Thomas Cook (Mauritius) Operations Company Limited

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Thomas Cook (Mauritius) Operations Company Limited

Corporate data

Directors

	Date appointed	Date resigned
Mr Mohinder Shakeel Dyall	04 September 2013	-
Mr Matthew John Lamport	21 January 2014	15 February 2021
Mr Ramakrishna Sithanen	07 May 2015	28 August 2021
Mr Debasis Nandy	17 December 2018	-
Mr Madhavan Menon	08 March 2019	-
Mrs Lovania Devina Ouma Pertab	01 April 2019	-
Mrs Vidisha Ramlugun	12 April 2021	-
Mrs Selvida Naiken	29 March 2022	-

Registered office : Anglo-Mauritius House
4 Intendance Street
Port Louis
Republic of Mauritius

Secretary : Executive Services Limited
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Auditors : Baker Tilly
1st Floor, CyberTower One
Ebene 72201
Republic of Mauritius

Bankers : AfrAsia Bank Limited
Bank One Limited
BCP Bank (Mauritius) Limited
ABSA Bank (Mauritius) Limited
MauBank Ltd
SBM Bank (Mauritius) Ltd
SBI (Mauritius) Ltd
The Mauritius Commercial Bank Ltd

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT

Report on Corporate Governance

CORPORATE GOVERNANCE STATEMENT

Thomas Cook (Mauritius) Operations Company Limited, the "Company", is a subsidiary of Thomas Cook (Mauritius) Holding Company Limited, a Company incorporated in the Republic of Mauritius and a step-down subsidiary of Thomas Cook (India) Limited, a Company incorporated in the Republic of India. The ultimate parent is Fairfax Financial Holding Limited, Canada.

The Corporate Governance report for the year ended 31 March 2022 has been prepared having regard to the requirements prescribed in the Guideline on Corporate Governance issued by the Bank of Mauritius.

The Company is committed to the highest standard of business integrity, transparency and professionalism in all its activities. The Board of Directors ensures that the Company is managed ethically and responsibly to enhance business value for all stakeholders.

Although the Company is not qualified as a Public Interest Entity (PIE) under The Financial Reporting Act 2004 and the Financial Reporting (Amendment of Schedule) Regulations 2016, the Board has considered and applied principles of the code which is likely to work in the particular context of the Company and culture and which promotes the following:

- Effective decision-making, risk management and control;
- Keeping the interests of the owners of the business aligned with, and at the front of the mind of, the people charged with managing the business; and
- The ability of the company to hear the voice of all stakeholders, principally, regulatory and standard bodies, employees, customers, suppliers and the environment in which the Company operates.

SHAREHOLDING STRUCTURE

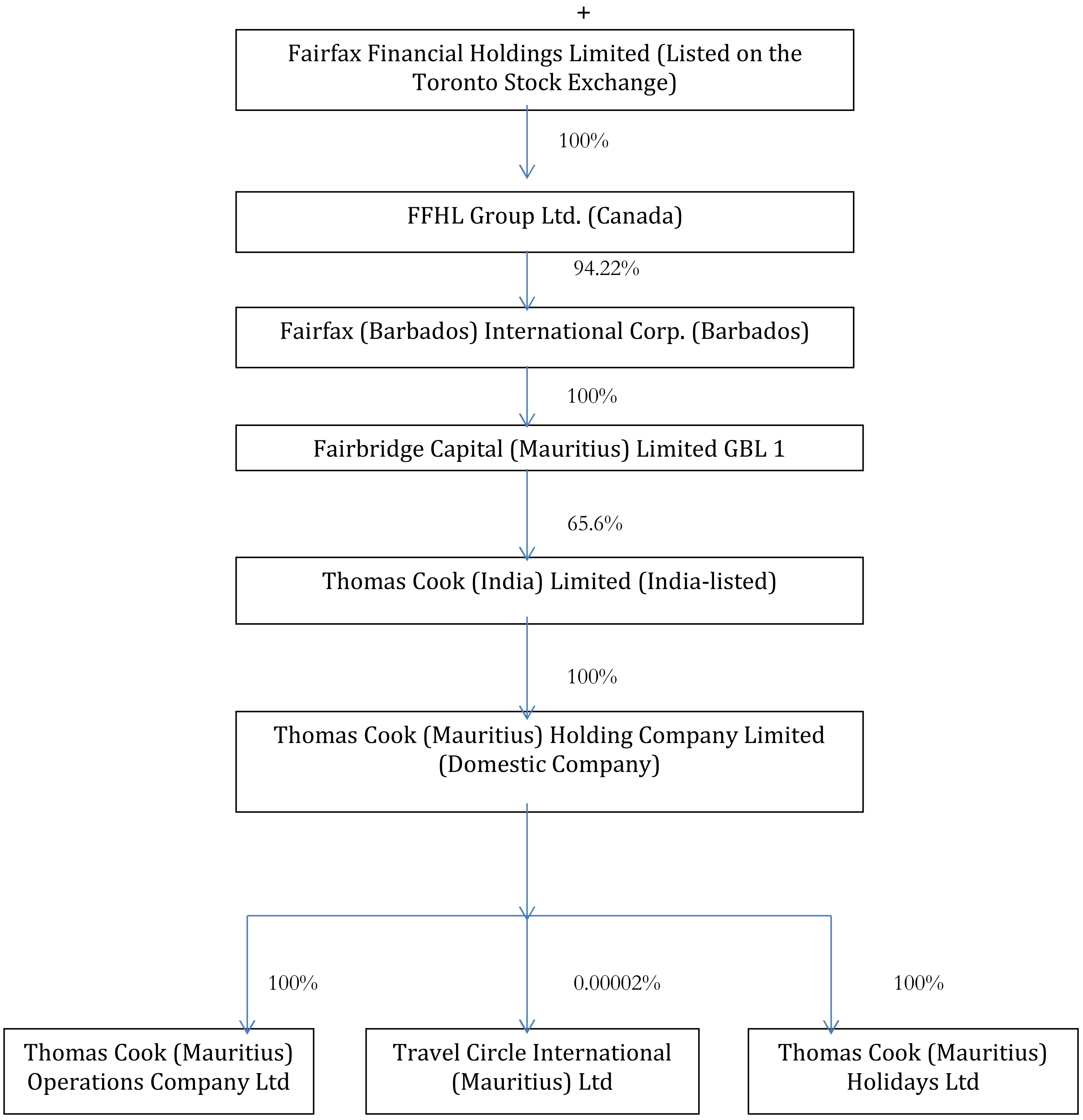
The shareholding of the Company is as follows:

Shareholder	No of Shares
Thomas Cook (Mauritius) Holding Company Ltd	648,149
Total Number of Shares	**648,149**

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

Report on Corporate Governance (Contd)

SHAREHOLDING STRUCTURE (Contd)



THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

BOARD AND DIRECTORS

Structure of the Board

The board's structure of the Company is a unitary Board which is collectively accountable and responsible for the long-term success of the Company. The Board provides effective leadership and strategic guidance towards the achievement of the Company's strategy within a framework of effective controls and risk management, alongside ensuring adherence of the Company to relevant legislations. The directors of the Company share responsibility for directing and promoting its affairs collectively when acting on behalf of the Company.

Composition of the Board

The board currently is comprised of one (1) Executive Director, two (2) Non-Executive Directors and three (3) Independent-Directors (Mrs Selvida Naiken was appointed on 29th March 2022).

Attendance at Board Meetings:

	06/08/2021	15/11/2021	13/01/2022
Chairperson			
Ramakrishna SITHANEN (Independent Director) *	✓	-	-
Lovania PERTAB (Independent Director) (Acting Chairperson as from 15/11/2021)	✓	✓	✓
Chief Operating Officer/Executive Director			
Mohinder Shakeel DYALL	✓	✓	✓
Independent Director			
Vidisha RAMLUGUN	✓	✓	✓
Non-Executive Directors			
Madhavan MENON	✓	✓	-
Debasis NANDY	✓	✓	✓

**Resigned on 25/08/2021*

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

BOARD AND DIRECTORS (Contd)

Directors' Profile

Dr Ramakrishna SITHANEN – Independent Director – *Resigned 25/08/2021*

He holds a BSc Economics (with First Class Honours) and an M.Sc Economics (with a Mark of Distinction) from the London School Economics and Political Science (LSE) UK. He holds a PhD in Political Science from Brunel University. He has been bestowed with the highest mark of distinction of the Republic of Mauritius with the Grand Commander of the Star and Key in 2009.

He has strong leadership skills and a broad experience in political, managerial, technical, financial and administrative experience as Deputy Prime Minister and Minister of Finance and Economic Development of the Republic of Mauritius, Director at Air Mauritius, General Manager, Strategy and Development of Rogers and Co, Partner in major accounting and consulting firm, economist and consultant/adviser on economic issues, airline restructuring and policy matters.

He was appointed director of Thomas Cook (Mauritius) Operations Company Limited on the 7th May 2015.

Mr. Mohinder Shakeel DYALL – Executive Director

He joined the Company in September 2013 as the Chief Operating Officer. He holds a Post Graduate Diploma in marketing from the Chartered Institute of Marketing and an MSc E-Business from the University of Mauritius. He is both a member of the Chartered Institute of Marketing (CIM) and a Chartered Marketer from the same Institute. He is the former Chief Operations Officer at Flemingo Duty Free Mauritius Ltd and Chief Executive Officer at Mauritius Duty Free Paradise Ltd.

He was appointed director of Thomas Cook (Mauritius) Operations Company Limited on the 4th September 2013.

Mr Madhavan MENON - Non-Executive Director

Mr Madhavan Menon joined Thomas Cook India in 2000 as the Executive Director responsible for the Foreign Exchange business and stepped up to the position of Managing Director in January 2006; Chairman and Managing Director in January 2016.

He completed his MBA from George Washington University and undergraduate degree from American University of Beirut.

Mr. Menon has a varied background, having commenced his career in Banking at Grindlays Bank, Citibank and Emirates Bank and in Birla Sun Life Asset Management Company.

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

BOARD AND DIRECTORS (Contd)

Directors' Profile (Contd)

Mr Madhavan MENON - Non-Executive Director (Contd)

Mr. Menon is a member of the Board of Thomas Cook (India) Ltd and holds directorships in various subsidiaries of the Company. He is also the Chairman of the Fairfax India Charitable Foundation that focusses on bringing down the cost of treating kidney related ailments in the country.

During his tenure, Thomas Cook India has made several acquisitions, making it the largest travel and related services company in India and has expanded the global footprint of the Group to cover twenty-one countries across four continents, with operations in Australia, China, ASEAN, South Asia, Middle East, Southern Africa, Eastern Africa and North America.

He was appointed director of Thomas Cook (Mauritius) Operations Company Limited on the 8th March 2019.

Mr Debasis NANDY – Non- Executive Director

He is a Chartered Accountant and a Finance Professional. He is also an associate member of the Institute of Chartered Accountants of India. Mr Debasis has been part of the Executive Development Programme at Wharton and London Business School.

He has been with Thomas Cook India since 2008 and is presently the President & Group Chief Financial Officer. Moreover, he has over 30 years of diverse experience in the field of Finance & Accounts, with stints at Piramal Healthcare, Aviva, ICI and Indian Aluminium.

He is responsible for and oversees the Finance and Accounts function of Thomas Cook India Group companies, which span across four continents and twenty-four countries.

With his expertise and diverse experience, Mr Nandy plays a significant role in the performance of the Company and is a key member of the Group Management Committee.

He was appointed director of Thomas Cook (Mauritius) Operations Limited on the 17th December 2018.

Mrs Lovania Devina Ouma PERTAB - Independent Director

Mrs Pertab is a barrister by profession. She holds a Masters in Law from University of La Réunion, France and a postgraduate diploma in International Environment Law from the University of Limoges, France. She is also the holder of a post graduate diploma in Ocean Laws and Policy.

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

BOARD AND DIRECTORS (Contd)

Directors' Profile (Contd)

Mrs Lovania Devina Ouma PERTAB - Independent Director (Contd)

She has worked as Principal State Council at the State Law Office of Mauritius and has served as Magistrate in both Mauritius and the Republic of Seychelles.

In the past fifteen years, she has worked in the private sector as in house lawyer namely in the aviation sector, the banking sector and in the commercial field.

She is now the Chairperson of Transparency Mauritius and has been a Director in its board for more than two years.

She was appointed director of Thomas Cook (Mauritius) Operations Company Limited on the 1st April 2019 and is also a member of the Audit and Risk Management Committee.

Mrs Vidisha RAMLUGUN – Independent Director

Mrs Ramlugun is a Senior Lecturer from the Department, Finance and Accounting, Faculty of Law and Management at the University of Mauritius. She holds a Ph.D. in Corporate Governance from the Open University of Mauritius, an MSc International Banking and Finance from University of Greenwich, London and a BSc (Hons) Accounting and Finance from the University of Mauritius. She is a member of Chartered Institute of Secretaries and Administrators as well as a member of the Mauritius Institute of Directors.

As part of her interest, Mrs Ramlugun carried out research in corporate governance matters. Furthermore, she actively produces working papers on various themes for publications and conferences.

She was appointed director of Thomas Cook (Mauritius) Operations Company Limited on the 12th April 2021 and is also the Chairperson of the Audit and Risk Management Committee since 15th November 2021.

Mrs Selvida Naiken- **Independent Director**- *Appointed 29th March 2022*

Mrs Naiken holds an MSc in Business Administration with Specilisation in Marketing, a Diploma in Social Work and Certificates in Quality Assurance and Corporate Governance. She is also a fellow member of the Association of Chartered and Certified Accountants (ACCA). She has over twenty- five years of experience in the Public Sector occupying various posts such as Probation Officer and Senior Accountant in various ministries. She joined the Financial Reporting Council in 2007 as Chief Executive Officer, body which regulates auditors, reviews Annual Reports of Public Interest Entities and ensures compliance with corporate governance in line with the National Code of Corporate Governance.

She is now the Director of Compliance at Sotravic Ltee and chairs its Risk Management and Audit Committee.

She was appointed director of Thomas Cook (Mauritius) Operations Company Limited on the 29th March 2022.

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

BOARD AND DIRECTORS (Contd)

Role and function of the Board

The board is the decision-making body for all matters material to the Company's finances, strategy and reputation. It is collectively responsible for the long- term success of the Company and has ultimate responsibility for management, direction and performance of the company and its businesses. The board is required to exercise objective judgement on all corporate matters and is accountable to shareholders for the proper conduct of the business. The board has also delegated specific responsibility to the Audit and Risk Management Committee.

There is a defined division of responsibilities between the Non-Executive Chairman and the Chief Operating Officer.

Role and Function of the Chairman

The Chairman is responsible to manage and provide leadership to the Board of Directors. He is accountable to the Board and acts as a direct liaison between the board and the management of the Company through the Chief Operating Officer. The Chairman also acts as the communicator for board decisions where appropriate.

Role and Function of the Chief Operating Officer

The Chief Operating Officer ("COO") is responsible for leading the development and execution of the Company's long-term strategy with a view to creating shareholder value. The COO's leadership role also entails being ultimately responsible for all day-to day management decisions and for implementing the Company's long- and short-term plans.

Role of the Non-Executive director and of the Independent Director

The Non-Executive Director and the Independent Director make a significant contribution to the functioning of the board, are involved in policy making and planning exercise. They ensure that no one individual or group dominates the decision-making process.

Directors' Duties and Responsibilities

The Directors exercise care, skill and due diligence in dealing with the business affairs of the Company and work with the management to take objective decisions in the interest of the Company. The Company Secretary keeps Directors informed of their duties as per the Companies Act 2001.

Role and function of the Company Secretary

The Company Secretary manages the provision of timely, accurate and considered information to the board and ensure that the board maintains its awareness of the ever-changing corporate governance environment. The Company Secretary attends every board meeting and committee meeting.

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

BOARD AND DIRECTORS (Contd)

Conflicts of interests

Each Director ensures that no decision or action is taken that places his interests in front of the interests of the business. At each board meeting a director is required to disclose any actual or potential conflicts of interests.

Remuneration of directors

The board decided to allocate an aggregate amount of Rs. 15,000 as remuneration and benefits to the independent directors for each quarterly meeting.

BOARD EFFECTIVENESS

Nomination process

The board recognises the importance of having a formal and transparent process for the nomination and appointment of directors.
The nomination and appointment process of directors is as follows:

- Identification of candidates
- Interviews conducted
- Board approval of candidate
- Regulatory approval
- Election at Annual/Special Meeting
- Letter of appointment
- Regulatory filing

Board Induction and Professional Development

All new directors receive a full, formal and tailored induction on joining the board, including meetings with senior management and visits to the company's operational locations. The board recognizes that its directors have a diverse range of experience, and so it encourages them to attend external seminars and briefings that will assist them individually. The Company also regularly organises training programmes for the Directors to ensure that they keep pace with the fast-moving governance and regulatory environment, with a focus on AML/CFT particularly.

Board Evaluation

The Board recognises that a continuous and constructively critical evaluation of their performance is a powerful feedback mechanism for improving board effectiveness, maximising strengths and highlighting areas for further development.

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

BOARD EFFECTIVENESS (Contd)

Succession Planning

The Board of Directors is responsible to review Board succession plans for Directors and seeking to refresh the Board membership as and when it deems necessary.

The Board of Directors also ensures that the Company has succession planning for its Executive Directors and key management personnel, including appointing, training and mentoring successions. The Board of Directors reviews contingency arrangements for any unexpected incapacity of the Chief Operating Officer or any of the top management personnel and ensures that procedures are in place to ensure a transition to a full operational management team.

Board Meetings

At each meeting, the Board receives regular reports covering current operations and Management Accounts. At certain points in the year, the Board reviews results of the operations, budgets, capital expenditure, risks and audited financial statements and also reviews other topics such as technical or legal developments and the competitive environment as appropriate. As a consequence of the lockdown due to the COVID19 pandemic, the board met three (3) times this year instead of the planned 4 times.

BOARD COMMITTEES - Audit and Risk Management Committee

The board has a standing Audit and Risk Management Committee (the "Committee"). The Committee reports to the Board. The Audit and Risk Management Committee charter was reviewed and approved by the Board on the 13th January 2022. The minutes of the Committee Meetings are circulated and reviewed by the board.

The main duties and responsibilities of the Audit and Risk Management Committee are:

1.1 The basic responsibility of the members of the Audit and Risk Management committee is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the company and its shareholders. In discharging that obligation, members should be entitled to rely on the honesty and integrity of the Company senior executives and its outside advisors and auditors, to the fullest extent permitted by law.

1.2 The board authorises the Audit and Risk Management Committee, within the scope of its responsibilities to:

- (a) perform activities within the scope of this charter.
- (b) investigate any activity it deems appropriate
- (c) appoint independent advisers and professionals (accountants, lawyers and so on) as it deems necessary to carry out its duties.
- (d) instruct any officer or employee of the company to attend any meetings and provide pertinent information as necessary and appropriate.
- (e) have unrestricted access to members of management, employees and relevant information.
- (f) establish procedures regarding accounting, internal controls and auditing matters

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

BOARD COMMITTEES (Contd)

(g) establish procedures for the receipt and treatment of audit observations received by the company regarding accounting controls and auditing matters.
(h) make recommendations to the board in relation to the appointment, termination and remuneration of external auditors and evaluate the work of the latter.
(i) review the performance of the external auditors and exercise final approval on the appointment or discharge of the auditors.
(j) pre-approve all audit services fees and terms as well as review policies for the provision of non-audit services by the external auditors.

Membership of the Committee

The members of the Committee during the year were Mrs Vidisha Ramlugun (Committee Chairperson as from 15/11/2021); Mrs Lovania Devina Ouma Pertab and Dr Ramakrishna Sithanen (resigned on 25/08/2021).

Attendance at Committee:

	06/08/2021	15/11/2021	13/01/2022
Dr Ramakrishna SITHANEN	✓	-	-
Mrs Lovania Devina Ouma PERTAB	✓	✓	✓
Mrs Vidisha RAMLAGUN	✓	✓	✓

The Chief Operating Officer, General Manager-Finance, General Manager-Forex Exchange, the Senior Manager –Compliance/MLRO, the BPIA are de-facto attendees at the Audit and Risk Management Committee. The Internal and External auditors attend meetings by invitation.

RISK MANAGEMENT, INTERNAL CONTROL AND INTERNAL AUDIT

Internal Audit and Internal Control

The scope of the internal audit function is to assist the Board and management to maintain and improve the process by which risks are identified and managed, and to help the board to discharge its responsibilities and to maintain and strengthen the internal control framework.

During the year under review the board has outsourced the internal audit function to BDO & Co., assisted by the BPIA.

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

RISK MANAGEMENT, INTERNAL CONTROL AND INTERNAL AUDIT (CONTD)

Risk Management

The Board of directors has overall responsibility for the Company's risk management and the process in place in relation to the identification, evaluation and management of the significant risks faced by the company in compliance with the Corporate Governance Code.

The risk management mechanism in place includes:

- A system for the on-going identification and assessment of risks; and
- Communication of risk management across all levels of organisation

The Financial Risk Management is outlined on pages 39 to 46 of the audited financial statements.

INFORMATION GOVERNANCE

The Company lays emphasis on the confidentiality, integrity, availability and protection of information backed by the Information Technology (IT) systems. For fulfilling its obligations, the Board is supported by the Audit and Risk Management Committee.

ACCOUNTING AND AUDITING

Auditors

The auditors' fees charged (exclusive of VAT) by **Grant Thornton** (for ended 31 March 2021) and **Baker Tilly** (for the year ended 31 March 2022)**,** for audit and other services were:

	2022 (Rs)	**2021 (Rs)**
Audit fees	325 000	609,500
Other services*	65000	237,750
TOTAL	**390,000**	**845,250**

*Other services comprise of tax services and review of Company's internal control system.

It is to be noted that the External Auditors for 2021 were Grant Thornton and for 2022, Baker Tilly. The rotation of the External Auditors was carried out as per the provisions of the Banking Act 2004, Grant Thornton having completed its five years tenure.

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

INTEGRATED SUSTAINABILITY REPORT

Ethics and business conduct

The Company is committed to a Code of Business Conduct and Ethics which sets out the business practices and personal ethics for all its employees. The Code of Business Conduct and Ethics was approved by the Board of Directors on 18 November 2015.

Health and Safety Policy

The Company is committed to ensure a risk-free and healthy working environment through the provision and maintenance of a safe workspace and system of work through appropriate information, instruction, training and supervision and effective communication.
The Company commits to comply with the provisions of the Occupational Safe and Health Act of 2005 and the relevant Regulations.
The Company ensures that health and safety standards are a key issue in its organisation. Communication and consultation at all levels in the organisation take place to ensure that health and safety are maintained and improved where necessary.

