tata Advanced Materials Limited	-	43.36
Tata AIG General Insurance Company Limited	-	295.60
Tata Asset Management Limited	-	34.48
Tata Autocomp Systems Limited	-	164.83
Tata Business Support Services Limited	-	55.38
Tata Capital Financial Services Limited	-	422.19
TC Forex Services Limited (Formerly known as Tata Capital Forex limited)	9.52	9.31
Tata Cleantech Capital Limited	-	32.98
Tata Consultancy Services Limited	-	491.69
Tata Consulting Engineers Limited	-	59.06
Tata Industries Limited	-	32.65
Tata International Limited	-	6.93
Tata Realty and Infrastructure Limited	-	55.26
Tata Securities Limited	-	17.94

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*
for the year ended 31 March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

23 Related Party Transactions *(Continued)*

(e) (iii) Transactions with related parties

The following transactions occurred with related parties:

Nature of transaction	31 March, 2019	31 March, 2018
(ii) Fellow subsidiary *(Continued)*		
Tata Teleservices Limited	-	1.65
Tata Toyo Radiator Limited	-	42.34
THDC Management Services Limited (formerly THDC Facility Management Limited)	-	0.12
TRIF Amritsar Projects Limited	-	3.10
TRIF Amritsar Projects Private Limited	-	9.35
TRIF Kochi Project Private Limited	-	1.38
TRIF Real Estate And Development Private Limited	-	13.33
TRIL Constructions Limited	-	5.55
TRIL Infopark Limited	-	4.78
TRIL IT4 Private. Limited	-	0.64
TRIL Roads Private Limited	-	16.42
TRIL Urban Transports Private Limited.	-	0.88
Incentive received	-	-
Tata SIA Airlines Limited	-	1.46
TC Tours Limited	89.42	-
Reimbursement of expense received	-	-
Horizon Travel Services LLC	29.40	-
Desert Adventures Tourism LLC	22.32	-
Services Availed	-	-
TC Forex Services Limited (Formerly known as TATA Capital Forex Ltd.)	-	1.16
Tata Consultancy Services Limited	-	2.69
TATA AIG General Insurance Co.	-	314.01
Quess Corp Limited (Incl. Provision)	52.97	-
TC Visa Services (India) Ltd	0.12	-
Terrier Security Services India Ltd (Provision)	3.28	-
Coachieve Solutions Pvt Ltd (Provision)	0.27	-
TC Tours Limited	3,641.98	-
Corporate Guarntee Fees Paid	-	-
Thomas Cook (India) Limited	2.83	1.02

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

Particulars	31 March, 2019	31 March, 2018
Outstanding payables		
Holding Company		
Thomas Cook (India) Limited		
Rent Payable (Net of TDS)	**(2.85)**	17.17
Rent Payable Provision (Net of TDS)	**12.61**	10.82
Corporate Guarntee Fees Payable Provision (Net of TDS)	**-**	0.92
		-
Loan Payable		-
Holding Company		-
Thomas Cook (India) Limited	**1,150.00**	-
Fellow Subsidiary Company		-
TC Tours Limited	**-**	1,116.84
		-
Other Financial Liabilities		-
Interest Payable to related party		-
ICD - Interest payable		-
TATA Capital Limited		-
Thomas Cook (India) Limited	**8.62**	-
TC Tours Limited	**0.35**	23.90
Trade Payable		-
Others		-
TC Tours Limited	**1,142.54**	-
Coachieve Solutions Pvt Ltd,	**1.13**	-
Quess Corp Limited	**0.81**	-
Terrier Security Services India Ltd (Provision)	**2.00**	-
SOTC Travel Ltd (Provision)	**8.93**	-
Quess Corp Limited (Incl. Provision)	**15.97**	-
Coachieve Solutions Pvt Ltd (Provision)	**0.27**	-
TC Visa Services (India) Ltd	**0.12**	-
Total payables to related parties	**2,340.49**	**1,169.64**

TC Travel Services Limited
(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements *(Continued)*
for the year ended 31 March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

23 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, 2019	31 March, 2018
TC Forex Services Limited (Formerly known as TATA Capital		1.73
Total receivables from related parties	**-**	**1.73**