Training and Development Policy

The Company ensures that the employees are trained and become sufficiently experienced to the extent necessary to competently and effectively undertake their assigned duties and responsibilities. It is also the aim of the Company to encourage the employees to make the most of learning opportunities to realize their own personal and enjoyment of their job.

The Company attempts to create a learning environment where employees are prepared to accept change, develop new skills and take responsibility for their own continuous learning in collaboration with their head of department and the Executive director, to ensure their effective contribution to the successful achievement of both their personal goals.

Equal Employment Opportunity Policy

In order to provide equal employment and advancement opportunity to all individuals, employment decision in the Company is based on merit, qualifications and abilities. The Company does not discriminate in employment opportunities or practices based on race, colour, religion, sex, national origin, age or any other characteristic protected by law.

This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination and access to benefits and training.

Any employee of the Company with questions or concerns about any type of discrimination in the workplace is encouraged to bring these issues to the attention of their head of department or their Manager. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination would be subject to disciplinary action and may result into termination of employment.

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

INTEGRATED SUSTAINABILITY REPORT (CONTD)

Corporate Social Responsibility (CSR)

The Company recognises that it has a responsibility to be involved in social issues which do not necessarily relate to the welfare of its own employees.

The Company believes that CSR can also help to improve the perception of the Company amongst its employees, particularly when they become involved through fundraising activities, community volunteering or other relevant activities.

COMMUNICATION AND DISCLOSURE

Related Party Transaction

Related party transactions are disclosed in Note 24 of the audited financial statements.

Constitution

The Company's constitution is in conformity with the provisions of the Companies Act 2001.

Dividend Policy

The payment of dividends is subject to the performance of the Company, its cash flow, its investments requirements and its solvency test.

Directors' interests

The directors do not hold any interests in the ordinary shares of the Company.

COMMUNICATION AND DISCLOSURE

Significant Contracts

No contracts of significance exist between the Company and its directors.

Donations

The Company has not made donations during the year ended 31 March 2022 (2021: Nil).

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

ANNUAL REPORT (Contd)

Report on Corporate Governance (Contd)

COMMUNICATION AND DISCLOSURE (CONTD)

Directors' Remuneration

During the year ended 31 March 2022, remuneration paid to the directors by the Company are as follows:

	2022 (Rs)	2021 (Rs)
Non-Executive Independent directors – sitting fee	105,000	195,000
Executive director	3,116,770	2,823,546

Approved by the board of directors on 13 MAY 2022 and signed on its behalf by:

Director

Director

THOMAS COOK (MAURITIUS) OPERATIONS COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS

Directors acknowledge their responsibilities for:

(i) Adequate accounting records and maintenance of effective internal control systems;

(ii) the preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the cash flows for that period and which comply with International Financial Reporting Standard (IFRS);

(iii) the use of appropriate accounting policies supported by reasonable and prudent judgements and estimates.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The Directors report that:

(i) adequate accounting records and an effective system of internal controls and risk management have been maintained;

(ii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;

(iii) International Financial Reporting Standards have been adhered to. Any departure has been disclosed, explained and quantified.

ON BEHALF OF THE BOARD

Director

Director

Date: 13 MAY 2022

Thomas Cook (Mauritius) Operations Company Limited

Certificate from the Secretary to the member of Thomas Cook (Mauritius) Operations Company Limited

We certify, to the best of our knowledge and belief, that the Company has filed with the Registrar of Companies all such returns as are required of **Thomas Cook (Mauritius) Operations Company Limited** under the Mauritius Companies Act 2001, in terms of Section 166 (d), during the financial year ended 31 March 2022.

for **Executive Services Limited**
Secretary

Registered address:
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Date: 13 MAY 2022

1st Floor CyberTower One
Ebène 72201, Mauritius

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INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Operations Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of *Thomas Cook (Mauritius) Operations Company Limited* (the "Company"), which comprise the statement of financial position as at 31 March 2022, 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 on pages 22 to 58 give a true and fair view of the financial position of the Company as at 31 March 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our opinion is not modified in this respect.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so. Those charged with governance are 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

This opinion has been prepared for and only for the Company's shareholder in accordance with Section 205 of the Mauritius Companies Act 2001 and for no other purposes.

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Operations Company Limited

Report on the Audit of the Financial Statements (Continued)

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

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

► Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

► Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

► Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

► Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

Other information

The directors are responsible for the other information. The other information comprises of corporate data, annual report and certificate from the secretary.

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

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Operations Company Limited

Report on the Audit of the Financial Statements (Continued)

Other information (Continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor and tax advisor.

We have obtained all the information and explanations we have required.

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

Baker Tilly

Baker Tilly

Sin C. Li, CPA, CGMA

Date: 13 May 2022

Licensed by FRC

Thomas Cook (Mauritius) Operations Company Limited

Statement of financial position as at 31 March

	Notes	2022 Rs	2021 Rs
Assets			
Non-current			
Plant and equipment	7	**8,485,964**	9,421,085
Intangible assets	8	**91,932**	245,252
Rights-of-use assets	9	**17,517,868**	5,462,562
Deferred tax assets	22	**1,825,736**	1,348,694
Non-current assets		**27,921,500**	16,477,593
Current			
Investment in treasury bills	10	**54,558,410**	54,689,439
Trade and other receivables	11	**11,153,140**	13,718,662
Cash and cash equivalents	12	**17,339,630**	8,421,681
Current assets		**83,051,180**	76,829,782
Total assets		**110,972,680**	93,307,375
Equity and liabilities			
Equity			
Stated capital	13	**64,814,900**	64,814,900
Retained earnings		**(6,245,111)**	1,131,761
Gratuity benefit deficits		**(130,000)**	(465,000)
Total equity		**58,439,789**	65,481,661
Liabilities			
Non-current			
Gratuity obligations	14	**2,235,647**	1,994,647
Lease liabilities	16	**14,444,876**	1,999,502
Non-current liabilities		**16,680,523**	3,994,149
Current			
Trade and other payables	17	**27,551,870**	5,183,271
Borrowings	15	**6,009,301**	17,479,263
Lease liabilities	16	**2,291,197**	1,169,031
Current liabilities		**35,852,368**	23,831,565
Total liabilities		**52,532,891**	27,825,714
Total equity and liabilities		**110,972,680**	93,307,375

Approved by the Board of Directors on 13 MAY 2022 and signed on its behalf by:

Director | **Director** | **Chief Operating Officer**

The notes on pages 26 to 58 form an integral part of these financial statements.

Thomas Cook (Mauritius) Operations Company Limited

Statement of comprehensive income for the year ended 31 March

	Notes	2022 Rs	2021 Rs
Net gains from foreign currency dealings and net foreign exchange differences	18	**27,014,542**	9,472,169
Other operating income	19	**6,295,341**	8,883,197
Sundry income		**223,149**	2,325,196
Administrative expenses		**(40,599,394)**	(37,512,159)
Operating loss	23	**(7,066,362)**	(16,831,597)
Finance income	20	**571,194**	947,582
Finance costs	21	**(1,358,745)**	(526,313)
Net finance (costs)/income		**(787,551)**	421,269
Loss before tax		**(7,853,913)**	(16,410,328)
Tax credit	22	**527,291**	1,504,327
Loss for the year		**(7,326,622)**	(14,906,001)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss:			
Deferred tax	22	**(50,250)**	-
Actuarial gain/(loss) on gratuity benefit obligations	14	**335,000**	(154,000)
Items that will be reclassified subsequently to profit or loss		**-**	-
Other comprehensive income/(loss) for the year, net of tax		**284,750**	(154,000)
Total comprehensive loss for the year		**(7,041,872)**	(15,060,001)

The notes on pages 26 to 58 form an integral part of these financial statements.

Thomas Cook (Mauritius) Operations Company Limited

Statement of changes in equity for the year ended 31 March

deficits	Stated capital Rs	Retained earnings Rs	Gratuity benefit Rs	Total Rs
At 01 April 2021	**64,814,900**	**1,131,761**	**(465,000)**	**65,481,661**
Shares bought back	**-**	**-**	**-**	**-**
Transaction with the shareholder	**-**	**-**	**-**	**-**
Loss for the year	**-**	**(7,326,622)**	**-**	**(7,326,622)**
Other comprehensive income:				
Deferred tax	**-**	**(50,250)**	**-**	**(50,250)**
Actuarial gain on gratuity benefit obligations	**-**	**-**	**335,000**	**335,000**
Total comprehensive income for the year	**-**	**(7,376,872)**	**335,000**	**(7,041,872)**
At 31 March 2022	**64,814,900**	**(6,245,111)**	**(130,000)**	**58,439,789**
At 01 April 2020	100,000,000	18,852,662	(311,000)	118,541,662
Shares bought back	(35,185,100)	(2,814,900)	-	(38,000,000)
Transaction with the shareholder	(35,185,100)	(2,814,900)	-	(38,000,000)
Loss for the year	-	(14,906,001)	-	(14,906,001)
Other comprehensive income:				
Actuarial loss on gratuity benefit obligations	-	-	(154,000)	(154,000)
Total comprehensive income for the year	-	(14,906,001)	(154,000)	(15,060,001)
At 31 March 2021	64,814,900	1,131,761	(465,000)	65,481,661

The notes on pages 26 to 58 form an integral part of these financial statements.

Thomas Cook (Mauritius) Operations Company Limited

Statement of cash flows for the year ended 31 March

	2022 Rs	2021 Rs
Operating activities		
Loss before tax	**(7,853,913)**	(16,410,328)
Adjustments for:		
Depreciation	**6,804,581**	6,168,801
Amortisation	**153,320**	628,948
Gratuity benefit obligations	**308,000**	649,000
Interest income	**(569,273)**	(947,582)
Interest expense	**1,200,149**	526,313
Assets written off / loss on disposals	**-**	70,461
Total adjustments	**7,896,777**	7,095,941
Net changes in working capital:		
Change in trade and other receivables	**2,565,522**	(913,110)
Change in trade and other in payables	**22,368,598**	(5,443,551)
Total changes in working capital	**24,934,120**	(6,356,661)
Interest received	**310,561**	-
Interest paid	**(1,200,149)**	(271,370)
Net cash used in operating activities	**24,087,396**	(15,942,418)
Investing activities		
Purchase of plant and equipment	**(769,156)**	(209,790)
Employee contributions	**(67,000)**	-
Proceeds from disposal	**141,191**	-
Proceeds from treasury bills redeemed	**-**	112,000,000
Purchase of treasury bills	**-**	(86,302,640)
Net cash (used in)/generated from investing activities	**(694,965)**	25,487,570
Financing activities		
Additions in investment in treasury bills	**55,931,177**	-
Repayment of investment in treasury bills	**(54,996,654)**	-
Payment of lease liabilities	**(4,202,882)**	(4,066,181)
Additions in ROU	**263,839**	
Repayment of borrowing	**(11,469,962)**	
Payment for shares bought back	**-**	(38,000,000)
Net cash used in financing activities	**(14,474,482)**	(42,066,181)
Net decrease in cash and cash equivalents	**8,917,949**	(32,521,029)
Cash and cash equivalents at beginning of the year	**8,421,681**	23,463,447
Cash and cash equivalents at end of the year (Note 12)	**17,339,630**	(9,057,582)
Cash and cash equivalents made up of:		
Cash in hand and cash at bank (Note 12)	**17,339,630**	8,421,681
Bank overdrafts (Note 15)	**(6,009,301)**	(17,479,263)
	11,330,329	(9,057,582)
Non-cash transactions		
Lease assets derecognised under IFRS 16	**-**	12,382,724
Lease liabilities derecognised under IFRS 16	**-**	(12,382,724)

For reconciliation of liabilities arising from financing activities, refer to **Note 26**.

The notes on pages 26 to 58 form an integral part of these financial statements.

Thomas Cook (Mauritius) Operations Company Limited

Notes to the financial statements

For the year ended 31 March 2022

1. General information and statement of compliance with International Financial Reporting Standards ("IFRS")

Thomas Cook (Mauritius) Operations Company Limited, the "Company", was incorporated in the Republic of Mauritius under the former Mauritius Companies Act 1984 (now replaced by the Mauritius Companies Act 2001) on 14 January 2000 as a private company with liability limited by shares. The Company's registered office is Ground Floor, Anglo Mauritius House, 4, Intendance Street, Port Louis, Republic of Mauritius.

The main activity of the Company is to deal in foreign exchange under a foreign exchange dealer licence issued by the Bank of Mauritius on 17 June 2005.

The financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

2. Adoption of new and revised IFRS

2.1 New and revised standards that are effective for the annual period beginning on 01 April 2021

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, new standards and interpretations which are effective for annual periods beginning on or after 01 January 2021.

Amendments	**Effective for accounting period beginning on or after**
Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	01 January 2021
Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)	1 April 2021

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

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

• A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest;
• Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued; and
• Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

Interest Rate Benchmark Reform – Phase 2 introduces amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 and is not mandatorily effective until annual periods beginning on or after 1 April 2021, however, many entities were expected to adopt the amendments early.

The Standard did not have any major impact on the Company's financial statements for the year ended 31 March 2022.

Notes to the financial statements

For the year ended 31 March 2022

2. Adoption of new and revised IFRS (Cont'd)

2.1 New and revised standards that are effective for the annual period beginning on 01 April 2021 (contd)

Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)

Effective 1 June 2020, IFRS 16 was amended to provide a practical expedient for lessees accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(b) The reduction is lease payments affects only payments originally due on or before 30 June 2021; and

(c) There is no substantive change to other terms and conditions of the lease.

Rent concessions that satisfy these criteria may be accounted for in accordance with the practical expedient, which means the lessee does not assess whether the rent concession meets the definition of a lease modification. Lessees apply other requirements in IFRS 16 in accounting for the concession.

Accounting for the rent concessions as lease modifications would have resulted in the Company remeasuring the lease liability to reflect the revised consideration using a revised discount rate, with the effect of the change in the lease liability recorded against the right-of-use asset. By applying the practical expedient, the Company is not required to determine a revised discount rate and the effect of the change in the lease liability is reflected in profit or loss in the period in which the event or condition that triggers the rent concession occurs.

On 31 March 2021, the IASB issued another amendment to IFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021, which extended the above practical expedient to reductions in lease payments that were originally due on or before 30 June 2022. This amendment is effective for annual periods beginning on or after 1 April 2021 with earlier application permitted. The amendment is to be applied mandatorily by those entities that have elected to apply the previous amendment COVID-19-Related Rent Concessions.

The amendments did not have any major impact on the Company's financial statements for the year ended 31 March 2022.

2.2 Standards and amendments to existing standards that are not yet effective and have not been adopted early by the Company

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the Company has not early adopted them. The directors have assessed that the below standards would not have an impact on the financial statements.

Amendments	Effective for accounting period beginning on or after
IAS 16 Property, Plant and Equipment (Amendment –Proceeds before Intended Use)	01 January 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous Contracts – Cost of Fulfilling a Contract)	01 January 2022
Annual Improvements to IFRS Standards 2018-2020	01 January 2022
IFRS 3 Business Combinations (Amendment – Reference to the Conceptual Framework)	01 January 2022

Thomas Cook (Mauritius) Operations Company Limited

Notes to the financial statements

For the year ended 31 March 2022

2. Adoption of new and revised IFRS (Cont'd)

2.2 Standards and amendments to existing standards that are not yet effective and have not been adopted early by the Company (Cont'd)

Amendments	Effective for accounting period beginning on or after
IFRS 17 Insurance Contracts (including the June 2020 amendments to IFRS 17)	01 January 2023
IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current)	01 January 2023
IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendment – Disclosure of Accounting Policies)	01 January 2023
IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment - Definition of Accounting Estimates)	01 January 2023
IAS 12 Income Taxes (Amendment – Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	01 January 2023

The Company is in the process of making an assessment of the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. The amendments are not expected to have any major impact on the Company's financial statement.

3. Summary of significant accounting policies

3.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

3.2 Foreign currency

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in "Mauritian Rupees" ("MUR" or "Rs").

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at period-end exchange rates are recognised in the statement of comprehensive income.

3. Summary of significant accounting policies (Cont'd)

3.2 Foreign currency (Cont'd)

Foreign currency transactions and balances (Cont'd)

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

The average exchange rates for the main foreign currencies against MUR for the year were as follows:

Currency	*Average exchange rate*
United States Dollar	40.40
Euro	47.24
Great Britain Pound	55.39

3.3 Plant and equipment

Plant and equipment are initially recorded at cost and subsequently measured at cost less accumulated depreciation and impairment loss.

Depreciation is calculated on the straight-line method to write down the cost of the assets to their residual values over their estimated useful lives as follows:

Office equipment	4.75%
Computer equipment	25%
Furniture and fittings	6.33%
Motor vehicles	15%
Right-of-use	20% - 50%

Depreciation is provided in full in the month of addition and in respect of assets written off and disposed, up to the month of write off and disposal. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposal of equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. On disposal of an asset, the difference between the carrying value of the asset and sale consideration is taken to the statement of comprehensive income.

The assets' residual values, useful lives and methods of depreciation are reviewed and adjusted, if appropriate, at each reporting date. Repairs and maintenance costs are expensed as incurred.

Assets of value up to Rs 10,000 are written off completely in the month of acquisition.

3. Summary of significant accounting policies (Cont'd)

3.4 Intangible assets

Computer software

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of comprehensive income as the expense category that is consistent with the function of the intangible assets.

Acquired computer software has been assessed as having a finite useful life which has been estimated to 4 years.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of comprehensive income when the asset is derecognised.

3.5 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs, where appropriate.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss ("FVTPL")
- fair value through other comprehensive income ("FVOCI")

3. Summary of significant accounting policies (Cont'd)

3.5 Financial instruments (Cont'd)

Classification and initial measurement of financial assets (Cont'd)

In the current year, the Company does not have any financial assets categorised as FVTPL and FVOCI.

The classification is determined by both:

- the Company's business model for managing the financial asset.
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income, finance costs or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's investment in treasury bills, cash and cash equivalents and most trade and other receivables fall into this category of financial instruments.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of these new requirements include mainly amount due from related parties.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

3. Summary of significant accounting policies (Cont'd)

3.5 Financial instruments (Cont'd)

Subsequent measurement of financial assets (Cont'd)

Impairment of financial assets (Cont'd)

The Company makes use of a simplified approach in accounting for its amount due from related parties and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

The Company writes off a financial asset when there is information indicating that the debtor is in severe difficulty and there is no realistic prospect of recovery. Receivables or other financial assets written off are still subject to recovery procedures based on legal advices.

Classification and subsequent measurement of financial liabilities

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

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

All interest-related charges on financial liabilities are included within finance costs.

Offsetting financial instruments

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

3.6 Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

3.7 Trade receivables

Trade receivables represents commission receivable on MoneyGram transfers.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective rate of interest less impairment. Discounting is omitted where the effect of discounting is immaterial.

3. Summary of significant accounting policies (Cont'd)

3.8 Cash and cash equivalents

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

3.9 Equity and reserves

Stated capital is determined using the values of the shares that have been issued.

Retained earnings include all current and prior years' results.

Gratuity benefit deficits comprise of the actuarial losses from changes in demographic and financial assumptions and the return on plan assets.

3.10 Income tax

Income tax expense represents the sum of the tax currently payable, deferred tax and Corporate Social Responsibility not recognised in other comprehensive income or directly in equity.

(i) Current tax

The tax currently payable is based on the taxable profit for the period. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, but it further excludes items that are neither taxable nor deductible.

The Company's liability for current tax is on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It established provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred taxation

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary differences will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognised in full.

(iii) Corporate Social Responsibility ("CSR")

The Company is subject to CSR and the contribution is at a rate of 2% on chargeable income of the preceding financial year.

Effective 01 January 2019, the contribution to the Mauritius Revenue Authority must be at least 75% or reduced up to 50% if prior written approval of the National CSR Foundation is obtained.

3. Summary of significant accounting policies (Cont'd)

3.10 Income tax (Cont'd)

(iv) Government Wage Assistance Scheme (GWAS)

In March 2020, the Government of the Republic of Mauritius announced the Government Wage Assistance Scheme ("GWAS") to ensure that all employees in the private sector are duly paid their salary during the lockdown period. Employers who have benefited from GWAS will be liable to a COVID-19 Levy.

Employers should effect payment of the monthly salary as usual and in case their business has been adversely affected by COVID-19 and the lockdown in the Republic of Mauritius, they may after payment of the salary, apply to the Mauritius Revenue Authority (MRA) for financial support under GWAS. Under GWAS, a business entity in the private sector is entitled to receive in respect to its wage bill as from the month of March 2020, an amount equivalent to 15 days' basic wage bill for all of its employees drawing a monthly basic wage of up to Rs 50,000 subject to a cap of Rs 12,500 of assistance per employee. A company which has benefited from GWAS will be liable to a COVID-19 levy (Levy). The Levy payable is capped at the lower of the financial support obtained under the GWAS or 15% of the chargeable income of the company. A company will not be subject to the levy if it is not liable to tax.

3.11 Employee benefits

Gratuity obligations

The liability recognised in the statement of financial position in respect of gratuity obligations is the present value of the gratuity obligations at the end of the reporting period. The gratuity obligations are calculated annually by independent actuaries. The present value of the gratuity obligations is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in the profit or loss.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

Benefits falling due more than 12 months after the reporting period are discounted to their present value.

Termination benefits include wages, salaries, social security contributions, travelling and insurance. These costs are charged to the profit or loss when incurred.

Employee leave entitlement

Employee entitlement to annual leave and other benefits are supposed to be recognised when they accrue to the employees. However, the Company encourages all employees to take all their annual leave and other benefits during the year and hence there is no provision required.

3. Summary of significant accounting policies (Cont'd)

3.12 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required from the Company and a reliable estimate of the amount can be made. At time of effective payment, the provision is deducted from the corresponding expenses. All known risks at the reporting date are reviewed in detail and provision is made where necessary.

3.13 Revenue recognition

To determine whether to recognise revenue, the Company ensures that the following 5 conditions are satisfied:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

The Company earns fees and commission from the sale and purchase of foreign currencies and from the provision of services as detailed below.

3.13.1 Net gains from foreign currency dealings

Sale of foreign currency

Dealings in foreign exchange transactions are recognised on customer acceptance. Gains and losses arising on these dealings are recognised on a net basis.

Net foreign exchange differences include net realised gains and net gain on currencies translations at year end.

3.13.2 Other operating income

Other operating income comprises of fees and commission arising from telegraphic transfers, MoneyGram transactions, income from pick-up and delivery of foreign currencies to banks net of import charges.

Fees and commissions are recognised at a point in time, when the Company satisfies performance obligations by transferring services to its clients.

3.13.3 Interest income

Interest income is recognised on an accrual basis using the effective interest rate method.

3.14 Leased assets

The Company has applied IFRS 16 using the modified retrospective approach.

3. Summary of significant accounting policies (Cont'd)

3.14 Leased assets (Cont'd)

The Company as a lessee

For any new contracts entered into on or after 01 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company;
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a right-of-use liability (lease liability) on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the right-of-use liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets and lease liabilities have been disclosed as separate line items.

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36.

3. Summary of significant accounting policies (Cont'd)

3.14 Leased assets (Cont'd)

The Company as a lessee (Cont'd)

Measurement and recognition of leases as a lessee (Cont'd)

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term. The finance lease liability is reduced by lease payments net of finance charges.

The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

3.15 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

3.16 Expense recognition

All expenses are accounted for on an accrual basis in the statement of comprehensive income.

3.17 Trade payables

Trade payables are obligations to pay for services that have been acquired in the ordinary course of business from suppliers and are classified as current liabilities if payment is due within one year.

Trade payables also include advances received from customers in respect of telegraphic transfers not yet processed by the Company at the reporting date.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective rate of interest. Discounting is omitted where the effect of discounting is immaterial.

3.18 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in the presentation in the current year.

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of significant accounting policies (Contd)

3.19 Significant management judgements in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

Significant management judgement in applying the accounting policies of the Company that has the most significant effect on the financial statements is set out below.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deductible temporary differences can be utilised.

Impact of Covid-19

In January 2020, the World Health Organisation has declared the outbreak of a novel coronavirus (Covid-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets.

The Directors have considered the potential adverse impact of Covid-19 on the Company's activities and have exercised significant judgement in assessing that the preparation of these financial statements on a going concern basis is appropriate. In making this assessment, the Directors have considered the Company's current and future performance, the global economic conditions, government support schemes, financial support from related parties and other risks that could affect the Company. Detailed analysis of the impact of Covid-19 on the Company's activities is provided in Note 4.4 to these financial statements.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Gratuity benefit obligations

The cost of gratuity benefit obligations is determined using actuarial valuations. The actuarial valuation is based on a number of critical underlying assumptions such as discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Variation in these assumptions may significantly impact the gratuity benefit obligations amount and the annual defined benefit expenses.

These assumptions were developed by an independent actuarial appraiser. The benefit obligations at the reporting date were estimated at **Rs 2,235,647** (2021: Rs 1,994,647).

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of significant accounting policies (Cont'd)

3.19 Significant management judgements in applying accounting policies and estimation uncertainty (Cont'd)

Estimation uncertainty (Cont'd)

Depreciation and amortisation rates

The Company depreciates or amortises its assets over their estimated useful lives. The estimation of useful lives is based on historical performance and expectation about future use and requires significant degree of judgement. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Company's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty.

Impairment of receivables

The Company uses the guidance of IFRS 9 to determine the degree of impairment of its receivables. Management considers a broader range of information when assessing credit risk and estimating the credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the receivables. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

4. Financial instrument risk

Risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company's risks are managed at the level of the Board of Directors with the assistance of line managers. The Board is responsible for overseeing the establishment of effective risk management systems and the monitoring of internal compliance and controls.

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

The Board of Directors with the assistance of management has assessed the risks of Covid-19 and their potential impact on the Company based on the information available at time of assessment and the results of the assessment are provided in Note 4.4.

The Company's financial assets and financial liabilities by category are summarised below.

	2022 Rs	2021 Rs
Financial assets		
Current		
Investment in treasury bills	**54,558,410**	54,689,439
Trade and other receivables*	**8,505,726**	8,540,731
Cash and cash equivalents	**17,339,630**	8,421,681
Total financial assets	**80,403,766**	71,651,851
Financial liabilities		
Non-current		
Lease liabilities	**14,444,876**	1,999,502
Current		
Trade and other payables**	**27,551,870**	5,183,271
Bank overdrafts	**6,009,301**	17,479,263
Lease liabilities	**2,291,197**	1,169,031
	35,852,368	23,831,565
Total financial liabilities	**50,297,244**	25,831,067

**Trade and other receivables considered as financial assets exclude prepayments, deposits and other assets.*
***Trade and other payables considered as financial liabilities exclude advances from customers.*

4.1 Market risk analysis

Foreign exchange risk

The Company has financial assets and liabilities denominated in United States Dollar ("USD"), EURO and Great Britain Pound ("GBP"). Consequently, the Company is exposed to the risk that the exchange rates of USD, EURO and GBP relative to MUR may change in a manner which has a material effect on the reported values of the Company's assets and liabilities which are denominated in the foreign currencies. The effect of any change in the exchange rates of other currencies relative to MUR will not have any material impact on the operating cash flows.

4. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

4.1 Market risk analysis (Cont'd)

Foreign exchange risk (Cont'd)

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

	Financial assets		Financial liabilities	
	2022	**2021**	**2022**	**2021**
	Rs	**Rs**	**Rs**	**Rs**
MUR	**68,901,019**	68,035,423	**44,287,943**	23,091,236
USD	**6,942,163**	1,428,768	**-**	2,124,358
EURO	**3,062,117**	1,421,936	**6,009,301**	3,383
GBP	**505,747**	588,401	**-**	-
Others	**992,720**	177,323	**-**	612,090
	80,403,766	71,651,851	**50,297,244**	25,831,067

Foreign currency sensitivity

The information below illustrates the sensitivity of loss and equity in regard to the Company's financial instruments and the USD/MUR, EURO/MUR and GBP/MUR exchange rates, "all other things being equal".

It assumes a 10% change in the USD/MUR, EURO/MUR and GBP/MUR exchange rate for the year ended 31 March 2022 (2021: 10%). The sensitivity analysis is based on the Company's foreign currency financial instruments held at each reporting date.

If the MUR had strengthened against the USD, EURO and GBP by 10%, equity would have decreased by **Rs 450,072** at 31 March 2022 (2021: Rs 131,136). If the MUR had weakened by the same percentage against these foreign currencies, equity would have increased by **Rs 450,072** (2021: 131,136).

	2022		2021	
	Loss	**Equity**	**Loss**	**Equity**
	Rs	**Rs**	**Rs**	**Rs**
USD	**694,216**	**(694,216)**	(69,559)	69,559
EURO	**(294,718)**	**294,718**	141,855	(141,855)
GBP	**50,574**	**(50,574)**	58,840	(58,840)
	450,072	**(450,072)**	131,136	(131,136)

Interest rate risk

The Company has interest bearing financial assets and financial liabilities in the form of bank balances, overdrafts and leases. The interest on the overdraft facilities is at floating rate.

Thomas Cook (Mauritius) Operations Company Limited

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

4.1 Market risk analysis (Cont'd)

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date.

If interest rate on the financial instruments had been 25 basis points higher/lower, the net effect would be **Rs 15,023** (2021: Rs 43,698) on the operating cash flows and equity.

4.2 Credit risk analysis

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has, as far as it is practicable, adopted a policy of only dealing with creditworthy counterparties in order to reduce the risk of financial loss from defaults.

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date, as summarised below:

	2022 Rs	2021 Rs
Financial assets		
Current		
Investment in treasury bills	**54,558,410**	54,689,439
Trade and other receivables	**8,505,726**	8,540,731
Cash and cash equivalents	**17,339,630**	8,421,681
Total	**80,403,766**	71,651,851

Trade receivables consist of amount due from MoneyGram for which the directors consider risk of default as minimal since the latter is a highly reputable organisation.

The directors consider that no credit risk is associated with the amount due from the related party included in trade and other receivables, as the latter forms part of the same group of companies and the ultimate holding company has undertaken to make good of any loss suffered by the Company in the event of any default arising out from this amount due.

The Company holds investment in Government of Mauritius treasury bills on which credit risk is considered nil.

The credit risk for cash and cash equivalents is considered negligible, since the Company transacts with reputable banks.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

None of the above financial assets are secured by collaterals or other credit enhancements.

Thomas Cook (Mauritius) Operations Company Limited

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

4.3 Liquidity risk analysis

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

Ultimate responsibility for liquidity risk management rests with the Board of Directors who also monitors the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by monitoring cash inflows and outflows due in day-to-day business.

The maturity profile of the financial liabilities is summarised as follows:

31 March 2022	Carrying amount Rs	Contractual cash flows Rs	Less than one year Rs	1-5 years Rs
Financial liabilities				
Trade and other payables	**27,551,870**	**27,551,870**	**27,551,870**	**-**
Bank overdrafts	**6,009,301**	**6,009,301**	**6,009,301**	**-**
Lease liabilities	**16,736,073**	**16,736,073**	**2,291,197**	**14,444,876**
	50,297,244	**50,297,244**	**35,852,368**	**14,444,876**

31 March 2021	Carrying amount Rs	Contractual cash flows Rs	Less than one year Rs	1-5 years Rs
Financial liabilities				
Trade and other payables	5,183,271	5,183,271	5,183,271	-
Bank overdrafts	17,479,263	17,479,263	17,479,263	-
Lease liabilities	3,168,533	3,466,332	1,316,166	2,150,166
	25,831,067	26,128,866	23,978,700	2,150,166

4.4 Risks related to the Covid-19 pandemic

The lockdown that the Government of Mauritius announced towards the end of last financial year because of the Covid-19 pandemic lasted up to 01 June 2020 during the current year and a second wave of infectious cases resulted in another lockdown being imposed as from 09 March 2021.

Management has made a revised assessment of Covid-19 impact on the Company's current and future performance and the results of the assessment are provided below.

Thomas Cook (Mauritius) Operations Company Limited

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

4.4 Risks related to the Covid-19 pandemic (Cont'd)

Credit risk

The business model of the Company operates on a cash basis and no credit is entertained to customers. The Company's credit risk is mainly associated with the amount due from the related party. The directors consider that no credit risk is associated with the amount due from the related party as the latter forms part of the same group of companies and the ultimate holding company has undertaken to make good of any loss suffered by the Company in the event of any default arising out from this amount due.

Other receivables include transactions which are in the normal course of business and on which no credit risk is anticipated.

Income projection

The main sources of revenue are from the selling and buying of foreign exchange currencies, telegraphic and MoneyGram transactions. The Company has projected an increase in its revenue derived from foreign exchange transactions of 52% in the coming financial year as the international borders are opened in the coming months while for its MoneyGram revenue, an increase of 25% has been estimated over the same period. To encourage these increases, marketing efforts will be enhanced towards corporate customers as these carry a higher income-generating potential.

However, due to the ongoing losses being sustained by the telegraphic segment where revenue being generated has not been sufficient to match fixed costs, the Company decided to discontinue this service. Furthermore, the MoneyGram business is projected to pick up more towards the end of year 2021, the number of transactions has experienced a constant increase year on year. The situation is being closely monitored and other strategic measures will be implemented depending on the evolution of the impact to alleviate the effect on the Company's activities.

Operating costs

It is expected that measures such as rental waivers from landlords, freezing of new hiring and incentive pay outs will be maintained. The business activities will remain stable in the forthcoming months and the gradual pick up is expected as from October 2021. As a result, the fixed and variable costs will continue to be closely monitored so that the Company does not have liquidity stress.

Cash flow and liquidity management

Under normal circumstances the main inflow of funds is from income from foreign exchange transactions, MoneyGram transactions and telegraphic business. With the persistent impact of Covid-19, it is expected that the cash flow will remain affected since many clients will themselves suffer from a fall in their own revenue and will be on the defensive to transact more freely, thus a low level of income is expected. However, the Directors consider that at this stage the Company will be in a position to meet its obligations with a high level of liquid asset.

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

4.4 Risks related to the Covid-19 pandemic (Cont'd)

Going concern of the Company

As at the date of this report, the Directors consider that it is difficult to reliably estimate the financial effect of the virus on the Company considering the high level of uncertainties in the economy and the ensuing impact. The Directors assessed the Company's ability to continue as a going concern taking into account all available information about the future including the analysis of the possible impacts in relation to Covid-19, which is at least, but is not limited to, twelve months from the date of approval of these financial statements and confirmed that that the preparation of these financial statements on a going concern basis is appropriate. In making this assessment, the Directors have considered the Company's current and future performance, the financial support of its holding company, the global economic conditions and other risks that could affect the Company.

5. Capital management policies and procedures

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its member and other stakeholders. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid, buy back shares or issue new shares.

The structure of the Company consists of debt, which includes borrowings, offset by cash and cash equivalents and equity comprising issued capital and retained earnings.

The Company monitors capital on the basis of the gearing ratio. This ratio is determined as the proportion of net debt to total capital.

	2022 Rs	2021 Rs
Total borrowings (Note (i))	**22,745,374**	20,647,796
Less: cash and cash equivalents	**(17,339,630)**	(8,421,681)
Net debt	**5,405,744**	12,226,115
Total equity (Note (ii))	**58,439,789**	65,481,661
Total capital	**63,845,533**	77,707,776
Gearing ratio	**8.47%**	15.73%

(i) Borrowings comprise of bank overdrafts and lease liabilities as detailed in Notes 15 and 16.

(ii) Equity includes both capital and reserves.

5. Capital management policies and procedures (Contd)

(iii) The Company is required to maintain an unimpaired capital of Mauritian Rupee 25,000,000 and an additional two million rupees for each branch that it operates in accordance with the Terms and Conditions of its Foreign Exchange Dealer Licence. At 31 March 2022, the Company's total equity stood at **Rs 58,439,789** (2021: Rs 65,481,661) and therefore the Company meets the unimpaired capital requirement.

Also, in accordance with Section 25 of the Banking Act 2004, the Company should maintain minimum liquid assets, equivalent to not less than 10 per cent of its liabilities, as may be determined by the Bank of Mauritius. Management considers the cash and cash equivalents and Government of Mauritius treasury bills as liquid assets and the total amount of these assets exceeded the total liabilities balance at the reporting date.

6. Fair value measurement

6.1 Fair value measurement of financial instruments not carried at fair value

The Company's financial assets and financial liabilities are measured at their carrying amounts which approximate their fair values.

6.2 Fair value measurement of non-financial assets and non-financial liabilities

The Company's non-financial assets consist of plant and equipment, intangible assets, deferred tax assets, deposits, other assets and prepayments. Its non-financial liabilities consist of gratuity obligations.

For both non-financial assets and non-financial liabilities, fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis.

Thomas Cook (Mauritius) Operations Company Limited

Notes to the financial statements

For the year ended 31 March 2022

7. Plant and equipment

	Office Equipment Rs	Computer Equipment Rs	Furniture and Fittings Rs	Motor Vehicles Rs	Total Rs
Cost					
At 01 April 2021	**6,363,277**	**6,779,605**	**9,711,937**	**2,445,000**	**25,299,819**
Additions	**153,305**	**229,756**	**386,095**	**-**	**769,156**
Disposals	**(408,821)**	**(272,275)**	**(61,223)**	**-**	**(742,319)**
At 31 March 2022	**6,107,761**	**6,737,086**	**10,036,809**	**2,445,000**	**25,326,656**
Depreciation					
At 01 April 2021	**3,018,730**	**6,187,857**	**4,868,982**	**1,803,165**	**15,878,734**
Charge for the year	**287,157**	**497,787**	**586,254**	**284,460**	**1,655,658**
Disposals adjustment	**(239,271)**	**(424,120)**	**(30,309)**	**-**	**(693,700)**
At 31 March 2022	**3,066,616**	**6,261,524**	**5,424,927**	**2,087,625**	**16,840,692**
Net book values					
At 31 March 2022	**3,041,145**	**475,562**	**4,611,882**	**357,375**	**8,485,964**

Thomas Cook (Mauritius) Operations Company Limited

Notes to the financial statements

For the year ended 31 March 2022

7. Plant and equipment (Cont'd)

	Office Equipment Rs	Computer Equipment Rs	Furniture and Fittings Rs	Motor Vehicles Rs	Total Rs
Cost					
At 01 April 2020	6,352,139	6,658,740	9,957,337	2,445,000	25,413,216
Additions	88,925	120,865	-	-	209,790
Disposals	(77,787)	-	(245,400)	-	(323,187)
At 31 March 2021	6,363,277	6,779,605	9,711,937	2,445,000	25,299,819
Depreciation					
At 01 April 2020	2,779,688	5,584,196	4,476,399	1,436,415	14,276,698
Charge for the year	288,458	603,661	595,893	366,750	1,854,762
Disposals adjustment	(49,416)	-	(203,310)	-	(252,726)
At 31 March 2021	3,018,730	6,187,857	4,868,982	1,803,165	15,878,734
Net book values					
At 31 March 2021	3,344,547	591,748	4,842,955	641,835	9,421,085

Thomas Cook (Mauritius) Operations Company Limited

Notes to the financial statements

For the year ended 31 March 2022

8. Intangible assets

	Computer software	
	2022	**2021**
	Rs	**Rs**
Cost		
At 01 April and at 31 March	**5,769,728**	5,769,728
Addition	**-**	-
At 31 March	**5,769,728**	5,769,728
Amortisation		
At 01 April	**5,524,476**	4,895,528
Charge for the year	**153,320**	628,948
At 31 March	**5,677,796**	5,524,476
Net book values		
At 31 March	**91,932**	245,252

9. Rights-of-use assets

	2022	**2021**
	Rs	**Rs**
Cost		
At 01 April	**16,979,428**	30,361,624
Remeasurement adjustment	**-**	(14,381,127)
Additions	**17,296,617**	998,931
At 31 March	**34,276,045**	16,979,428
Depreciation		
At 01 April	**11,516,866**	8,202,299
Remeasurement adjustment	**-**	(999,472)
Charge for the year	**5,241,311**	4,314,039
At 31 March	**16,758,177**	11,516,866
Net book values		
At 31 March	**17,517,868**	5,462,562

10. Investment in treasury bills

	2022	**2021**
	Rs	**Rs**
At 01 April	**54,689,439**	79,439,217
Purchased during the year	**54,299,698**	86,302,640
Redeemed during the year	**(55,000,000)**	(112,000,000)
Interest element	**569,273**	947,582
At 31 March	**54,558,410**	54,689,439

Notes to the financial statements

For the year ended 31 March 2022

10. Investment in treasury bills (Cont'd)

At 31 March 2022, the Company held treasury bills through financial institutions with maturity dates of 03 September 2021 and 29 September 2021 and interest rates of 1.25%. The total face value of the treasury bills is Rs 55M.

11. Trade and other receivables

	2022 Rs	2021 Rs
Trade receivables (Note (i))	**425,000**	141,776
Due from related parties (Note (ii))	**7,755,593**	7,422,731
Rental and other deposits	**1,491,729**	1,400,117
Other receivables and prepayments	**1,480,818**	4,754,038
	11,153,140	13,718,662

(i) Trade receivables represent commissions receivable from MoneyGram. The credit period is one week and no interest is charged on overdue balances.

(ii) The amount due from the related parties are interest-free, unsecured and receivable on demand.

(iii) Expected credit losses

The Company applies the IFRS 9 simplified model of recognising lifetime expected credit losses for its amount due from the related party as this item does not have a significant financing component.

The Directors consider that no credit risk is associated with the amount due from the related party as the latter forms part of the same group of companies and the ultimate holding company has undertaken to make good of any loss suffered by the Company in the event of any default arising out from this receivable.

12. Cash and cash equivalents

	2022 Rs	2021 Rs
Cash at bank:		
Local currency	**1,907,529**	622,836
Foreign currency	**8,084,606**	2,380,513
Cash in hand:		
Local currency	**3,890,462**	4,182,417
Foreign currency	**3,457,033**	1,235,915
Cash at bank and in hand	**17,339,630**	8,421,681
Bank overdrafts (Note 15)	**(6,009,301)**	(17,479,263)
Total	**11,330,329**	(9,057,582)

Notes to the financial statements

For the year ended 31 March 2022

13. Stated capital

	2022 Rs	2021 Rs
At 01 April	**64,814,900**	100,000,000
Shares bought back	**-**	(35,185,100)
At 31 March	**64,814,900**	64,814,900

14. Gratuity obligations

The Company has recognised gratuity obligations of **Rs 2,235,647** (2021: Rs 1,994,647) in the statement of financial position in respect of any retirement gratuities that are expected to be paid out of the Company's cash flow to its employees as determined by the Company's actuary.

	2022 Rs	2021 Rs
Reconciliation of gratuity obligations		
At 01 April	**1,994,647**	1,191,647
Amount recognised in profit or loss	**643,000**	649,000
Amount recognised in other comprehensive income	**(335,000)**	154,000
Employee contributions	**(67,000)**	-
At 31 March	**2,235,647**	1,994,647
Reconciliation of present value of gratuity obligations		
At 01 April	**1,994,647**	1,191,647
Current service costs	**589,000**	503,000
Interest expense	**54,000**	49,000
Past service costs	**-**	97,000
Liability experience loss/(gain)	**200,000**	113,000
Liability loss due to change in financial assumptions	**(535,000)**	41,000
At 31 March	**2,302,647**	1,994,647
Reconciliation of fair value of plan assets		
Employer contributions	**67,000**	-
At 31 March	**67,000**	-
Components of amount recognised in profit or loss		
Current service costs	**589,000**	503,000
Past service costs	**-**	97,000
Net interest on net defined benefit liability	**-**	49,000
	589,000	649,000
Components of amount recognised in other comprehensive income		
Liability experience loss/(gain)	**200,000**	113,000
Liability loss due to change in financial assumptions	**(535,000)**	41,000
	(335,000)	154,000

Thomas Cook (Mauritius) Operations Company Limited

Notes to the financial statements

For the year ended 31 March 2022

14. Gratuity obligations (Cont'd)

	2022 Rs	2021 Rs
Principal assumptions used at end of year		
Discount rate	**4.50%**	2.70%
Rate of salary increases	**2.8 %**	2.80%
Average retirement age	**60**	60
Sensitivity analysis on gratuity obligations at end of year		
Increase due to 1% decrease in discount rate	**276,000**	279,000
Decrease due to 1% increase in discount rate	**233,000**	232,000

Future cash flows

(a) The funding policy is to pay benefits out of the reporting entity's cash flow as and when due.
(b) Expected employer contribution for the next year is Rs 833,000.
(c) Weighted average duration of the gratuity obligations established at 11 years.

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

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

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

There has been no plan amendment, curtailment or settlement during the year, except for data adjustments.

15. Borrowings

	2022 Rs	2021 Rs
Current		
Bank overdrafts (Note 12)	**6,009,301**	17,479,263
Total borrowings	**6,009,301**	17,479,263

Notes to the financial statements

For the year ended 31 March 2022

16. Lease liabilities

The Company's lease liabilities concern rental of buildings.

During the current financial year, the Company has recognised 9 leases (for rental of buildings) as finance leases as the contractual terms of these leases meet the definition of finance lease under IFRS 16 "Leases".

The remaining period of the lease contracts varies from 1 to 5 years as from 01 April 2021.