Loans to/from related parties

Particulars	31 March, 2019	31 March, 2018
Loan from related party		
TATA Capital Limited		
Beginning of the year	-	1,150.00
Loan received	-	875.00
Loan repaid	-	2,025.00
Interest charged	-	54.75
Interest Paid (Net of TDS)	-	(49.27)
TC Tours Limited		-
Beginning of the year	**1,116.84**	-
Loan received	-	1,401.84
Loan repaid	**1,116.84**	285.00
Interest charged	**48.48**	44.60
Interest Paid (Net of TDS)	**42.82**	(16.79)
End of the year	**-**	1,116.84
Thomas Cook (India) Limited		-
Beginning of the year	**-**	-
Loan received	**1,191.00**	-
Loan repaid	**41.00**	-
Interest charged	**68.94**	-
Interest Paid (Net of TDS)	**62.05**	-
End of the year	**1,150.00**	**-**

Notes forming part of the Financial Statements *(Continued)*
for the year ended 31 March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

24 Earnings Per Share

Particulars	31 March, 2019	31 March, 2018
A. Net Loss for the year	**(228.90)**	(189.51)
B. Weighted average number of equity shares outstanding during the year	**250**	250
C. Weighted average number of preference shares outstanding during the year	-	-
D. Basic and Diluted earnings per share (A/B)	**(0.92)**	(0.76)

25 Contingent liabilities:

i) There are no contingent liabilities as at 31 March 2019 (31 March 2018: Nil)

ii) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of provident fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. Management has accounted for the liability for the period from date of the SC order to 31 March 2019. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

26 Commitments

Capital commitment as at 31 March 2019 amounts to Rs. 87,202/-.(as on March 31, 2018" Nil").

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-19	31-Mar-18
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	-	-
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, 2019	31 March, 2018
(a) Lease payment for the year	90.00	154.09

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.

(All amounts in Rs. Lakhs , unless otherwise stated)

30 Events occurring after the reporting period

The Company evaluated all events or transactions that occurred after March 31,2019 through May 23, 2019, 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 attached

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

For and on behalf of the Board of Directors
TC Travel Services Limited
(CIN:U63040MH2008PLC187559)

Partner
Membership No: 042070

Mahesh Iyer
Director
(DIN 07560302)

Debasis Nandy
Director
(DIN 06368365)

Place: Mumbai
Date : 27 May, 2019

Brijesh Modi
Chief Financial Officer

Megha Sekharan
Company Secretary

TC Travel Services Limited

(formerly known as TC Travel And Services Limited)

Notes forming part of the Financial Statements

for the period ended 31 March 2019

(All amounts in Rs. Lakhs , unless otherwise stated)

Corporate Information

TC Travel Services Limited ("TCTSL"), is a wholly owned subsidiary of Thomas Cook (India) Limited ("TCIL"). The Company is primarily engaged in the business of offering ticketing and travel related services to corporate and individual travelers. TC Travel And Services Limited was acquired by Thomas Cook (India) Limited 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, 2019 were approved by the Board of Directors and authorised for issue on 27 May, 2019.

1 Significant Accounting Policies

1.1 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') presribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting standards) Rules as amednded from time to time.

(b) Historical cost convention

The 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 financial statements are presented in Indian Rupees "(Rs.)" which is also the Company's functional currency and all values are rounded off to nearest lakhs ('00,000) except where otherwise indicated. Wherever the amount is represented as '0' ('zero') it construes a value less than fifty thousand.

1.2 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.

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.

1 Significant Accounting Policies *(Continued)*

1.4 Revenue Recognition

Revenue is measured based on transaction price, which is the consideration paid for services. Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services. Revenue from rendering of services is net of Indirect taxes and discounts.

Effective April 1, 2018 the Company has applied Ind AS 115 which replaces Ind AS 18 revenue recognition. Refer Note 1.4 – Significant accounting policies – Revenue recognition in thefinancials of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18.

Income from opration
The Company earns revenue from travel services.

It also includes 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.

Contract balances (effective from 1 April 2018)
a) Contract assets
A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company performs by rendering services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

b) Contract liabilities
A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company renders services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

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.

(All amounts in Rs. Lakhs , 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 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.

(All amounts in Rs. Lakhs , 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.

(All amounts in Rs. Lakhs , unless otherwise stated)

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.

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.

(All amounts in Rs. Lakhs , unless otherwise stated)

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.

(All amounts in Rs. Lakhs , 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.

(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.

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:

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.

2.1 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective from April 1, 2019:

Ind AS - 116

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 16, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

With effect from April 01, 2019, the Company will recognise new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortization change for the right-to-use asset, and b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

On preliminary assessment, for leases other than short-term leases and leases of low value assets, the Company will recognise a right-of-use asset of Rs 886,269/- and a corresponding lease liability of Rs /- with the cumulative effect of applying the standard by adjusting retained earnings net of taxes. There will be consequent reclassification in the cash flow categories in the statement of cash flows.