	2022 Rs	2021 Rs
At 01 April	**3,168,533**	19,362,495
Remeasurement	**-**	(12,382,724)
Adjusted liabilities	**3,168,533**	6,979,771
Payments during the year	**13,095,297**	(4,066,181)
Interest accrued	**472,243**	254,943
At 31 March	**16,736,073**	3,168,533
Split between:		
Non-current	**14,444,876**	1,999,502
Current	**2,291,197**	1,169,031
	16,736,073	3,168,533

Future minimum lease payments at 31 March 2022 were as follows:

	Within 1 year Rs	1 – 5 years Rs	Total Rs
31 March 2022			
Lease payments	**16,263,830**		**16,263,830**
Finance charges	**472,243**	**-**	**472,243**
Net present values	**16,736,073**	**-**	**16,736,073**

	Within 1 year Rs	1 – 5 years Rs	Total Rs
31 March 2021			
Lease payments	1,316,166	2,150,166	3,466,332
Finance charges	(147,134)	(150,665)	(297,799)
Net present values	1,169,032	1,999,501	3,168,533

Additional information on the right-of-use assets by class of assets is as follows:

	Carrying amount as at 31 March 2022 Rs	Depreciation expense for the year Rs	Impairment Rs
Buildings under rental	**17,517,868**	**5,241,311**	-

Notes to the financial statements

For the year ended 31 March 2022

16. Lease liabilities (Cont'd)

Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets or the terms of the contract that do not satisfy the three key criteria as described in the accounting policy on lease (Note 3.14) and payments made under such leases are expensed on a straight-line basis.

17. Trade and other payables

	2022 Rs	2021 Rs
Trade payables	**20,417,963**	-
Due to intermediate holding company (Note (i))	**2,118,577**	612,091
Accruals and other payables	**5,015,330**	4,571,180
	27,551,870	5,183,271

(i) The amount payable to the intermediate holding company is unsecured, interest-free and repayable on demand.

18. Net gains from foreign currency dealings and net foreign exchange differences

Net gains from foreign currency dealings arise from sale and purchase of foreign currencies. Dealings in foreign exchange transactions are recognised on customer acceptance. Gains and losses arising on dealings in foreign currencies are recognised on a net basis.

Net foreign exchange differences include net realised gains and net gain on currencies translations at year end.

19. Other operating income

	2022 Rs	2021 Rs
Income from pick-up and delivery of foreign currencies to banks, net of import charges	**249,142**	24,471
Net income on telegraphic transfers (Note (i))	**(1,996,543)**	(999,792)
Commission received on MoneyGram transactions	**8,042,742**	9,858,518
	6,295,341	8,883,197

(i) The income from telegraphic transfers (TT) is net of commitment fees that the Company incurred upon renegotiating its contract with its TT service provider. The renegotiation was required upon resuming TT activity in prior years.

Thomas Cook (Mauritius) Operations Company Limited

Notes to the financial statements

For the year ended 31 March 2022

20. Finance income

	2022 Rs	2021 Rs
Bank interest	**-**	-
Interest received on treasury bills	**571,194**	947,582
	571,194	947,582

21. Finance costs

	2022 Rs	2021 Rs
Interest on obligations under finance leases	**-**	-
Interest on bank overdrafts	**886,502**	271,370
Interest on lease liabilities	**472,243**	254,943
	1,358,745	526,313

22. Taxation

(i) Income tax

The Company is liable to income tax at the rate of 15% and at 31 March 2022 it had no income tax liability due to tax losses of **Rs 17,033,206** (2021: Rs 14,093,929) carried forward.

(ii) Tax credit

	2022 Rs	2021 Rs
Movement in deferred taxation	**(477,042)**	1,504,327

(iii) Income tax reconciliation

The tax charge on the Company's loss before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	2022 Rs	2021 Rs
Loss before tax	**(7,853,913)**	(16,410,328)
Tax at 15%	**(1,178,087)**	(2,461,549)
Non-allowable items	**199,592**	1,224,342
Movement on deferred taxation – profit and loss	**527,291**	(1,504,327)
Movement on deferred taxation - OCI	**(50,250)**	-
Annual allowances	**-**	(171,971)
Exempt income	**(640,482)**	(462,355)
Unutilised tax losses	**1,618,978**	1,871,533
Tax credit	**477,042**	(1,504,327)

Notes to the financial statements

For the year ended 31 March 2022

22. Taxation (Cont'd)

(iv) Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 15%.

Deferred tax assets amounting to **Rs 1,825,736** at 31 March 2022 (2021: deferred tax assets Rs 1,348,694) has been recognised in the financial statements. The movement in deferred tax liabilities is as follows:

	2022	2021
	Rs	Rs
At 01 April	**1,348,694**	155,633
Movement during the year	**477,042**	(1,504,327)
At 31 March	**1,825,736**	1,348,694

The deferred tax assets are made up of:

	2022	2021
	Rs	Rs
Accelerated capital allowances	**1,064,592**	1,064,592
Accumulated tax losses	**(2,554,981)**	(2,114,089)
Gratuity obligations	**(335,347)**	(299,197)
Total	**(1,825,736)**	(1,348,694)

23. Operating loss

	2022	2021
	Rs	Rs
Operating loss is arrived at after charging/(crediting):		
Depreciation	**6,722,077**	6,168,801
Amortisation	**174,892**	628,948
Rental expenses	**1,938,212**	(174,856)
Security charges	**1,789,835**	1,804,735
Telephone and connectivity charges	**1,981,098**	2,152,108
Licences	**1,309,805**	3,271,141
Audit fees and other fees	**402,501**	715,557
Staff costs:		
Salaries and allowances	**9,033,195**	9,050,137
Social security costs	**1,302,557**	1,065,960
Other employee benefits	**3,064,511**	3,188,712

24. Related party transactions

During the year ended 31 March 2022, the Company had transactions with its related entities. The nature, volume of transactions and balances with related parties are as follows:

Nature of relationship	Nature of transactions	Volume of transactions Rs	Debit/(credit) balances at 31 March 2022 Rs	Debit/(credit) balances at 31 March 2021 Rs
Intermediate holding company	Payable	**(2,730,668)**	**(2,118,577)**	(612,091)
Fellow subsidiaries	Receivables	**332,862**	**7,755,593**	7,422,731

The terms and conditions of the receivables and payables are described in Notes 11 and 17 to these financial statements respectively.

25. Contingent liabilities

(i) The Company has given bank guarantees for an amount of Rs 80,000 and for which no financial loss is anticipated.

26. Reconciliation of liabilities arising from financing activities

31 March 2022	Opening balance Rs	Cash flows Rs	Non-cash changes Rs	Closing balance Rs
Lease liabilities	**19,362,495**	**(4,202,882)**	**1,576,460**	**16,736,073**
Bank overdrafts	**1,956,300**	**(11,469,952)**	**3,504,351**	**(6,009,301)**
	21,318,795	**(15,672,834)**	**5,080,811**	**10,726,772**

31 March 2021	Opening balance Rs	Cash flows Rs	Non-cash changes Rs	Closing balance Rs
Lease liabilities	19,362,495	(4,066,181)	(12,127,781)	3,168,533
Bank overdrafts	1,956,300	15,522,963	-	17,479,263
	21,318,795	11,456,782	(12,127,781)	20,647,796

27. Holding companies

The Directors consider Thomas Cook (Mauritius) Holding Company Limited, a company incorporated in the Republic of Mauritius, as the Company's immediate holding company. Thomas Cook (Mauritius) Holding Company Limited holds 100 % of the shares of the Company.

Thomas Cook (India) Limited, a company incorporated in the Republic of India, holds 100% of the shares of Thomas Cook (Mauritius) Holding Company Limited.

Fairbridge Capital (Mauritius) Limited, a subsidiary of Fairfax Financial Holdings Limited (the 'ultimate holding'), Canada and its affiliates, held 248,153,725 equity shares of INR 1 each representing a 65.60% stake in Thomas Cook (India) Limited as on 31 March 2021.

28. Events after the reporting date

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe. The outbreak was identified first in China towards of end December 2019 and on 11 March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too, the extent of which is dependent on a number of factors, including the formulation of a viable vaccine and governments' response to combat the spread of the virus in the intervening period. This event is a significant event considering the spread of virus all over the world and re-introduction of lockdown measures in March 2021 and period subsequent to that. Due to this significant event, there could be low to severe direct and indirect effects developing with companies across multiple industries and the world.

Associated with the COVID-19 virus, the directors have considered possible events and conditions for the purpose of identifying whether these events and conditions affect or may affect the future performance of the Company. In making this assessment, the directors have considered the period up to 12 months after the end of the reporting period, as well as the period up to 12 months.

The directors of the Company will continue to monitor the impact of COVID-19 has on them and reflect the consequences as appropriate in its accounting and reporting.

Hence, it is considered that there is no material adverse impact of COVID-19 on the financial statements.

29. Events after the reporting date

There has been no significant event after the reporting date which requires disclosures or amendments to the financial statements.

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

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THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Corporate data

			Date appointed	Date resigned
Directors	:	Mr Madhavan Menon	19 November 2001	-
		Mr Mahesh Chandran Iyer	04 January 2013	-
		Mr Mohinder Dyall	04 September 2013	-
		Mr Ramakrishna Sithanen	19 January 2016	25-August 2021
		Mr Debasis Nandy	20 August 2018	-
		Mrs Lovina Devina Ouma Pertab	01 April 2019	-
		Mrs Vidisha Devi Ramlugun	29 November 2021	-
		Mrs Selvida Naiken	29 March 2022	-

Administrator and Secretary : Executive Services Limited
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Registered office : C/o Executive Services Limited
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Auditor : Baker Tilly
1st Floor, Cyber Tower One
Ebene 72201
Mauritius

Banker : The Mauritius Commercial Bank Ltd
Sir William Newton Street
Port Louis
Republic of Mauritius

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Annual report

The directors present their annual report together with the audited financial statements of Thomas Cook (Mauritius) Holding Company Limited, the "Company", for the year ended 31 March 2022.

Principal activity

The principal activity of the Company is to hold investments.

Results and dividends

The results for the year are as shown on page 10.

The directors did not recommend the payment of a dividend for the year under review (2021: Nil).

Directors

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

Statement of directors' responsibilities in respect of the financial statements

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards ("IFRS") have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001 and the International Financial Reporting Standards. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' interests

The directors do not hold any interests in the ordinary shares of the Company.

Significant contracts

No contracts of significance exist between the Company and its directors.

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Annual report (Cont'd)

Donations

The Company has not made any donations during the year under review (2021: Nil).

Directors' remuneration

	2022 USD	2021 USD
Directors' remuneration including sitting fees	**632**	5,014

Auditors

The auditor, **Baker Tilly**, has indicated its willingness to continue in office and a resolution concerning its re-appointment will be proposed at the Annual Meeting. The fees of **USD 1,899** (2021: USD 3,730) (including VAT) payable to the auditors are exclusively for audit services.

Director

Director

Date: 13 MAY 2022

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Certificate from the Secretary to the member of Thomas Cook (Mauritius) Holding Company Limited

We certify, to the best of our knowledge and belief, that we have filed with the Registrar of Companies all such returns as are required of **Thomas Cook (Mauritius) Holding Company Limited,** under the Mauritius Companies Act 2001, in terms of Section 166 (d), during the financial year ended 31 March 2022.

for **Executive Services Limited**
Company Secretary

Registered office:

C/o Executive Services Limited
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Date: 13 MAY 2022

1st Floor CyberTower One
Ebène 72201, Mauritius

T: +230 460 8800
BRN: F07000610
info@bakertilly.mu
www.bakertilly.mu

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Holding Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of *Thomas Cook (Mauritius) Holding Company Limited* (the "Company"), which comprise the statement of financial position as at 31 March 2022, 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 on pages 9 to 26 give a true and fair view of the financial position of the Company as at 31 March 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our opinion is not modified in this respect.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so. Those charged with governance are 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

This opinion has been prepared for and only for the Company's shareholder in accordance with Section 205 of the Mauritius Companies Act 2001 and for no other purposes.

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Holding Company Limited

Report on the Audit of the Financial Statements (Continued)

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

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

► Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

► Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

► Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

► Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

Other information

The directors are responsible for the other information. The other information comprises of corporate data, annual report and certificate from the secretary.

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

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Holding Company Limited

Report on the Audit of the Financial Statements (Continued)

Other information (Continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor and tax advisor.

We have obtained all the information and explanations we have required.

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

Baker Tilly

Baker Tilly | **Sin C. Li, CPA, CGMA**

Date: 13 May 2022 | Licensed by FRC

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of financial position as at 31 March

	Notes	2022 USD	2021 USD
Assets			
Non-current assets			
Investments in subsidiaries	7	**716,790**	716,790
Financial assets at fair value through profit or loss	8	**6**	6
Total non-current assets		**716,796**	716,796
Current			
Loan receivable	9	**950,000**	950,000
Receivables	10	**55,163**	32,268
Cash and cash equivalents	11	**9,116**	803
Total current assets		**1,014,279**	983,071
Total assets		**1,731,075**	1,699,867
Equity and liabilities			
Equity			
Stated capital	12	**1,655,500**	1,655,500
Retained earnings		**71,936**	35,452
Total equity		**1,727,436**	1,690,952
Liabilities			
Current			
Accruals	13	**3,639**	8,915
Total liabilities		**3,639**	8,915
Total equity and liabilities		**1,731,075**	1,699,867

Approved by the Board of Directors on 13 MAI 2022 and signed on its behalf by:

Director

Director

The notes on pages 13 to 26 form an integral part of these financial statements.

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of comprehensive income for the year ended 31 March

	Notes	2022 USD	2021 USD
INCOME			
Gain on disposal		**-**	70,373
Interest income	9	**37,426**	6,768
Other income	14	**12,000**	12,000
Total income		**49,426**	89,141
EXPENDITURE			
Secretarial fees		**790**	1,034
Directors' fees		**632**	5,014
Audit fees		**1,899**	3,730
Taxation fees		**600**	1,208
Bank charges		**221**	602
Penalty fees		**21**	30
Insurance		**1,566**	-
Other expenses		**13**	39
Accounting services		**7,200**	7,800
Total expenditure		**12,942**	19,457
Profit before tax		**36,484**	69,684
Tax expense	15	**-**	-
Profit for the year		**36,484**	69,684
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive income the year		**36,484**	69,684

The notes on pages 13 to 26 form an integral part of these financial statements.

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of changes in equity for the year ended 31 March

	Stated capital USD	Retained earnings USD	Total USD
At 01 April 2021	**1,655,500**	**35,452**	**1,690,952**
Profit for the year		**36,484**	**36,484**
Total comprehensive income for the year	**-**	**36,484**	**36,484**
At 31 March 2022	**1,655,500**	**71,936**	**1,727,436**
At 01 April 2020	1,655,500	(34,232)	1,621,268
Profit for the year	-	69,684	69,684
Total comprehensive loss for the year	-	69,684	69,684
At 31 March 2021	1,655,500	35,452	1,690,952

The notes on pages 13 to 26 form an integral part of these financial statements.

THOMAS COOK (MAURITIUS) HOLDING COMPANY LIMITED

Statement of cash flows for the year ended 31 March

	Note	2022 USD	2021 USD
Operating activities			
Profit before tax		**36,484**	69,684
Adjustment for:			
Gain on disposal		**-**	(70,373)
Operating cash flows before movements in working capital		**36,484**	(689)
Net changes in working capital:			
Change in receivables		**(22,895)**	(29,268)
Change in accruals		**(5,276)**	927
Total changes in working capital		**(28,171)**	(28,341)
Net cash generated from/(used in) operating activities		**8,313**	(29,030)
Investing activity			
Acquisition of financial assets		**-**	(6)
Loan granted to a related party	9	**-**	(950,000)
Net cash used in investing activity		**-**	(950,006)
Financing activity			
Proceeds from disposal		**-**	950,000
Net cash generated from financing activity		**-**	950,000
Net change in cash and cash equivalents		**8,313**	(29,036)
Cash and cash equivalents, beginning of the year		**803**	29,839
Cash and cash equivalents, end of the year		**9,116**	803
Cash and cash equivalents made up of:			
Cash at bank	11	**9,116**	803

The notes on pages 13 to 26 form an integral part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2022

1. General information and statement of compliance with International Financial Reporting Standards ("IFRS")

Thomas Cook (Mauritius) Holding Company Limited, the "Company", was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001 on 20 December 1994 as a private company with liability limited by shares. The Company's registered office is C/o Executive Services Limited, 2nd Floor, Les Jamalacs Building, Vieux Conseil Street, Port Louis, Republic of Mauritius.

The principal activity of the Company is to hold investments. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The Company holds investments in subsidiaries, 100% in Thomas Cook (Mauritius) Operations Company Limited and 100% in Thomas Cook (Mauritius) Holidays Ltd and has taken advantage of paragraph 4 of International Reporting Standard ("IFRS"), Consolidated Financial Statements, which dispenses it from the need to present consolidated financial statements. Its immediate holding company prepares consolidated financial statements in accordance with Ind AS Local GAAP. Management believes that there are no material differences between Ind AS GAAP and IFRS, hence has taken the advantage of paragraph 4 of International Reporting Standard ("IFRS"), which dispenses it from the need to present consolidated financial statements.

2. Application of new and revised IFRS

2.1 New and revised standards that are effective for annual periods beginning on 01 April 2021

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, new standards and interpretations which are effective for annual periods beginning on or after 01 January 2021

Amendments	**Effective for accounting period beginning on or after**
Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	01 January 2021

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

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

• A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
• Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
• Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

Interest Rate Benchmark Reform – Phase 2 introduces amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 and is not mandatorily effective until annual periods beginning on or after 1 January 2021, however, many entities were expected to adopt the amendments early.

The Standard did not have any major impact on the Company's financial statements for the year ended 31 March 2022.

Notes to the financial statements

For the year ended 31 March 2022

2.2 Standards and amendments to existing standards that are not yet effective and have not been adopted early by the Company

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the Company has not early adopted them. The directors have assessed that the below standards would not have an impact on the financial statements.

Amendments	**Effective for accounting period beginning on or after**
IAS 16 Property, Plant and Equipment (Amendment –Proceeds before Intended Use)	01 January 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous Contracts – Cost of Fulfilling a Contract)	01 January 2022
Annual Improvements to IFRS Standards 2018-2020	01 January 2022
IFRS 3 Business Combinations (Amendment – Reference to the Conceptual Framework)	01 January 2022
IFRS 17 Insurance Contracts (including the June 2020 amendments to IFRS 17)	01 January 2023
IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current)	01 January 2023
IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendment – Disclosure of Accounting Policies)	01 January 2023
IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment - Definition of Accounting Estimates)	01 January 2023
IAS 12 Income Taxes (Amendment – Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	01 January 2023

The Company is in the process of making an assessment of the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. The amendments are not expected to have any major impact on the Company’s financial statement.

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies

3.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

3.2 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, where appropriate.

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs, where appropriate.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)

In the current year, the Company does not have any financial assets categorised as FVTPL and FVOCI.

The classification is determined by both:

- the Company’s business model for managing the financial asset.
- the contractual cash flow characteristics of the financial asset.

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Continued)

3.2 Financial instruments (Continued)

All income and expenses relating to financial assets that are recognised in the statement of comprehensive income are presented within finance income or finance costs, except for impairment losses which are presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, loan to related party and most of its receivables fall into this category of financial instruments.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all receivables.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include payables and accruals.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets where contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The Company holds investment in Travel Circle International (Mauritius) Ltd, an unquoted company and the objective of holding this investment is not for returns from capital appreciation or investment income. Hence the directors consider the cost of this investment to be a fair reflection of the fair value.

Offsetting financial instruments

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

3. Summary of accounting policies (Continued)

3.3 Investments in subsidiaries

A subsidiary is an entity over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect those returns through its power over the entity.

Investments in subsidiaries are stated at cost less impairment. Where an indication of impairment exists, the recoverable amounts of the investments are assessed. Where the carrying amounts of the investments are greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to statement of comprehensive income. On disposal of the investments, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

The Company does not present consolidated financial statements as it is wholly-owned by a parent company (see note 7).

3.4 Income tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting years, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

3.5 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and demand deposits together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

3.6 Equity and reserves

Stated capital is determined using the nominal value of shares that have been issued.

Retained earnings/accumulated losses include all current and prior years' results.

3.7 Foreign currency

Functional and presentation currency

The financial statements are presented in currency United State Dollar ("USD"), which is also the functional currency of the Company.

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Continued)

3.7 Foreign currency (Continued)

Foreign currency translations and balances

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of comprehensive income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.8 Revenue

Interest income is accounted on an accrual basis unless collectability is in doubt.

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

To determine whether to recognise revenue, the Company ensures that the following 5 conditions are satisfied:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

The Company also earns service fees from the provision of accounting services to a sister company which are recognised over time, that is when the Company satisfies performance obligations by transferring the promised services to its client.

3.9 Impairment of assets

At each reporting date, management at group level reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered any impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

3.10 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required from the Company and a reliable estimate of the amount can be made. At time of effective payment, the provision is deducted from the corresponding expenses. All known risks at the reporting date are reviewed in detail and provision is made where necessary.

3.11 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

3. Summary of accounting policies (Continued)

3.12 Expense recognition

All expenses are accounted for on the accrual basis.

3.13 Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

3.14 Significant management judgements in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

Significant management judgement in applying the accounting policies of the Company that has the most significant effect on the financial statements is set out below.

Determination of functional currency

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

Recognition of deferred tax assets

The extent to which the deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

Impairment of investments in subsidiaries

The determination of impairment of investments in subsidiaries requires significant judgement. In making this judgement, management at group level evaluates, among other factors, the duration and extent to which the fair value of an investments is less than its cost; and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Impact of COVID 19

In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets.

The directors have considered the potential adverse impact of COVID 19 on the Company's investment activity and have exercised significant judgement in assessing that the preparation of these financial statements on a going concern basis is appropriate. In making this assessment, the directors have considered the financial performance and future plan of the investee companies, the financial support from the holding company, the group short term and long term strategies and the global economic conditions.

3.14 Significant management judgements in applying accounting policies and estimation uncertainty (Continued)

Estimation uncertainty

At 31 March 2022, there were no estimates and assumptions that would have a significant effect on the recognition and measurement of assets, liabilities, income and expenses.

4. Financial instrument risk

Risk management objectives and policies

The Company's activity exposes it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company's risk management is carried out under policies approved by the Board of Directors and focuses on securing the Company's short to medium term cash flows by minimising the exposure to financial risks.

The most significant financial risks to which the Company is exposed are described below:

4.1 Market risk analysis

Foreign exchange sensitivity

The Company is not exposed to foreign currency risk at the reporting date as all transactions are carried out in USD.

Interest rate sensitivity

The exposure to interest rates for the Company's bank balance is considered immaterial.

4.2 Credit risk analysis

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The financial assets that potentially expose the Company to credit risk consist of cash and cash equivalents, loan receivable and receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	2022 USD	2021 USD
Current assets		
Loan receivable	**950,000**	950,000
Receivables	**55,163**	32,268
Cash and cash equivalents	**9,116**	803
	1,014,279	983,071

The credit risk for the bank balance is considered negligible since the Company transacts with a reputable bank. The directors do not expect any default on the loan advanced to the related party as it operates under a single treasury management where the credit risk is considered low.

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Continued)

Risk management objectives and policies (Continued)

4.3 Liquidity risk analysis

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Ultimate responsibility for liquidity risk management rests with the Board of Directors who also monitors the Company's short, medium and long-term funding and liquidity management requirements.

The following are the contractual maturities of financial liabilities.

31 March 2022	Carrying amount USD	Contractual cash flows USD	Less than one year USD	1-5 years USD
Accruals	**3,639**	**3,639**	**3,639**	-

31 March 2021	Carrying amount USD	Contractual cash flows USD	Less than one year USD	1-5 Years USD
Accruals	8,915	8,915	8,915	-

5. Capital management policies and procedures

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its member and other stakeholders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid, buy back shares or issue new shares.

The Company monitors capital on the basis of the gearing ratio. The Company was not geared at the reporting date.

6 Fair value measurement

6.1 Fair value measurement of financial instruments

Financial assets measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. This grouping is determined based on the level of significance inputs used in fair value measurement, as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
Level 3 - unobservable inputs for the asset or liability.

Notes to the financial statements

For the year ended 31 March 2022

6 Fair value measurement (Continued)

6.1 Fair value measurement of financial instruments (Continued)

The Company's financial assets at fair value through profit or loss are classified under Level 3.

The hierarchy of the fair value measurement of the Company's financial assets are as follows:

31 March 2022	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
Investment in an unquoted company			6	6

The directors consider the cost of the investment to be a reflection of the fair value.

6.2 Fair value measurement of non-financial assets and non-financial liabilities

The Company did not have any non-financial instruments at the reporting date.

7. Investments in subsidiaries

(i) Unquoted and at cost:

	2022 USD	2021 USD
At 01 April	**716,790**	1,596,417
Disposal	**-**	(879,627)
At 31 March	**716,790**	716,790

(ii) Details of the investments are as follows:

Name of investee company	Country of incorporation	Type of investment	% Holding
Thomas Cook (Mauritius) Operations Company Limited	Republic of Mauritius	Ordinary shares	100
Thomas Cook (Mauritius) Holidays Ltd	Republic of Mauritius	Ordinary shares	100

(iii) No consolidated financial statements are presented as the Company's immediate holding company, Thomas Cook (India) Limited, will present consolidated financial statements under Ind AS local GAAP. The registered office of Thomas Cook (India) Limited, is A Wing, 11th Floor, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai, 400 013. Management believes that there are no material differences between Ind AS GAAP and IFRS, hence has taken the advantage of paragraph 4 of International Reporting Standard ("IFRS"), which dispenses it from the need to present consolidated financial statements.

Notes to the financial statements

For the year ended 31 March 2022

7. Investments in subsidiaries (Continued)

(vi) The cost of the investments is regarded as a reflection of the fair values. As the Company forms part of a group, all impairment assessment is done at the holding company's level.

8. Financial assets at fair value through profit or loss

Name of investee company	Country of incorporation	Type of investment	% Holding	2021 Cost and fair value USD
Travel Circle International (Mauritius) Ltd	Republic of Mauritius	Ordinary shares	0.00002	6

(i) The Company held 1 share in Travel Circle International (Mauritius) Ltd, a related company incorporated in Mauritius, as at 31 March 2022.

(ii) The cost of the investments is regarded as a reflection of the fair values. As the Company forms part of a group, all impairment assessment is done at the holding company's level.

9. Loan receivable

The loan to Travel Circle International (Mauritius) Ltd bears an interest rate of 3.94% or the benchmarked rate per annum, is unsecured and receivable on demand based on group treasury management. Interest income for the year amounted to USD 37,426.

10. Receivables

	2022 USD	2021 USD
Receivable from related party - Thomas Cook Holidays Co Ltd	**30,500**	10,500
Receivable from related party - Travel Circle International (Mauritius) Ltd	**24,663**	21,768
	55,163	32,268

The receivable from related parties are unsecured, interest-free and repayable on demand.

11. Cash and cash equivalents

	2022 USD	2021 USD
Cash at bank	**9,116**	803

12. Stated capital

	2022 USD	2021 USD
1,655,500 ordinary shares of USD 1 each	**1,655,500**	1,655,500

Notes to the financial statements

For the year ended 31 March 2022

13. Accruals

	2022 USD	2021 USD
Accrued expenses	**3,639**	8,915

14. Other income

	2022 USD	2021 USD
Accounting services fees	**12,000**	12,000

15. Taxation

(i) Income tax

The Company is liable to income tax at the rate of 15% and at 31 March 2022 it had no income tax liability due to accumulated tax losses of **USD 3,981** (2021: USD 18,370) carried forward.

(ii) Income tax reconciliation

The income tax on the Company's profit/loss before tax differs from the theoretical amount that would arise using the effective tax rate is as follows:

	2022 USD	2021 USD
Profit before tax	**36,484**	69,684
Tax at effective rate of 15%	**5,473**	10,453
Non-allowable expenses	**1,177**	5
Exempt income	**(4,491)**	(10,556)
Deferred tax asset not recognised	**(2,159)**	98
Tax expense	**-**	-

(iii) Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 15%. No provision for deferred tax asset has been recognised as no taxable income is probable in the foreseeable future.

Notes to the financial statements

For the year ended 31 March 2022

16. Related party transactions

For the year ended 31 March 2022, the Company had transactions with its related parties. The nature, volume of transactions and the balances are as follows:

Nature of relationship	Nature of transactions	Volume of transactions USD	Credit balance at 31 March 2022 USD	Credit balance at 31 March 2021 USD
Investee company	Loan	**-**	**950,000**	950,000
Subsidiary companies	Amount receivable	**22,895**	**55,163**	32,268
Key management personnel	Director fees	**2,432**	**632**	(1,800)
Sister company	Other income	**-**	**12,000**	12,000

All related party transactions are done at arm's length.

17. Holding companies

The directors consider Thomas Cook (India) Limited, a company listed on the Bombay Stock Exchange, India, as the immediate holding company and Fairfax Financial Holdings Limited, a company listed on the Toronto Stock Exchange, Canada, as the ultimate holding company.

Thomas Cook (India) Limited holds 100% of the shares of Thomas Cook (Mauritius) Holding Company Limited.

Fairbridge Capital (Mauritius) Limited ("Fairbridge"), a subsidiary of Fairfax Financial Holdings Limited (the "ultimate parent"), Canada and its affiliates, held 248,153,725 equity shares of INR 1 each corresponding to 66.94% stake in Thomas Cook (India) Limited as on 31 March 2019. As at the financial year ended 31 March 2022, the Fairbridge held 248,153,725 equity shares if INR 1 each corresponding to 65.60% stake in Thomas Cook (India) Limited.

18. Major events during the year – COVID-19

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe. The outbreak was identified first in China towards of end December 2019 and on 11 March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too, the extent of which is dependent on a number of factors, including the formulation of a viable vaccine and governments' response to combat the spread of the virus in the intervening period. This event is a significant event considering the spread of virus all over the world and re-introduction of lockdown measures in March 2021 and period subsequent to that. Due to this significant event, there could be low to severe direct and indirect effects developing with companies across multiple industries and the world.

Associated with the COVID-19 virus, the directors have considered possible events and conditions for the purpose of identifying whether these events and conditions affect or may affect the future performance of the Company. In making this assessment, the directors have considered the period up to 12 months after the end of the reporting period, as well as the period up to 12 months.

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18. Major events during the year – COVID-19 (Continued)

The directors of the Company will continue to monitor the impact of COVID-19 has on them and reflect the consequences as appropriate in its accounting and reporting.

Hence, it is considered that there is no material adverse impact of COVID-19 on the financial statements.

19. Contingencies and capital commitments

The Company does not have any contingent liability and capital commitment at year.

20. Events after the reporting date

There has been no significant event after the reporting date which requires disclosures or amendments to the financial statements.

THOMAS COOK (MAURITIUS) HOLIDAYS LTD

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THOMAS COOK (MAURITIUS) HOLIDAYS LTD

Corporate data

		Date appointed	Date resigned
Directors	: Mr Ramakrishna Sithanen	16 July 2015	25 August 2021
	Mr Matthew Lamport	16 July 2015	15 February 2021
	Mr Mahesh Chandran Iyer	07 December 2012	-
	Mr Shakeel Mohinder Dyall	04 September 2013	-
	Mr Debasis Nandy	20 August 2018	-
	Mr Madhavan Menon	08 March 2019	-
	Mrs Lovania Pertab	01 April 2019	-

Registered office : Anglo Mauritius House
4 Intendance Street
Port Louis
Republic of Mauritius

Secretary : Executive Services Limited
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Auditors : Baker Tilly
1st Floor, Cybertower One
Ebene
Republic of Mauritius

Bankers : The Mauritius Commercial Bank Ltd
SBM Bank (Mauritius) Ltd
Absa Bank (Mauritius) Limited

THOMAS COOK (MAURITIUS) HOLIDAYS LTD

Annual report

The directors have pleasure in submitting their annual report together with the audited financial statements of Thomas Cook (Mauritius) Holidays Ltd, the "Company", for the year ended 31 March 2022.

Principal activity

The principal activity of the Company is that of a tour operator and travel agent.

Results and dividends

The results for the year are as shown on page 11.

The directors did not recommend any dividend during the year under review (2021: Rs Nil).

Directors

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

Directors' responsibilities in respect of the financial statements

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

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

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' interests

The directors do not hold any interests in the ordinary shares of the Company.

Significant contracts

No contracts of significance exist between the Company and its directors.

THOMAS COOK (MAURITIUS) HOLIDAYS LTD

Annual report (Contd)

Directors' remuneration

During the year ended 31 March 2022, the directors received an aggregate amount of **Rs 30,000** (2021: Rs 135,000) as directors' fees. No other remuneration was received.

Donations

The Company made no donations during the year ended 31 March 2022 (2021: Rs Nil).

Auditors

The fees charged by the auditors (exclusive of VAT), **Baker Tilly**, for audit and other services were:

	2022 Rs	2021 Rs
Audit fees	**86,040**	105,000
Tax fees	**8,831**	25,000
	94,871	130,000

The auditors, **Baker Tilly**, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual Meeting.

Director

Director

Date: 13 MAY 2022

THOMAS COOK (MAURITIUS) HOLIDAYS LTD

Certificate from the Secretary to the member of Thomas Cook (Mauritius) Holidays Ltd

We certify, to the best of our knowledge and belief, that we have filed with the Registrar of Companies all such returns as are required of **Thomas Cook (Mauritius) Holidays Ltd** under the Mauritius Companies Act 2001, in terms of Section 166 (d), during the financial year ended 31 March 2022.

for **Executive Services Limited**
Secretary

Registered address:
2nd Floor, Les Jamalacs Building
Vieux Conseil Street
Port Louis
Republic of Mauritius

Date: 13 MAY 2022

bakertilly

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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Thomas Cook (Mauritius) Holidays Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of *Thomas Cook (Mauritius) Holidays Ltd* (the "Company"), which comprise the statement of financial position as at 31 March 2022, 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 on pages 9 to 42 give a true and fair view of the financial position of the Company as at 31 March 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Going concern

We draw attention to Note 22 of the financial statements which indicates that the Company is in a net liability position and is incurring losses as at 31 March 2022. These conditions indicate the existence of material uncertainty which may cast significant doubts on the Company's ability to continue as a going concern. These financial statements have been prepared on a going concern basis, the validity of which depends on the continued availability of funds being made available by its immediate holding company. These financial statements do not include any adjustments that would result from non-availability of finance.

In addition to the above, the Company failed to meet its IATA condition in respect of the minimum equity of USD 10,000 (Note 5). The directors are taking appropriate measures to address this issue in consultation with IATA.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Holidays Ltd

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

This opinion has been prepared for and only for the Company's shareholder in accordance with Section 205 of the Mauritius Companies Act 2001 and for no other purposes.

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

► Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

► Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

► Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

► Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Thomas Cook (Mauritius) Holidays Ltd

Report on the Audit of the Financial Statements (Continued)

Other information

The directors are responsible for the other information. The other information comprises of corporate data, annual report and certificate from the secretary.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor and tax advisor.

We have obtained all the information and explanations we have required.

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

Baker Tilly

Baker Tilly | **Sin C. Li, CPA, CGMA**

Date: 13 May 2022 | Licensed by FRC

THOMAS COOK (MAURITIUS) HOLIDAYS LTD

Statement of financial position as at 31 March

	Notes	2022 Rs	2021 Rs
Assets			
Non-current			
Plant and equipment	7	**331,608**	1,458,031
Intangible assets	8	**18,171**	203,053
Non-current assets		**349,779**	1,661,084
Current			
Trade and other receivables	9	**1,902,417**	1,862,331
Cash and cash equivalents	10	**1,410,203**	3,157,603
Current assets		**3,312,620**	5,019,934
Total assets		**3,662,399**	6,681,018
Equity and liabilities			
Equity			
Stated capital	11	**18,326,000**	18,326,000
Accumulated losses		**(40,331,174)**	(34,864,372)
Gratuity benefit deficits		**-**	(35,000)
Total equity		**(22,005,174)**	(16,573,372)
Liabilities			
Non-current			
Borrowings	14	**-**	291,293
Gratuity obligations	12	**337,000**	278,000
Non-current liabilities		**337,000**	569,293
Current			
Trade and other payables	13	**18,193,414**	14,814,319
Borrowings	14	**7,137,159**	7,870,778
Current liabilities		**25,330,573**	22,685,097
Total liabilities		**25,667,573**	23,254,390
Total equity and liabilities		**3,662,399**	6,681,018

Approved by the Board of Directors on 13 MAY 2022 and signed on its behalf by:

Director

Director

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

THOMAS COOK (MAURITIUS) HOLIDAYS LTD

Statement of comprehensive income for the year ended 31 March

	Notes	2022 Rs	2021 Rs
Net commission income	15	**443,384**	(514,079)
Other direct costs written off	9	**-**	(1,062,763)
Other income		**(5,473)**	163,291
Administrative expenses		**(5,725,436)**	(6,216,782)
Operating loss	17	**(5,287,525)**	(7,630,333)
Net finance costs	18	**(179,277)**	(135,812)
Loss before tax		**(5,466,802)**	(7,766,145)
Tax expense	16	**-**	-
Loss for the year		**(5,466,802)**	(7,766,145)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain/(loss) on gratuity benefit obligations	12	**35,000**	(30,000)
Items that will be reclassified subsequently to profit or loss		**-**	-
Other comprehensive income/(loss)		**35,000**	(30,000)
Total comprehensive loss for the year		**(5,431,802)**	(7,796,145)

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

THOMAS COOK (MAURITIUS) HOLIDAYS LTD

Statement of changes in equity for the year ended 31 March

	Stated capital Rs	Accumulated losses Rs	Gratuity benefit deficits Rs	Total Rs
At 01 April 2021	**18,326,000**	**(34,864,372)**	**(35,000)**	**(16,573,372)**
Loss for the year	**-**	**(5,466,802)**	**-**	**(5,466,802)**
Other comprehensive income	**-**	**-**	**35,000**	**35,000**
Total comprehensive loss for the year	**-**	**(5,466,802)**	**35,000**	**(5,431,802)**
At 31 March 2022	**18,326,000**	**(40,331,174)**	**-**	**(22,005,174)**
At 01 April 2020	18,326,000	(27,098,227)	(5,000)	(8,777,227)
Loss for the year	-	(7,766,145)	-	(7,766,145)
Other comprehensive income	-	-	(30,000)	(30,000)
Total comprehensive income for the year		(7,766,145)	(30,000)	(7,796,145)
At 31 March 2021	18,326,000	(34,864,372)	(35,000)	(16,573,372)

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

THOMAS COOK (MAURITIUS) HOLIDAYS LTD

Statement of cash flows for the year ended 31 March

	2022 Rs	2021 Rs
Operating activities		
Loss before tax	**(5,466,802)**	(7,766,145)
Adjustments for:		
Interest income	**-**	(22,373)
Interest expense	**32,079**	309,101
Depreciation	**1,126,423**	1,143,571
Amortisation	**184,882**	203,600
Effects of exchange difference	**60,034**	-
Gratuity benefit obligations	**67,000**	83,000
Total adjustments	**1,470,418**	1,716,899
Net changes in working capital:		
Change in trade and other receivables	**(40,086)**	5,289,853
Change in trade and other payables	**3,379,095**	1,317,589
Total changes in working capital	**3,339,009**	6,607,442
Interest paid	**(32,079)**	(253,064)
Interest received	**-**	22,373
Contributions paid	**(8,000)**	-
Net cash used in operating activities	**(697,454)**	327,505
Financing activities		
Repayment of right-of-use liabilities	**(1,156,921)**	(1,221,268)
Additions to bank overdrafts	**106,975**	-
Net cash used in financing activities	**(1,049,946)**	(1,221,268)
Net change in cash and cash equivalents	**(1,747,400)**	(893,763)
Cash and cash equivalents, beginning of the year	**3,157,603**	(2,688,072)
Cash and cash equivalents, end of the year	**1,410,203**	(3,581,835)
Cash and cash equivalents made up of:		
Cash in hand and at bank (Note 10)	**1,410,203**	3,157,603
Bank overdraft(Note 14)	**(6,846,413)**	(6,739,438)
	(5,436,210)	(3,581,835)
Non-cash transactions		
Application of IFRS 16	**-**	1,047,522
Right-of-use liabilities recognised under IFRS 16	**-**	1,047,522

For reconciliation of liabilities arising from financing activities, refer to **Note 21**.

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

Notes to the financial statements

For the year ended 31 March 2022

1. General information and statement of compliance with International Financial Reporting Standards ("IFRS")

Thomas Cook (Mauritius) Holidays Ltd, the "Company", was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001 on 14 June 2004 as a private company with liability limited by shares. The Company's registered office is Anglo Mauritius House, 4 Intendance Street, Port Louis, Republic of Mauritius.

The principal activity of the Company is that of a tour operator and travel agent.

The financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

2. Application of new and revised IFRS

2.1 New and revised standards that are effective for annual periods beginning on 01 April 2021

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, new standards and interpretations which are effective for annual periods beginning on or after 01 January 2021.

Amendments	**Effective for accounting period beginning on or after**
Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	01 January 2021
Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)	1 April 2021

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

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

• A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest;
• Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued; and
• Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

Interest Rate Benchmark Reform – Phase 2 introduces amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 and is not mandatorily effective until annual periods beginning on or after 1 January 2021, however, many entities were expected to adopt the amendments early.

The Standard did not have any major impact on the Company's financial statements for the year ended 31 March 2022.

Notes to the financial statements

For the year ended 31 March 2022

2. Application of new and revised IFRS (Contd)

2.1 New and revised standards that are effective for annual periods beginning on 01 April 2021 (Contd)

Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)

Effective 1 June 2020, IFRS 16 was amended to provide a practical expedient for lessees accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

(b) The reduction is lease payments affects only payments originally due on or before 30 June 2021; and

(c) There is no substantive change to other terms and conditions of the lease.

Rent concessions that satisfy these criteria may be accounted for in accordance with the practical expedient, which means the lessee does not assess whether the rent concession meets the definition of a lease modification. Lessees apply other requirements in IFRS 16 in accounting for the concession.

Accounting for the rent concessions as lease modifications would have resulted in the Company remeasuring the lease liability to reflect the revised consideration using a revised discount rate, with the effect of the change in the lease liability recorded against the right-of-use asset. By applying the practical expedient, the Company is not required to determine a revised discount rate and the effect of the change in the lease liability is reflected in profit or loss in the period in which the event or condition that triggers the rent concession occurs.

On 31 March 2021, the IASB issued another amendment to IFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021, which extended the above practical expedient to reductions in lease payments that were originally due on or before 30 June 2022. This amendment is effective for annual periods beginning on or after 1 April 2021 with earlier application permitted. The amendment is to be applied mandatorily by those entities that have elected to apply the previous amendment COVID-19-Related Rent Concessions.

The amendments did not have any major impact on the Company's financial statements for the year ended 31 March 2022.

2.2 Standards and amendments to existing standards that are not yet effective and have not been adopted early by the Company

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the Company has not early adopted them. The directors have assessed that the below standards would not have an impact on the financial statements.

Amendments	**Effective for accounting period beginning on or after**
IAS 16 Property, Plant and Equipment (Amendment –Proceeds before Intended Use)	01 January 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous Contracts – Cost of Fulfilling a Contract)	01 January 2022

Notes to the financial statements

For the year ended 31 March 2022

2. Application of new and revised IFRS (Contd)

2.2 Standards and amendments to existing standards that are not yet effective and have not been adopted early by the Company (Contd)

Amendments	**Effective for accounting period beginning on or after**
Annual Improvements to IFRS Standards 2018-2020	01 January 2022
IFRS 3 Business Combinations (Amendment – Reference to the Conceptual Framework)	01 January 2022
IFRS 17 Insurance Contracts (including the June 2020 amendments to IFRS 17)	01 January 2023
IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current)	01 January 2023
IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendment – Disclosure of Accounting Policies)	01 January 2023
IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment - Definition of Accounting Estimates)	01 January 2023
IAS 12 Income Taxes (Amendment – Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	01 January 2023

The Company is in the process of making an assessment of the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. The amendments are not expected to have any major impact on the Company's financial statement.

3. Summary of accounting policies

3.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

3.2 Foreign currency

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in "Mauritian Rupees" ("MUR" or "Rs").

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income. All foreign exchange gains and losses are presented in profit or loss within 'net finance income'.

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Contd)

3.2 Foreign currency (Contd)

Foreign currency transactions and balances (Contd)

Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.3 Plant and equipment

Plant and equipment are stated at historical cost, less depreciation and accumulated impairment losses. 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 the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Office equipment	4.75%
Computer equipment	25%
Furniture and fittings	6.33%
Motor vehicles	15%
Right-of-use	33.33%

Depreciation is provided in full in the month of addition and in respect of assets written off and disposed, up to the month of write off and disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss. 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 the proceeds with the carrying amount and are recognised within 'Other income' in the statement of comprehensive income.

Assets of value up to Rs 10,000 are written off completely in the month of acquisition.

3.4 Intangible assets

Computer software and licences

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of comprehensive income as the expense category that is consistent with the function of the intangible assets.

Acquired computer software and licences have been assessed as having a finite useful life of 4 years.

THOMAS COOK (MAURITIUS) HOLIDAYS LTD

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Contd)

3.5 Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered any impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

3.6 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire, or when the financial assets and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs, where appropriate.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the current year, the Company does not have any financial assets categorised as FVTPL and FVOCI.

The classification is determined by both:

- the Company's business model for managing the financial asset.
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income, finance costs or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents and trade and most other receivables fall into this category of financial instruments.

3. Summary of accounting policies (Contd)

3.6 Financial instruments (Contd)

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements include mainly trade receivables.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

The Company makes use of a simplified approach in accounting for its trade receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

The Company assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and they have been grouped based on the days past due.

The Company writes off a financial asset when there is information indicating that the debtor is in severe difficulty and there is no realistic prospect of recovery. Receivables or other financial assets written off are still subject to recovery procedures based on legal advices.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities includes trade and other payables and bank overdraft.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

All interest-related charges on financial liabilities are included within finance costs.

Offsetting financial instruments

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

3.7 Trade and other receivables

Trade receivables are amounts due from customers for provision of services in the ordinary course of business and are classified as current assets if settlement is expected within one year.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective rate of interest less impairment. Discounting is omitted where the effect of discounting is immaterial.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Contd)

3.9 Equity and reserves

Stated capital is determined using the values of the shares that have been issued.

Accumulated losses include all current and prior years' results.

Gratuity benefit deficits comprise of the actuarial losses from changes in demographic and financial assumptions and the return on plan assets.

3.10 Trade and other payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers and are classified as current liabilities if payment is due within one year.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective rate of interest. Discounting is omitted where the effect of discounting is immaterial.

3.11 Income tax

Income tax expense represents the sum of the tax currently payable, deferred tax and Corporate Social Responsibility not recognised in other comprehensive income or directly in equity.

(i) *Current tax*

The tax currently payable is based on the taxable profit for the period. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years but it further excludes items that are neither taxable nor deductible.

The Company's liability for current tax is on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It established provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) *Deferred taxation*

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary differences will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognised in full.

(iii) *Government Wage Assistance Scheme (GWAS)*

In March 2020, the Government of the Republic of Mauritius announced the Government Wage Assistance Scheme (GWAS) to ensure that all employees in the private sector are duly paid their salary during the lockdown period. Employers who have benefited from GWAS will be liable to a COVID-19 Levy.

3. Summary of accounting policies (Contd)

3.11 Income tax (Contd)

(iii) Government Wage Assistance Scheme (GWAS) (Contd)

Employers should effect payment of the monthly salary as usual and in case their business has been adversely affected by Covid-19 and the lockdown in Mauritius, they may after payment of the salary, apply to MRA for financial support under GWAS. Under GWAS, a business entity in the private sector is entitled to receive in respect to its wage bill for the month of March 2020, and to any other month as decided by the Government, an amount equivalent to 15 days' basic wage bill for all of its employees drawing a monthly basic wage of up to Rs 50,000 subject to a cap of Rs 12,500 of assistance per employee. A company which benefited from GWAS will be liable to a COVID-19 levy (Levy). The levy payable is capped at the lower of the financial support obtained under the GWAS or 15% of the chargeable income of the company. The company will not be subject to the levy if it is not liable to tax.

(iv) Corporate Social Responsibility ("CSR")

The Company is subject to CSR and the contribution is at a rate of 2% on chargeable income of the preceding financial year.

However, effective as from 01 January 2017, further to change in the income tax legislation, the Company is required to contribute at least 50% of its CSR money to the National CSR Foundation through the Mauritius Revenue Authority. The remaining 50% of the CSR can be used by the Company in accordance with its own CSR Fund. Effective 01 January 2019, the contribution to the Mauritius Revenue Authority must be at least 75% or reduced up to 50% if prior written approval of the National CSR Foundation is obtained.

3.12 Employee benefits

Gratuity obligations

The liability recognised in the statement of financial position in respect of gratuity obligations is the present value of the gratuity obligations at the end of the reporting period. The gratuity obligations are calculated annually by independent actuaries. The present value of the gratuity obligations is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in the profit or loss.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

Benefits falling due more than 12 months after the reporting period are discounted to their present value.

Termination benefits include wages, salaries, social security contributions, travelling and insurance. These costs are charged to the profit or loss when incurred.

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Contd)

3.12 Employee benefits (Contd)

Employee leave entitlement

Employee entitlement to annual leave and other benefits are supposed to be recognised when they accrue to the employees. However, the Company encourages all employees to take all their annual leave and other benefits during the year and hence there is no provision required.

3.13 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required from the Company and a reliable estimate of the amount can be made. At time of effective payment, the provision is deducted from the corresponding expenses. All known risks at the reporting date are reviewed in detail and provision is made where necessary.

3.14 Commission receivable

3.14.1 Revenue recognition

Revenue arises mainly on commission in relation to sales of air tickets, tour packages, Euro rail tickets and travel insurance.

To determine whether to recognise revenue, the Company ensures that the following 5 conditions are satisfied:

1. Identifying the contract with a customer.
2. Identifying the performance obligations.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations.
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, that is when (or as) the Company satisfies performance obligations by transferring the promised services to its customers as described below.

Sale of air tickets and tour packages

Fees and commission on air tickets and travel packages sold by the Company are recognised when the service has been provided. Commissions earned as the general sales agent of airline operators are recognised on the basis of the revenue derived by the airline operator from all ticket sales made in Mauritius.

Sale of Euro rail tickets

Fees and commission on Euro rail tickets sold by the Company are recognised when the service has been provided.

"L'express" sales

Fees and commission earned on "l'express" (a daily newspaper) advertisements are recognised when the service has been provided.

THOMAS COOK (MAURITIUS) HOLIDAYS LTD

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Contd)

3.14 Commission receivable (Contd)

3.14.1 Revenue recognition (Contd)

Sale of travel insurance

Fees and commission earned on travel insurance sold by the Company are recognised when the service has been provided.

Sale of visa services

Fees are earned on the sale of visa form-filing services.

Interest income

Interest income is recognised on an accrual basis using the effective interest rate method.

3.14.2 Direct costs

Direct costs incurred in generating income are recognised on an accrual basis.

3.15 Leased assets

The Company as a lessee

A lease is defined as 'a contract or part of a contract', that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company;
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a right-of-use liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the right-of-use liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Contd)

3.15 Leased assets (Contd)

Measurement and recognition of leases as a lessee (Contd)

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the right-of-use liability at the present value of the lease payments unpaid at that date, discounted using the Company's incremental borrowing rate. Lease payments included in the measurement of the right-of-use liability are made up of fixed payments.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the right-of-use liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and right-of-use liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in plant and equipment and right-of-use liabilities have been disclosed in borrowings.

The right-of-use assets are tested for impairment at each reporting date.

Operating leases

Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

3.16 Expense recognition

All expenses are accounted for on an accrual basis in the statement of comprehensive income.

3.17 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

3.18 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in the presentation in the current year.

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Contd)

3.19 Significant management judgements in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

Significant management judgement in applying the accounting policies of the Company that has the most significant effect on the financial statements is set out below.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deductible temporary differences can be utilised.

Impact of Covid-19 and going concern

In January 2020, the World Health Organisation has declared the outbreak of a novel coronavirus (Covid-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets.

The directors have considered the potential adverse impact of COVID-19 on the Company's activity and have exercised significant judgement in assessing that the preparation of these financial statements on a going concern basis is appropriate. In making this assessment, the directors have considered the Company's current and future performance, financial support from related parties, the global economic conditions and other risks that could affect the Company.

Detailed analysis of the impact of Covid-19 on the Company's activity is provided in Note 4.4 to these financial statements.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Gratuity benefit obligations

The cost of gratuity benefit obligations is determined using actuarial valuations. The actuarial valuation is based on a number of critical underlying assumptions such as discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Variation in these assumptions may significantly impact the gratuity benefit obligations amount and the annual defined benefit expenses.

These assumptions were developed by an independent actuarial appraiser. The benefit obligations at the reporting date were estimated at **Rs 337,000** (2021: Rs 278,000).

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Cont'd)

3.19 Significant management judgements in applying accounting policies and estimation uncertainty (Cont'd)

Estimation uncertainty (Cont'd)

Depreciation and amortisation rates

The Company depreciates or amortises its assets over their estimated useful lives. The estimation of useful lives is based on historical performance and expectation about future use and requires significant degree of judgement. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Impairment of receivables

The Company uses the guidance of IFRS 9 to determine the degree of impairment of its receivables. Management considers a broader range of information when assessing credit risk and estimating the credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the receivables. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

4. Financial instrument risk

Risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by management under policies approved by the Board of Directors. The board provides guidance for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

The board of directors with the assistance of management has assessed the risks of Covid-19 and their potential impact on the Company based on the information available at time of assessment and the results of the assessment are provided in Note 4.4.

The Company's financial assets and financial liabilities by category are summarised below.

	2022	2021
	Rs	Rs
Financial assets		
Current		
Trade and other receivables*	**1,188,299**	912,483
Cash and cash equivalents	**1,410,203**	3,157,603
Total financial assets	**2,598,502**	4,070,086

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

	2022 Rs	2021 Rs
Financial liabilities		
Non-current		
Right-of-use liabilities	**-**	291,293
Current		
Trade and other payables**	**18,161,453**	14,814,319
Right-of-use liabilities	**290,746**	1,131,340
Bank overdraft	**6,846,413**	6,739,438
Total financial liabilities	**25,298,612**	22,976,390

**Trade and other receivables considered as financial assets exclude advances, deposits, "VAT" and prepayments.*
***Trade and other payables considered as financial liabilities exclude Value Added Taxes ("VAT").*

4.1 Market risk analysis

Foreign exchange risk

The Company has financial assets and liabilities denominated in United States Dollar ("USD"). Consequently, the Company is exposed to the risk that the exchange rate of USD relative to MUR may change in a manner which has a material effect on the reported values of the Company's assets and liabilities which are denominated in USD. The effect of any change in the exchange rate of USD relative to MUR will not have any material impact on the operating cash flows.

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

	Financial assets		Financial liabilities	
	2022 Rs	2021 Rs	2022 Rs	2021 Rs
Mauritius rupee	**2,481,517**	4,064,206	**24,087,512**	19,828,880
United States Dollar	**116,985**	5,880	**1,211,100**	3,147,510
	2,598,502	4,070,086	**25,298,612**	22,976,390

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Cont'd)

4.1 Market risk analysis (Cont'd)

Foreign currency sensitivity

The Company is mainly exposed to fluctuations in the United States Dollar.

The information below illustrates the sensitivity of loss and equity in regards to the Company's financial instruments and the USD/MUR exchange rate, "all other things being equal".

It assumes a 10% change in the USD/MUR exchange rate for the year ended 31 March 2022 (2021: 10%). The sensitivity analysis is based on the Company's foreign currency financial instruments held at each reporting date.

If the MUR had strengthened against the USD by 10%, loss would have increased by Rs 109,412 at 31 March 2022 (2021: Rs 314,163). If the MUR had weakened by the same percentage against the USD, loss would have decreased by Rs 109,412 (2021: Rs 314,163).

Interest rate risk

The Company has interest bearing financial assets and financial liabilities in the form of bank balances, bank overdraft and finance lease respectively. The interest thereon is based on market rates.

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date.

If interest rate on the financial instruments had been 25 basis points higher/lower, the net effect would be marginal on the operating cash flows and equity.

4.2 Credit risk analysis

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	2022 Rs	2021 Rs
Financial assets		
Current		
Trade and other receivables	**1,188,299**	912,483
Cash and cash equivalents	**1,410,203**	3,157,603
	2,598,502	4,070,086

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

4.2 Credit risk analysis (Cont'd)

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. The analysis of the expected credit losses is provided in Note 9 to these financial statements.

The directors consider that no credit risk is associated with the amounts due from the related parties as all the related parties form part of the same group of companies and the ultimate holding company has undertaken to make good any loss suffered by the Company in the event of any default arising out from these amounts due.

The credit risk for the bank balances is considered negligible since the Company transacts with reputable banks.

None of the above financial assets are secured by collaterals or other credit enhancements.

4.3 Liquidity risk analysis

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

Ultimate responsibility for liquidity risk management rests with the Board of Directors who also monitors the Company's short, medium and long-term funding and liquidity management requirements.

The maturity profile of the financial instruments is summarised as follows:

	Carrying amount Rs	Contractual cash flows Rs	Less than one year Rs	More than one year Rs
31 March 2022				
Trade and other payables	**18,161,453**	**18,161,453**	**18,161,453**	**-**
Right-of-use liabilities	**290,746**	**290,746**	**290,746**	**-**
Bank overdraft	**6,846,413**	**6,846,413**	**6,846,413**	**-**
	25,298,612	**25,298,612**	**25,298,612**	**-**

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

4.3 Liquidity risk analysis (Cont'd)

	Carrying amount Rs	Contractual cash flows Rs	Less than one year Rs	More than one year Rs
31 March 2021				
Trade and other payables	14,814,319	14,814,319	14,814,319	-
Right-of-use liabilities	1,422,633	1,456,755	1,164,633	292,122
Bank overdraft	6,739,438	6,739,438	6,739,438	-
	22,976,390	23,010,512	22,718,390	292,122

4.4 Risks related to the Covid-19 pandemic

On 11 March 2020, the World Health Organisation categorised Covid-19 as a pandemic and on 19 March 2020, the Government of Mauritius announced a lockdown for two weeks which was further extended up to 01 June 2020.

Management has made a preliminary assessment of Covid-19 impact on the Company's current and future performance and the results of this assessment are provided below.

a) The Company is currently operating using bank overdraft facilities and the financial support from its related parties. However, the cashflow may collapse due to lack of business activities and lower business revenues. These in turn may cause distress for the Company to meet its obligations. The directors believe that the prevailing situation will have an impact and a close monitoring of the evolution is warranted to assist management in its decision-making process.

b) Since the borders of many countries are still closed and people may not be willing to travel due to the risk of getting infected, the income of the Company is expected to experience a major hit. The directors are closely monitoring the situation and working on several measures to alleviate the impact and stimulate the Company's performance.

c) Although no specific situation has been identified at present, it is possible that in the future the Company may breach covenants on banking facilities due to difficulties triggered by the Covid-19 crisis.

d) It is possible that post-crisis, new legislations and regulations may be enacted in other countries that would adversely impact the Company's ability to access their traditional markets for their services.

The above assessment is based on the information currently available about the spread of the Covid-19 disease in Mauritius and it is possible that the actual impact of Covid-19 on the Company will differ from what has been predicted above.

Notes to the financial statements

For the year ended 31 March 2022

5. Capital management policies and procedures

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from prior year.

The capital structure of the Company consists of debt, which includes borrowings, offset by cash and cash equivalents and equity comprising issued capital, and accumulated losses.

The Company monitors capital on the basis of the gearing ratio. This ratio is determined as the proportion of net debt to total capital.

	2022 Rs	2021 Rs
Total borrowings	**7,137,159**	8,162,071
Less: cash and cash equivalents	**(1,410,203)**	(3,157,603)
Net debt	**5,726,956**	5,004,468
Total equity	**(22,005,174)**	(16,573,372)
Gearing ratio	**100%**	100%

(i) Borrowings comprise of bank overdraft and right-of-use liabilities as detailed in Note 14.

(ii) Equity includes both capital and reserves.

(iii) In virtue of the IATA (International Air Transport Association) conditions, the Company is required, amongst others, to maintain a total equity of not lower than USD 10,000 (equivalent to Rs 434,452 as at 31 March 2022). As at 31 March 2022, the Company had a negative equity of Rs 22,005,174 and hence it did not meet the above condition.

6. Fair value measurement

6.1 Fair value measurement of financial instruments

The Company's financial assets and liabilities are measured at their carrying amounts which approximate their fair values.

6.2 Fair value measurement of non-financial assets and non-financial liabilities

The Company's non-financial assets consist of plant and equipment, intangible assets, deposits, prepayments and advances to suppliers. Its non-financial liabilities consist of VAT and gratuity obligations.

For both non-financial assets and non-financial liabilities, fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis.

Notes to the financial statements

For the year ended 31 March 2022

7. Plant and equipment

	Office equipment Rs	Computer equipment Rs	Furniture and fittings Rs	Motor vehicles Rs	Right-of-use assets Rs	Total Rs
Cost						
At 01 April 2021	57,990	474,357	252,350	977,604	2,235,854	3,998,155
Disposal	**-**	**(28,380)**	**-**	**-**	**-**	**(28,380)**
At 31 March 2022	**57,990**	**445,977**	**252,350**	**977,604**	**2,235,854**	**3,969,775**
Depreciation						
At 01 April 2021	46,220	474,357	203,495	977,604	838,448	2,540,124
Disposal	**-**	**(28,380)**	**-**	**-**	**-**	**(28,380)**
Charge for the year	**3,273**	**-**	**6,323**	**-**	**1,116,827**	**1,126,423**
At 31 March 2022	**49,493**	**445,977**	**209,818**	**977,604**	**1,955,275**	**3,638,167**
Net book values						
At 31 March 2022	**8,497**	**-**	**42,532**	**-**	**280,579**	**331,608**

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Notes to the financial statements

For the year ended 31 March 2022

7. Plant and equipment (Contd)

	Office equipment Rs	Computer equipment Rs	Furniture and fittings Rs	Motor vehicles Rs	Right-of-use assets Rs	Total Rs
Cost						
At 01 April 2020	57,990	474,357	252,350	977,604	4,661,719	6,424,020
Application of IFRS 16	-	-	-	-	(2,425,865)	(2,425,865)
At 31 March 2021	57,990	474,537	252,350	977,604	2,235,854	3,998,155
Depreciation						
At 01 April 2020	43,584	461,170	195,663	977,604	1,096,875	2,774,896
Remeasurement adjustment	-	-	-	-	(1,378,343)	(1,378,343)
Charge for the year	2,636	13,187	7,832	-	1,119,916	1,143,571
At 31 March 2021	46,220	474,357	203,495	977,604	838,448	2,540,124
Net book values						
At 31 March 2021	11,770	-	48,855	-	1,397,406	1,458,031

Notes to the financial statements

For the year ended 31 March 2022

8. Intangible assets

	Software
Cost	**Rs**
At 01 April 2021 and 31 March 2022	**946,240**
Amortisation	
At 01 April 2021	**743,187**
Charge for the year	**184,882**
At 31 March 2022	**928,069**
Net book values	
At 31 March 2022	**18,171**

Cost	**Rs**
At 01 April 2019 and 31 March 2021	946,240
Amortisation	
At 01 April 2020	539,587
Charge for the year	203,600
At 31 March 2021	743,187
Net book values	
At 31 March 2021	203,053

9. Trade and other receivables

	2022	2021
	Rs	**Rs**
Trade receivables, gross	**1,183,076**	2,236,050
Allowance for credit losses	**-**	(1,344,517)
Net trade receivables (Note (i))	**1,183,076**	891,533
Other receivables and prepayments (Note (vii))	**719,341**	970,798
	1,902,417	1,862,331

(i) Total trade receivables (net of allowances) held by the Company at 31 March 2022 amounted to **Rs 1,183,076** (2021: Rs 891,533).

(ii) The average credit period provided to customers is generally within one month. No interest is charged on overdue balances.

Notes to the financial statements

For the year ended 31 March 2022

9. Trade and other receivables (Cont'd)

(iii) Expected credit losses

The Company applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component. In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

The expected loss rates are based on the payment pattern from customers and the corresponding historical credit losses during the prior years. For the year ended 31 March 2022, no expected credit losses were recognised the accounts.

Trade receivables are written off when there is no reasonable expectation of recovery.

(iv) Movement in allowance for credit losses was as follows:

	2022 Rs	2021 Rs
At 01 April	**1,344,517**	1,344,517
Reversal of allowance for credit losses	**-**	(1,344,517)
Allowance for credit losses	**-**	1,344,517
At 31 March	**1,344,517**	1,344,517

Ageing of past debtors

	2022 Rs	2021 Rs
0 - 30 days	**394,601**	35,141
31 - 60 days	**218,964**	241,814
61 - 90 days	**458**	6,451
Over 90 days	**569,053**	1,952,644
Total	**1,183,076**	2,236,050

(v) Provision matrix

The Company uses its historical experience, external indicators and forward–looking information to calculate expected credit losses using a provision matrix which is as below:

2022	Trade receivables days past due				
	0-30 days Rs	31-60 days Rs	61-90 days Rs	Over 90 days Rs	Total Rs
Expected credit losses	-	-	-	-	-
Gross carrying amount	**394,601**	**218,964**	**458**	**569,053**	**1,183,076**
Expected credit losses	-	-	-	-	-
Total	**394,601**	**218,964**	**458**	**569,053**	**1,183,076**

During the year, no expected credit losses were accounted.

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Notes to the financial statements

For the year ended 31 March 2022

9. Trade and other receivables (Cont'd)

(v) Provision matrix (Contd)

2021	Trade receivables days past due				
	0-30 days	31-60 days	61-90 days	Over 90 days	Total
		Rs	Rs	Rs	Rs
Expected credit losses		-	-	-	-
Gross carrying amount	35,141	241,814	6,451	1,952,644	2,236,050
Expected credit losses	-	-	-	(1,344,517)	(1,344,517)
Total	35,141	241,814	6,451	608,127	891,533

(vi) The amounts due from the related companies are interest free, unsecured and receivable on demand.

10. Cash and cash equivalents

	2022	2021
	Rs	Rs
Cash at bank	**1,410,203**	3,157,603
Bank overdraft (Note 14)	**(6,846,413)**	(6,739,438)
	(5,436,210)	(3,581,835)
Cash at bank:		
- MUR	**1,293,218**	3,151,723
- USD	**116,985**	5,880
	1,410,203	3,157,603

11. Stated capital

	2022	2021
	Rs	Rs
183,260 ordinary shares of Rs 100 each	**18,326,000**	18,326,000

12. Gratuity obligations

The Company has recognised a gratuity obligation of **Rs 337,000** (2021: Rs 278,000) in the statement of financial position in respect of any retirement gratuities that are expected to be paid out of the Company's cash flows to its employees as determined by the Company's actuary.

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Notes to the financial statements

For the year ended 31 March 2022

12. Gratuity obligations (Contd)

	2022 Rs	2021 Rs
Reconciliation of gratuity obligations		
At 01 April	**278,000**	165,000
Amount recognised in profit or loss	**102,000**	83,000
Amount recognised in other comprehensive income	**(35,000)**	30,000
Less Employer contributions	**(8,000)**	-
At 31 March	**337,000**	278,000

	2022 Rs	2021 Rs
Reconciliation of fair value of plan assets		
Employer contributions	**8,000**	-
At 31 March	**8,000**	-

	2022 Rs	2021 Rs
Reconciliation of present value of gratuity obligations		
At 01 April	**278,000**	165,000
Current service cost	**94,000**	76,000
Interest expense	**-**	7,000
Past service cost	**-**	-
Liability experience gain	**37,000**	23,000
Liability loss due to change in financial assumptions	**(72,000)**	7,000
At 31 March	**337,000**	278,000

	2022 Rs	2021 Rs
Components of amount recognised in profit or loss		
Current service cost	**94,000**	76,000
Net interest on net defined benefit liability	**8,000**	7,000
Past service cost	**-**	-
	102,000	83,000
Components of amount recognised in other comprehensive income		
Liability experience gain	**(35,000)**	30,000
Principal assumptions used at end of year:		
Discount rate	4.5%	2.7%
Rate of salary increases	2.8%	2.8%
Average retirement age	60	60
Sensitivity analysis on gratuity obligations at end of year:		
Increase due to 1% decrease in discount rate	**37,000**	35,000
Decrease due to 1% increase in discount rate	**31,000**	29,000

Notes to the financial statements

For the year ended 31 March 2022

12. Gratuity obligations (Cont'd)

Future cash flows

(a) The funding policy is to pay benefits out of the Company's cash flows as and when due.
(b) Expected employer contribution for the next year is Rs Nil.
(c) Weighted average duration of the gratuity obligations established at 10 years.

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

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

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

There has been no plan amendment, curtailment or settlement during the year, except for data adjustments.

13. Trade and other payables

	2022 Rs	2021 Rs
Trade payables (Note (i))	**4,418,802**	3,352,913
Due to related parties (Note (ii))	**13,315,614**	10,939,341
Other payables	**458,998**	522,065
	18,193,414	14,814,319

(i) The average credit period on purchase of air ticket is generally within one month. The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

(ii) The amounts due to the related parties are unsecured, interest free and payable on demand.

14. Borrowings

	2022 Rs	2021 Rs
Non-current		
Right-of-use liabilities (Note 14.1)	**-**	291,293
Current		
Bank overdraft (Note 10)	**6,846,413**	6,739,438
Right-of-use liabilities (Note 14.1)	**290,746**	1,131,340
	7,137,159	7,870,778
Total borrowings	**7,137,159**	8,162,071

Notes to the financial statements

For the year ended 31 March 2022

14.1. Right-of-use liabilities

The Company's right-of-use liabilities concern rental of building. The Company classifies its right-of-use assets in a consistent manner to its plant and equipment (Note 7).

During the year ended 31 March 2022, the Company has recognised one lease (office building) as finance lease as the contractual terms of this lease meet the definition of finance lease under IFRS 16 "Leases".

Future minimum lease payments at 31 March 2022 were as follows:

	Within 1 year	1 – 2 years	Total
	Rs	Rs	Rs
31 March 2022			
Lease payments	**1,156,921**	**-**	**1,156,921**
Finance charges	**(32,348)**	**-**	**(32,348)**
Net present values	**1,124,573**	**-**	**1,124,573**

	Within 1 year	1 – 2 years	Total
	Rs	Rs	Rs
31 March 2021			
Lease payments	1,164,633	292,122	1,456,755
Finance charges	(33,293)	(829)	(34,122)
Net present values	1,131,340	291,293	1,422,633

Additional information on the right-of-use assets by class of assets is as follows:

	Carrying amount as at 31 March 2022	Depreciation expense for the year	Impairment
	Rs	Rs	Rs
Office building	**280,579**	1,116,827	**-**

Notes to the financial statements

For the year ended 31 March 2022

14. Borrowings (Cont'd)

14.1. Right-of-use liabilities (Cont'd)

	Carrying amount as at 31 March 2021	Depreciation expense for the year	Impairment
	Rs	Rs	Rs
Office building	1,397,406	838,448	-

15. Net commission income

	2022	2021
	Rs	Rs
Gross billings	**15,394,135**	19,339,981
Direct costs	**(14,950,751)**	(19,854,060)
Net	**443,384**	(514,079)

16. Taxation

(i) Income tax

The Company is liable to income tax at the rate of 15% and at 31 March 2022 it had no income tax liability due to accumulated tax losses of **Rs 16,262,763** (2021: Rs 12,418,258) carried forward.

(ii) Income tax reconciliation

The income tax on the Company's loss before tax differs from the theoretical amount that would arise using the effective tax rate is as follows:

	2022	2021
	Rs	Rs
Loss before tax	**(5,466,802)**	(7,766,145)
Tax at effective rate of 15%	**(820,020)**	(1,164,922)
Exempt income	**(365,571)**	(104,251)
Non-allowable expenses	**238,898**	242,659
Annual allowances	**-**	(26,280)
Deferred tax asset not recognised	**946,693**	1,052,794
Tax expense	**-**	-

(iii) Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 15%. No provision for deferred tax asset has been made as no taxable income is probable in the foreseeable future.

Notes to the financial statements

For the year ended 31 March 2022

17. Operating loss

	2022 Rs	2021 Rs
Operating loss is arrived at after charging:		
Depreciation	**1,126,423**	1,143,571
Amortisation	**184,882**	203,600
Marketing expenses	**8,177**	900
Staff costs:		
Salaries and allowances	**1,602,121**	1,943,441
Social security costs	**149,074**	146,990

18. Net finance (costs)/income

	2022 Rs	2021 Rs
Finance income		
Exchange gains	**85,931**	150,916
Interest income	**5,846**	22,373
	91,777	173,289
Finance costs		
Interest on finance leases	**(271,054)**	(309,101)
Net finance costs	**(179,277)**	(135,812)

19. Related party transactions

Related parties are entities with common direct or indirect shareholders and/or directors. Parties are considered to be related only if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Nature of relationship	Nature of transactions	Volume of transactions Rs	Credit balances at 31 March 2022 Rs	Credit balances at 31 March 2021 Rs
Intermediate holding company	Amount payable	**(1,239,015)**	**(4,386,525)**	(3,147,510)
Fellow subsidiary	Amount payable	**(340,258)**	**(7,717,989)**	(7,377,731)
Holding Company	Amount payable	**(797,000)**	**(1,211,100)**	(414,100)

The terms and conditions are described in Note 13 to the financial statements.

Notes to the financial statements

For the year ended 31 March 2022

20. Contingent liabilities

At 31 March 2022, there were contingent liabilities in respect of bank guarantees of **Rs 1,253,000** (2021: Rs 3,130,000) in the ordinary course of business for which it is anticipated that no material liabilities will arise.

21. Reconciliation of liabilities arising from financing activities

31 March 2022	Opening balance Rs	Adoption of IFRS 16	Cash flows Rs	Non-cash changes Rs	Closing balance Rs
Right-of-use lease liabilities	**1,422,633**	**-**	**(1,156,921)**	**25,034**	**290,746**
Bank overdrafts	**6,739,438**	**-**	**106,975**	**-**	**6,846,413**
	8,162,071	**-**	**(1,049,946)**	**25,034**	**7,137,159**

31 March 2021	Opening balance Rs	Adoption of IFRS 16	Cash flows Rs	Non-cash changes Rs	Closing balance Rs
Right-of-use lease liabilities	3,635,386	-	(1,221,268)	(991,485)	1,422,633
Bank overdrafts	6,664,561	-	74,877	-	6,739,438
	10,299,947	-	(1,146,391)	(991,485)	8,162,071

22. Going concern

The Company incurred a loss of **Rs 5,431,802** (2021: Rs 7,766,145) during the year ended 31 March 2022 and, as of that date, the net liability stood at **Rs 22,005,174** (2021: Rs 16,573,372). These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

The directors have exercised significant judgement in assessing that the preparation of these financial statements on a going concern basis is appropriate. In making this assessment, the directors have considered the Company's future business prospects and financial support from its immediate holding company.

In addition to the above, the Company failed to meet its IATA condition in respect of the minimum equity of USD 10,000 (Note 5). The directors are taking appropriate measures to address this issue in consultation with IATA.

23. Holding and ultimate parent company

The directors consider Thomas Cook (Mauritius) Holding Company Limited, a company incorporated in the Republic of Mauritius, as the Company's immediate holding company. Thomas Cook (Mauritius) Holding Company Limited holds 100 % of the shares of the Company.

Notes to the financial statements

For the year ended 31 March 2022

23. Holding and ultimate parent company (Contd)

Thomas Cook (India) Limited, a company incorporated in India, holds 100% of the shares of Thomas Cook (Mauritius) Holding Company Limited.

Fairbridge Capital (Mauritius) Limited, a subsidiary of Fairfax Financial Holdings Limited (the 'ultimate parent'), Canada and its affiliates, held 248,153,725 equity shares of INR 1 each representing to 65.60% stake in Thomas Cook (India) Limited as on 31 March 2022.

24. Major events during the year – COVID-19

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe. The outbreak was identified first in China towards of end December 2019 and on 11 March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too, the extent of which is dependent on a number of factors, including the formulation of a viable vaccine and governments' response to combat the spread of the virus in the intervening period. This event is a significant event considering the spread of virus all over the world and re-introduction of lockdown measures in March 2021 and period subsequent to that. Due to this significant event, there could be low to severe direct and indirect effects developing with companies across multiple industries and the world.

Associated with the COVID-19 virus, the directors have considered possible events and conditions for the purpose of identifying whether these events and conditions affect or may affect the future performance of the Company. In making this assessment, the directors have considered the period up to 12 months after the end of the reporting period, as well as the period up to 12 months.

The directors of the Company will continue to monitor the impact of COVID-19 has on them and reflect the consequences as appropriate in its accounting and reporting.

Hence, it is considered that there is no material adverse impact of COVID-19 on the financial statements.

25. Events after the reporting date

There has been no significant event after the reporting date which requires disclosures or amendments to the financial statements.

SOTC Travel Limited

Balance Sheet

as at 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	182.95	185.33
(b) Right of use assets	2.1	1,404.55	1,028.93
(c) Goodwill	2.3	268.50	268.50
(d) Other intangible assets	2.3	128.61	68.23
(e) Intangible assets under development	2.3	46.33	-
(f) Financial assets			
(i) Investments	3	8,849.28	8,849.28
(ii) Other financial assets	4	536.35	608.06
(g) Deferred tax assets (net)	5	6,000.69	4,695.53
(h) Income tax assets (net)	6	1,335.02	1,637.15
Total non-current assets		18,752.28	17,341.01
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	7	1,949.34	1,179.21
(ii) Cash and cash equivalents	8	878.78	3,783.97
(iii) Bank balances other than cash and cash equivalents	9	2.19	46.39
(iv) Loans	10	-	5,193.99
(v) Other financial assets	11	633.39	1,308.48
(b) Other current assets	12	2,590.14	3,115.00
Total current assets		6,053.84	14,627.04
TOTAL ASSETS		24,806.12	31,968.05
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	13	1.00	1.00
(b) Other Equity	14	2,009.95	4,207.21
Total Equity		2,010.95	4,208.21
(2) Non-current liabilities			
(a) Borrowings	15	820.37	-
(b) Lease liabilities	16	1,170.55	821.13
(c) Provisions	17	396.45	373.61
Total Non-current liabilities		2,387.37	1,194.74
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	1,870.77	2,407.34
(ii) Lease liabilities	16 a	335.40	317.86
(iii) Trade payables			
Total outstanding dues of Micro and Small enterprises	19	0.84	0.84
Total outstanding dues of creditors other than Micro and Small enterprises	19	9,168.46	12,921.18
(iv) Other financial liabilities	20	138.41	268.20
(b) Provisions	21	511.25	462.03
(c) Other current liabilities	22	8,382.67	10,187.66
Total Current Liabilities		20,407.80	26,565.11
TOTAL EQUITY AND LIABILITIES		24,806.12	31,968.05
Significant accounting policies	1B		
Notes to the financial statements	2-43		

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

As per our report of even date attached

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

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070
Mumbai
23 May 2022

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

Madhavan Menon
Chairman
[DIN: 00008542]

Vishal Suri
Managing Director
[DIN: 06413771]

Farroukh Kolah

Farroukh Kolah
Chief Financial Officer
Mumbai
16-May-22

Shaily Gupta
Company Secretary
[CS No: A24078]

SOTC Travel Limited

Statement of Profit and Loss

for the year ended 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
(1) Income			
(a) Revenue from operations	23	**12,899.81**	4,386.70
(b) Other income	24	**313.50**	662.63
Total income		**13,213.31**	5,049.33
(2) Expenses			
(a) Cost of services		**8,832.04**	2,855.58
(b) Employee benefits expense	25	**4,504.12**	4,213.84
(c) Finance costs	26	**361.30**	552.16
(d) Depreciation and amortization expenses	2	**633.91**	884.96
(e) Other expenses	27	**2,399.05**	4,337.62
Total expenses		**16,730.42**	12,844.16
(3) Loss before exceptional items and tax		**(3,517.11)**	(7,794.83)
(4) Exceptional items	28	**74.03**	-
(5) Loss before tax		**(3,591.14)**	(7,794.83)
(6) Tax expense:			
(a) Current tax	5	-	-
(b) Deferred tax credit	5	**(1,310.05)**	(2,720.66)
(7) Loss after tax		**(2,281.09)**	(5,074.17)
(8) Other comprehensive (Loss)/Income (OCI)			
Items that will not be reclassified to profit or (loss)			
(i) Remeasurements of defined benefit (liability) / asset		**43.42**	59.59
(ii) Income tax expense on remeasurements of defined benefit liability /(asset)		**(4.89)**	(20.09)
Other comprehensive Income (net of income tax) (i-ii)		**38.53**	39.50
(9) Total comprehensive Loss for the year		**(2,242.56)**	(5,034.67)
(10) Earnings per Equity share (Face value of Rs. 10 each)			
(i) Basic (Rs)	29	**(22,810.89)**	(50,741.65)

Significant accounting policies	1B
Notes to the financial statements	2-43

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

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

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070
Mumbai
23 May 2022

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

Madhavan Menon
Chairman
[DIN: 00008542]

Vishal Suri
Managing Director
[DIN: 06413771]

Farroukh Kolah

Farroukh Kolah
Chief Financial Officer
Mumbai
16-May-22

Shally Gupta
Company Secretary
[CS No: A24078]

SOTC Travel Limited

Statement of changes in Equity (SOCIE)
for the year ended 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

(a) Equity Share Capital

Particulars	For the year ended 31 March 2022 No. of Shares	For the year ended 31 March 2022 Amount	For the year ended 31 March 2021 No. of Shares	For the year ended 31 March 2021 Amount
At the commencement of the year	10,000	1	10,000	1
Restated balances at the beginning of the year	-	-	-	-
Changes in Equity Share Capital during the year	-	-	-	-
At the end of the year [refer Note 15]	10,000	1	10,000	1

(b) Other Equity

Particulars	Retained earnings	Optionally Convertible Non-Cumulative Redeemable Preference Shares	Employee share option outstanding [refer Note 37]	Capital reserves	Capital redemption reserve	Other comprehensive Income/(loss) (Remeasurements of the net defined benefit plans)	Total attributable to Equity Shareholders
Balance at 1 April 2020	(2,299.81)	8,600.00	725.64	638.04	1,400.00	18.75	9,082.62
Loss for the year	(5,074.17)	-	-	-	-	-	(5,074.17)
Other comprehensive income for the year (net of tax)	-	-	-	-	-	39.50	39.50
Share-based payments [refer Note 37]	-	-	159.26	-	-	-	159.26
Balance at 31 March 2021	**(7,373.98)**	**8,600.00**	**884.90**	**638.04**	**1,400.00**	**58.25**	**4,207.21**
Loss for the year	(2,281.09)	-	-	-	-	-	(2,281.09)
Other comprehensive income for the year (net of tax)	-	-	-	-	-	38.53	38.53
Share-based payments [refer Note 37]	-	-	45.29	-	-	-	45.29
Balance at 31 March 2022 [refer note 14]	(9,655.07)	8,600.00	930.19	638.04	1,400.00	96.78	2,009.94

Notes

The purpose and nature of each reserve within equity has been disclosed in the Note 14.

Significant accounting policies *1B*
Notes to the financial statements *2-43*

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

As per our report of even date attached

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

B.H.Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
23 May 2022

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

Madhavan Menon
Chairman
[DIN: 00008542]

Vishal Suri
Managing Director
[DIN: 06413771]

Farroukh Kolah
Chief Financial Officer

Shaily Gupta
Company Secretary
[CS No: A24078]

Mumbai
16-May-22

SOTC Travel Limited

Statement of Cash Flows

for the year ended 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flow from operating activities		
Loss before tax	(3,591.14)	(7,794.83)
Adjustments for:		
Depreciation of property, plant and equipment	115.38	152.01
Depreciation on Right of use assets	443.77	679.37
Amortisation of intangible assets	74.75	53.58
Gain on sale of property, plant and equipment	(36.86)	(1.48)
Gain on Lease liability	(102.77)	(141.67)
Exchange gain / (loss)	99.51	(99.51)
Share-based payment expense	45.30	159.27
Unclaimed credit balances no longer required, written back	(716.31)	(90.46)
Bad debts and advances written off	567.72	266.49
Provision for doubtful debts, advances and deposits (net)	(566.21)	(32.37)
Profit on redemption of units of mutual funds	-	(1.83)
Exceptional items	74.03	-
Interest income - others	-	(19.58)
Interest income on Inter-Corporate Deposits	(64.33)	(190.07)
Interest income on fixed deposits and investments	(12.58)	(103.79)
Interest on tax refunds	(24.61)	(334.16)
Finance costs	361.30	552.16
	(3,333.05)	(6,946.86)
Working capital adjustments		
(Increase) / Decrease in trade and other receivables	(771.57)	4,249.21
Decrease in loans and advances	976.45	6,748.65
Decrease in trade payables, other financial liabilities and current liabilities	(4,845.58)	(3,388.25)
Increase in provisions	92.64	17.20
	(7,881.11)	679.94
Income tax refund (net)	326.74	2,805.38
Net cash flows (used) in/generated from operating activities	(7,554.37)	3,485.33
Cash flows from investing activities		
Payment for purchase of property, plant and equipment	(113.95)	(98.59)
Payment for purchase of intangible assets	(182.52)	(54.15)
Proceeds from sale of property, plant and equipment & intangible	7.60	3.86
Interest received	206.78	193.26
Sale of units of mutual funds, net	-	4,110.18
Repayment of loan given	8,893.99	4,150.39
Loan given	(3,700.00)	(8,243.60)
Redemption of Fixed deposits during the year (net)	35.98	(12.66)
Net cash flows generated from in investing activities	5,147.88	48.69
Cash flows from financing activities		
Proceeds from borrowings	820.37	150.00
Repayments of borrowings	(150.00)	(900.00)
Payment of Lease liabilities	(550.41)	(649.82)
Interest paid	(232.09)	(552.16)
Net cash flows used in financing activities	(112.13)	(1,951.98)
Net decrease in cash and cash equivalents	(2,518.62)	1,582.03
Cash and cash equivalents at the beginning of the year	1,526.63	(55.40)
Cash and cash equivalents at the end of the year	(991.99)	1,526.63

BSR & Co. LLP Chartered Accountants

SOTC Travel Ltd. MUMBAI

SOTC Travel Limited

Notes to the financial statements (Continued)

as at 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

Note 41

Transfer Pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international as well as specified domestic transactions (if applicable) entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the end of the stipulated timeline, as required by law. The Management is of the opinion that its international as well as specified domestic transactions (if any) are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

Note 42

Other information with regards other matters specified in schedule III of the Companies Act 2013 is either nil or not applicable to the company for the financial year ended 31 March 2022.

Note 43

Thomas Cook (India) Limited, the holding company, prepares consolidated financial statement under Ind AS, hence Company has availed the exemption for preparing consolidated financial statement under Ind AS 110.

The notes from 1 to 43 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
23 May 2022

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

Madhavan Menon
Chairman
[DIN: 00008542]

Vishal Suri
Managing Director
[DIN: 06413771]

Farroukh Kolah
Chief Financial Officer

Shaily Gupta
Company Secretary
[CS No: A24078]

Mumbai
16-May-22

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

Note 1

1A Company overview

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

The financial statements were approved and authorised to issue in accordance with the resolution passed by the Board of directors at its meeting held on 16 May, 2022.

1B Significant Accounting Policies

1B.1 Basis of preparation

(a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time that are notified and effective as at 31 March 2022.

(b) Historical cost convention

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, and
• share based payment - measured at fair value

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

(c) Foreign currency translation and

(i) 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.

(ii) Transactions and balances

(ii.a) Initial recognition

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

(ii.b) 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 in the statement of profit and 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.

1B.2 Going Concern

As at 31 March 2022, the Company's net worth is Rs 2,010.95 lakhs. The Company during the year has made a net loss of Rs 2,281.09 lakhs (FY 2020-2021 loss of Rs. 5,074.17 lakhs). The lockdowns and restrictions imposed from time to time on various activities due to COVID-19 pandemic have posed challenges to all the businesses of the Company. However, the company has now able to restart some of its businesses in the domestic ticketing & leisure operations in India and outside India. The company expects operations to normalize in a phased manner once the confidence of corporates / travellers is fully restored. The company has assessed the impact of COVID-19 on the carrying amount of its assets and revenue recognition. In developing the assumptions relating to the possible future uncertainties, company, as on date of approval of these standalone financial results has used internal and external sources of information to the extent available. The company, based on current estimates and information, expects the carrying amount of these assets to be recovered.

The Company has also assessed the impact for existing and anticipated effects of COVID-19 on the future cash flow projections on the basis of significant assumptions as per the available information. The Company has undertaken various cost saving initiatives to maximize operating cash flows and conserve cash position in the given situation.

The Company has availed loan under Emergency Credit Line Guarantee Scheme during the year. In addition to this, funds are expected to be generated from the operating activities as business picks up and stabilises.The Company has also obtained support letter from its holding company indicating that the holding company will continue to provide financial support as is necessary to maintain the Company as a going concern for the foreseeable future.

Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern. The Company continues to monitor any material changes to its COVID-19 impact assessment, resulting from the future economic conditions and future uncertainty, if any.

1B Significant Accounting Policies *(Continued)*

1B.3 Use of estimates

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

Judgments

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

Note 23 - Determination of whether a particular service is rendered in the capacity of a principal or agent
Note 30 (ii) - Determining the amount of expected credit loss on financial assets (including trade receivables)
Note 2.2 - Lease classification

Assumptions and estimation uncertainties

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

Note 1C - Going Concern and Impact of COVID -19
Note 2 - Estimate of useful life used for the purposes of depreciation and amortisation on property plant and equipment and intangible assets.
Note 5 - Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
Note 36 - Measurement of defined benefit obligations: key actuarial assumptions;
Note 4, 7, 11, 12 and 23 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
Note 30 - Impairment of financial assets
Note 2 - Impairment of non financial assets

1B.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.

(a) Income from operations

The Company earns revenue from travel and related services and financial services

(i) Financial services

It comprise of income arising from the buying and selling of foreign currencies on the net margins earned, commissions on sale of foreign currency denominated prepaid cards and agency commissions from Moneygram, Xpressmoney and Western Union on currency remittances. Revenue from financial services are recognized by reference to the time of services rendered.

(ii) Travel and related services

It comprises of leisure tours packages within India and outside India along with travel related services viz travel insurance and visa services. Revenue on leisure tours / holiday's 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 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.

(b) Contract balances

(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.

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

1B Significant Accounting Policies *(Continued)*

1B.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.

(b) Deferred tax: ***(Continued)***

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.

1B.6 Leases

The company as a lessee

The company's lease asset classes primarily consist of leases for buildings, vehicles and office equipment's. The company assesses whether a contract contains a lease, at inception of a contract. 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.

To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:
(1) the contract involves the use of an identified asset
(2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and
(3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes a "Right of Use" ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses if any and adjusted for any remeasurement of the lease liability.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

The company as a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

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

1B Significant Accounting Policies *(Continued)*

1B.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.

(b) Non financial assets

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other 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 groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Total impairment loss of a cash generating unit (CGU) is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in the statement of profit and loss and is not reversed in the subsequent period.

1B.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 financial liabilities in the balance sheet.

1B.9 Financial instruments

(a) 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.

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

1B Significant Accounting Policies *(Continued)*

1B.9 Financial instruments *(Continued)*

(b) 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.

(i) 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.

(ii) 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.

(iii) 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.

(c) Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note 1.6. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

(d) 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.

Financial liabilities

(a) 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.

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1B Significant Accounting Policies *(Continued)*

1B.9 Financial instruments *(Continued)*

Financial liabilities *(Continued)*

(b) **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.

(c) **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.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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.

1B.10 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.

Assets	Estimated useful life (in years)
Furniture and Fixtures	5
Office Equipment's (including air conditioners)	3
Vehicles	5
Computer hardware	5

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

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1B Significant Accounting Policies *(Continued)*

1B.10 Property, plant and equipment *(Continued)*

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.

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.

The carrying value of these intangible assets is reviewed at least annually for impairment and adjusted to the recoverable amount if required.

(i) Goodwill

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

(ii) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs those are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised 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.

Computer software

Amortisation methods and periods:

Assets	Estimated useful Life (in years)
Software	5

1B.11 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.

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1B Significant Accounting Policies *(Continued)*

1B.11 Borrowings *(Continued)*

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.

1B.12 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.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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.

Contingent assets are neither recognised nor disclosed in the financial statements.

1B.13 Other income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Facility support income, group resource income and management fees is recognised on accrual basis over the period of agreement.

1B.14 Employee benefits

(a) Post employment benefits:

(i) Defined contribution plans

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

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

Contribution to Gratuity is based on the requirement of the trust with whom the Company maintains the fund balance. 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 assets 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.

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1B Significant Accounting Policies *(Continued)*

1B.14 Employee benefits *(Continued)*

(b) Short-term employee benefit

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.

(c) Compensated absences :

As per the leave policy of the company employees are entitled to avail 30 days of leave during a calendar year, any carry forward or encashment of the unutilized leave balance is not allowed. At reporting date, liability pertaining to compensated absences is calculated based on total leave balances of each employee.

(d) Employee stock options :

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

1B.15 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.

1B.16 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.

1B.17 Business Combination

Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to harmonise accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination.

1B.18 Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary nature. The costs of the company are broadly categorised in employee benefit expenses, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses majorly include sub-contractor charges, rent, recruitment and training expenses, travelling and conveyance, legal and professional fees and communication expenses.

1B.19 Current / Non Current Classification

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

Assets

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

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

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

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

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

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

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1B Significant Accounting Policies *(Continued)*

1B.19 Current / Non Current Classification *(Continued)*

Liabilities

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

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

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

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

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

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

Operating cycle:

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

1B.20 Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in statement of profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Provisions, Contingent liabilities and Contingent assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

On 18 June 2021, MCA through a notification has notified Companies (Indian Accounting Standards) Amendment Rules, 2021. The notification has made amendments to various Ind AS. The Company does not expect the amendments to have any significant impact in its financial statements.

Recent indan accounting standards (Ind AS)

The MCA notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2021.

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Notes to the financial statements (Continued)
as at 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

Note-2 Property, plant and equipment

	Computer hardware	Leasehold Improvements	Furniture and Fixtures	Office Equipment	Total
	Amount	Amount	Amount	Amount	Amount
Gross Block					
As at 1 April 2021	547.09	107.70	56.31	187.71	898.81
Additions during the year	19.57	68.31	21.61	4.46	113.95
Transfer in			25.14	(25.14)	-
Disposals during the year	-	0.78	3.50	8.02	12.30
Gross carrying value as of 31 March 2022	566.66	175.23	99.56	159.01	1,000.46
Accumulated depreciation as of 1 April 2021	498.34	43.81	27.03	144.30	713.48
Depreciation charge during the year	38.67	33.27	20.81	22.63	115.38
Transfer out			12.72	(12.72)	-
Deduction on disposals during the year	-	0.78	3.34	7.23	11.35
Accumulated depreciation as of 31 March 2022	537.01	76.30	57.22	146.98	817.51
Carrying value as of 31 March 2022	29.65	98.93	42.34	12.03	182.95
Gross Block	Amount	Amount	Amount	Amount	Amount
As at 1 April 2020	521.05	112.88	77.34	163.64	874.91
Additions during the year	27.40	31.06	10.70	29.62	98.78
Disposals during the year	1.36	36.24	31.73	5.55	74.88
	-	-	-	-	
Gross carrying value as of 31 March 2021	547.09	107.70	56.31	187.71	898.81
Accumulated depreciation as of 1 April 2020	422.32	59.13	43.30	109.04	633.79
Depreciation charge during the year	77.38	20.92	12.91	40.80	152.01
Deduction on disposals during the year	1.36	36.24	29.18	5.54	72.32
Accumulated depreciation as of 31 March 2021	498.34	43.81	27.03	144.30	713.48
Carrying value as of 31 March 2021	48.75	63.89	29.28	43.41	185.33

Note-2.1 Right of use Assets	31 March 2022 Amount in Rs Buildings	31 March 2021 Amount in Rs Buildings	31 March 2022 Amount in Rs Vehicles	31 March 2021 Amount in Rs Vehicles
Gross carrying value as at beginning	2,043.36	4,084.94	-	-
Additions Ind AS116 Transition adjustment	-	-		-
Additions during the year	2,069.49	219.90	9.77	-
Disposals during the year	1,492.23	2,261.48	-	-
Gross carrying value as at year end	2,620.62	2,043.36	9.77	-
Accumulated amortisation as at beginning	1,014.43	792.02	-	-
Amortisation charge during the year	443.17	679.37	0.60	-
Deduction on disposals during the year	232.36	456.96	-	-
Accumulated amortisation as at year end	1,225.24	1,014.43	0.60	-
Net Carrying value as at year end	1,395.38	1,028.93	9.17	-

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Notes to the financial statements (Continued)
as at 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

Note-2.2 Lease liabilites

	31 March 2022	31 March 2021
The following is the movement in lease liabilities during the year	Amount	Amount
Balance as at beginning	1,138.99	3,417.75
On account of Transition to Ind AS 116	-	-
Additions	2,079.26	219.90
Disposal	(1,259.87)	(1,948.79)
Adjustments	(31.25)	-
Interest on lease liabilities	129.22	202.76
Payment of lease liabilities	(503.12)	(649.82)
Lease rent waiver	(47.28)	(102.81)
Balance as at year end	1,505.95	1,138.99
Classification as		
Non current	1,170.55	821.13
Current	335.40	317.86
	1,505.95	1,138.99

Note: - Below are the contractual maturities of lease liabilities on an undiscounted basis:

Less than one year	444.04	398.26
Between one and five years	1,257.16	877.35
More than five years	99.69	99.69
	1,800.89	1,375.30
Rental expense recognised for short-term leases for the year ended	220.37	303.62
Rental expense recognised for low value leases (other than short term as disclosed above) for the year ended	-	-
Expenses related to short team leases and low value leases	220.37	303.62
Amounts recognised in profit or loss		
Lease under IND AS 116		
Interest on lease liabilities (Refer note 26)	129.22	202.76
Depreciation on right-of-use assets	443.77	679.37
	572.99	882.13
Amount recognized in Statement of Cash Flow		
Repayment of Lease liabilties-Principal amount	373.91	447.06
Repayment of Lease liabilities-Interest amount	129.22	202.76
	503.13	649.82

Extension options

The lease contracts of the company contain extension/renewal options which are exercisable only by the Company and not by the lessors. The Company includes in its lease term such extension/renewal options that the Company is reasonably certain to exercise. If the lease is extended beyond the renewal term, then the lease rentals will be mutually agreed between the parties based on the fair value of lease rent at the time of extension.

Modification in Leases

During F.Y. 2021-22 the company has taken action to surrender / vacate some lease before completion of tenure as mentioned in lease Agreements. The company has retired the same in books of accounts and difference of **Rs 31.25 lakhs** (March 2021:- Rs. 144.27 lakhs) between ROU asset **Rs 1,291.12 lakhs** (March 2021-1,637.66 lakhs) & ROU Liability **Rs 1259.87 lakhs** (March 2021 :- Rs 1,781.93 lakhs) as on date of retirement has been recognized as profit or loss on retirement of lease in the statement for profit and loss. Further, impact of the same has been considered in Lease Liabilties and ROU Assets as on 31st March 2022.

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as at 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

Note-2.3 Intangibles

	Goodwill Amount	Computer Software Amount	Assets Under development Amount	Total Amount
Gross carrying value as at 1 April 2021	268.50	527.18	-	795.68
Additions during the year	-	136.19	46.33	182.52
Disposals during the year		3.51	-	3.51
Gross carrying value as at 31 March 2022	268.50	659.86	46.33	974.69
Accumulated amortization as at 1 April 2021	-	458.95	-	458.95
Amortization charge during the year	-	74.75	-	74.75
Deduction on disposals during the year		2.46	-	2.46
Accumulated amortization as at 31 March 2022	-	531.24	-	531.24
Net Carrying value as at 31 March 2022	268.50	128.62	46.33	443.45
Gross carrying value as at 1 April 2020	268.50	473.03	-	741.53
Additions during the year	-	54.15	-	54.15
Disposals during the year	-	-		-
Gross carrying value as at 31 March 2021	268.50	527.18	-	795.68
Accumulated amortization as at 1 April 2020	-	405.37	-	405.37
Amortization charge during the year	-	53.58	-	53.58
Deduction on disposals during the year				-
Accumulated amortization as at 31 March 2021	-	458.95	-	458.95
Net Carrying value as at 31 March 2021	268.50	68.23	-	336.73

Intangible Asset under Development Ageing Schedule

As at 31st March 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	46.33	-	-	-	46.33

As at 31st March 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-

There is no delay in commissioning of the Intangible assets under development, nor the project has exceeded its original budget.

Nature of Goodwill
Goodwill recognised on the acquisition of the residual business of Kuoni Business Travel.

Impairment testing of Goodwill
For the purposes of impairment testing, Goodwill has been allocated as follows:

	As at 31 March 2022	As at 31 March 2021
Acquisition of the business travel division	268.50	268.50
	268.50	268.50

The recoverable amount was based on fair value less costs of disposal, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation technique used.
The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

	As at 31 March 2022	As at 31 March 2021
Discount rate per annum	7.85%	7.55%
Terminal value growth rate per annum	5%	5%
Budgeted EBITDA growth rate (average of next 2 years) per annum	5%	5%

The discount rate is post tax measure estimated based on the historical industry average weighted-average cost of capital, with the possible no debt leveraging and internal rate of return of 7.85% approximately.

The recoverable amount of Goodwill has been calculated using the discounted cash flow method.

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Notes to the financial statements *(Continued)*

as at 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

	31 March 2022 Amount	31 March 2021 Amount
Note 3		
Investments		
A. Investments in subsidiary company		
I. Investments in Equity Shares at amortised cost(unquoted)		
2,108,000 (31 March 2021: 2,108,000) equity shares of USD 1 each, fully paid-up, of Travel Circle International (Mauritius) Limited.	1,360.83	1,360.83
	1,360.83	1,360.83
II. Investments in preference shares at amortised cost (unquoted)		
11,600,000 (31 March 2021: 11,600,000) 6% Optionally Convertible Redeemable Preference Shares of USD 1 each, fully paid-up, of Travel Circle International (Mauritius) Limited.	7,488.45	7,488.45
	7,488.45	7,488.45
	8,849.28	8,849.28
Less : Impairment loss	-	-
	8,849.28	8,849.28
Aggregate book value of unquoted non-current investments	8,849.28	8,849.28
Extent of equity interest in subsidiary:		
Travel Circle International (Mauritius) Limited	51%	51%
Note 4		
Other financial assets (non-current)		
(Unsecured)		
Security deposits		
Considered good	347.00	426.92
Credit impaired	96.24	96.24
	443.24	523.16
Less : Loss allowance	(96.24)	(96.24)
	347.00	426.92
Fixed deposit accounts with original maturity more than twelve months*	189.35	181.14
*All the above FD are lien against margin money deposits.		
	536.35	608.06
Note 5		
Income taxes		
A. The major component of income tax expenses are as under:		
(i) Income tax expenses consist of following :		
Current tax		
In respect of current year	-	-
Changes in estimates related to previous year	-	-
Deferred tax		
Increase in deferred tax assets	(1,310.05)	(2,720.66)
Income Tax expense recognised in statement of profit and loss	(1,310.05)	(2,720.66)
(ii) Amounts recognised in other comprehensive income		
Deferred tax expense on remeasurements of defined benefit plans	4.89	(20.09)
Income tax expense recognised in OCI	4.89	(20.09)
B. Reconciliation of tax expense and the accounting profit for the year is as under :		
Loss before tax	(3,591.14)	(7,794.83)
Tax using the Company's domestic tax rate (current year 34.94% and previous Year 34.94%)	(1,254.89)	(2,723.82)
Tax effect of:		
Non-deductible tax expenses	-	-
Others	(55.16)	3.16
Total	(1,310.05)	(2,720.66)
Deferred tax recognised in Other Comprehensive Income	4.89	(20.09)
Tax expense as per Statement of Profit and Loss	(1,305.16)	(2,740.75)

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(All amount in Rs Lakhs, unless otherwise stated)

Note 5

Income taxes (Continued)

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

	Balance as on 31 March 2021	Recognised in profit or loss	Recognised in OCI	Net Balance as on 31 March 2022
Deferred tax Asset/(Liabilities)				
Property, plant and equipment	132.51	(14.09)		118.42
Employee benefits	220.90	72.53	(4.89)	288.54
Tax losses	3,878.92	1,423.56		5,302.48
Provisions	441.74	(171.98)		269.76
Other items	21.46	0.03		21.49
Deferred tax Assets /(Liabilities)	4,695.53	1,310.05	(4.89)	6,000.69

	Balance as on 31 March 2020	Recognised in profit or loss	Recognised in OCI	Net Balance as on 31 March 2021
Deferred tax Asset/(Liabilities)				
Property, plant and equipment	122.89	9.62		132.51
Employee benefits	252.75	(11.76)	(20.09)	220.90
Tax losses	1,123.34	2,755.58		3,878.92
Provisions	453.05	(11.31)		441.74
Other items	42.93	(21.47)		21.46
Deferred tax Assets /(Liabilities)	1,994.96	2,720.66	(20.09)	4,695.53

	31 March 2022 Amount	31 March 2021 Amount
D. Deferred tax reflected in balance sheet as follows:		
Deferred tax Assets	6,000.69	4,695.53
Deferred tax Liabilities	-	-
Deferred tax Assets (net)	6,000.69	4,695.53
Note 6		
Income tax Asset		
Advance tax (net of provision of Tax)	1,335.02	1,637.16
	1,335.02	1,637.16
Note 7		
Trade receivables		
Trade receivables considered good - unsecured	1,949.34	1,179.21
Trade receivables credit impaired	314.47	636.41
	2,263.81	1,815.62
Less :- Impairment loss allowance	(314.47)	(636.41)
	1,949.34	1,179.21
Trade and other receivables includes :		
Dues from related parties - considered good [refer Note 38]	92.17	294.75
Movement in expected credit loss allowance on trade receivables		
Balance at the beginning of the year	636.41	734.95
Changes in loss allowance during the year	(321.94)	(98.54)
Balance at the end of the year	314.47	636.41

As at 31st March 2022	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered Good	1,766.58	141.52	4.58	4.63	32.03	1,949.34
Undisputed Trade Receivables - Credit Impaired	-	-	0.88	151.89	161.70	314.47

As at 31st March 2021	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered Good	285.06	22.36	581.82	107.10	182.87	1,179.21
Undisputed Trade Receivables - Credit Impaired	-	-	123.46	182.71	330.24	636.41

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	31 March 2022 Amount	31 March 2021 Amount
Note 8		
Cash and cash equivalents		
Balance with banks :		
in current account	**876.39**	3,763.13
Cash on hand	**2.39**	20.84
	878.78	3,783.97
Note 9		
Bank Balances other than cash and cash equivalents		
Short term deposits (Original maturity more than 3 months and less than 12 months)	**2.19**	46.39
	2.19	46.39

Deposit balances (including those disclosed under other financial assets (non-current) in Note 4) include fixed deposits under lien aggregating to **Rs 191.55**(31 March 2021: Rs 227.53).

Note 10

Loans

Unsecured, considered good carried at amortised cost except otherwise stated

	31 March 2022 Amount	31 March 2021 Amount
Loan to related parties [refer Note 38]	-	5,193.99
	-	5,193.99

Included in loans and advance are certain intercorporate deposits the particulars of which are disclosed below as required by Sec 186(4) of the Companies Act 2013

Name of the loanee	Rate of Interest	Due date	Secured/ unsecured	31-Mar-22 Amount	31-Mar-21 Amount
Thomas Cook (India) Limited				-	1,150.39
Travel Circle International (Mauritius) Limited				-	4,043.60
				-	5,193.99

Loan given to TCIL and TCIM has been utilized for meeting their working capital requirements, and the same has been fully repaid during the year.

Loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment. The following disclosure:

	31-Mar-22		31-Mar-21	
Type of Borrowers	Amount of loan or advance in nature	% of loan or advance in nature of loan	Amount of loan or advance in nature	% of loan or advance in nature of loan
				0%
Loan to Holding Company	-	-	1,150.39	-
Loan to Subsidiary	-	-	4,043.60	78%

Note 11

Other financial Assets (current)

(Unsecured)

	31 March 2022 Amount	31 March 2021 Amount
Security deposits		
Considered good	**366.28**	890.30
Credit impaired	**110.09**	319.26
	476.37	1,209.56
Less :- Impairment loss allowance	**(110.09)**	(319.26)
	366.28	890.30
Other receivables		
Considered good	**267.02**	188.70
Credit impaired	**22.21**	69.12
	289.23	257.82
Less :- Loss allowance	**(22.21)**	(69.12)
	267.02	188.70
Interest accrued but not due on loan to related party	-	129.48
Interest accrued but not due on fixed deposits with banks	**0.09**	0.49
Derivative financial assets	-	99.51
	633.39	1,308.48

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Note 12	31 March 2022 Amount	31 March 2021 Amount
Other current Assets		
Prepaid expenses	72.23	154.08
Balances with government Authorities	1,039.73	1,305.25
(Net of provision of GST recoverable Rs. 1091.08 for March 2022 and Rs. 776.28 for March 2021)		
Advance to vendors		
Considered good	1,446.61	1,631.66
Credit impaired	119.83	45.79
	1,566.44	1,677.45
Less :- Loss allowance	(119.83)	(45.79)
	1,446.61	1,631.66
Staff advance		
Considered good	31.57	24.01
Credit impaired	109.15	97.32
	140.72	121.33
Less :- Loss allowance	(109.15)	(97.32)
	31.57	24.01
	2,590.14	3,115.00
Advance to vendors includes :		
Advance to related party - Unsecured, Considered good [refer note 38]	-	57.09
Advance to related party - Unsecured, Considered doubtful [refer note 28 and 38]	74.03	-

Note 13		
Equity Share Capital		
Authorised :		
10,000 (31 March 2021: 10,000) Equity Shares of Rs 10 each.	1.00	1.00
Issued, subscribed and fully paid up:		
10,000 (31 March 2021: 10,000) Equity Shares of Rs 10 each, fully paid-up.	1.00	1.00
	1.00	1.00

A. Reconciliation of number of shares outstanding at the beginning and end of the year :

	31 March 2022		31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares of face value of Rs 10 each, fully paid-up				
At the commencement of the year	10,000	1.00	10,000	1.00
Addition during the year	-	-	-	-
Outstanding at the end of the year	10,000	1.00	10,000	1.00

B. Rights , preferences and restrictions attached to Equity Shares

Equity shares of face value of Rs 10 each fully paid-up

The Company has a single class of Equity Shares having face value of Rs 10 each. Accordingly, Equity Shares shall rank pari passu with regard to dividends and share in the Company's residual assets after distribution of all preferential amounts, if any. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an Equity Shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.
On winding up of the Company, the holders of Equity Shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of Equity Shares held by them.

C. Shares held by Holding Company / Ultimate Holding Company / Subsidiaries of Holding Company

	31 March 2022		31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Equity Shares of Rs 10 each fully paid-up held by:				
Thomas Cook (India) Limited ('Holding Company') including its nominees	10,000	1.00	10,000	1.00
	10,000	1.00	10,000	1.00

D. Particulars of shareholders holding more than 5% shares of a class of shares:

	31 March 2022		31 March 2021	
	No. of shares	% of total shares	No. of shares	% of total shares
Equity Shares of Rs 10 each, fully paid-up, held by:				
Thomas Cook (India) Limited ('Holding Company')	10,000	100	10,000	100

E. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:
None

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	31 March 2022 Amount	31 March 2021 Amount
Note 14		
Other Equity		
Optionally Convertible Non -Cumulative Redeemable Preference Shares	8,600.00	8,600.00
Retained earnings	(9,655.07)	(7,373.98)
Capital reserve arising out of Amalgamation	638.04	638.04
Capital Redemption Reserve	1,400.00	1,400.00
Other Comprehensive Income	96.78	58.25
Employee share option outstanding account	930.20	884.90
	2,009.95	4,207.21

Notes:-

(i) Optionally Convertible Non -Cumulative Redeemable Preference Shares

	31 March 2022	31 March 2021
Authorised :		
106,000,000 (31 March 2021: 100,000,000) 0.01% Optionally Convertible Non -Cumulative Redeemable Preference Shares of Rs. 10 each.	10,600.00	10,000.00
Issued, subscribed and fully paid up:		
86,000,000 (31 March 2021: 86,000,000) 0.01% Optionally Convertible Non -Cumulative Redeemable Preference Shares of Rs. 10 each.	8,600.00	8,600.00
	8,600.00	8,600.00

A. Reconciliation of number of shares outstanding at the beginning and end of the year :

	31 March 2022		31 March 2021	
	No. of shares	Amount	No. of shares	Amount
0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid-up				
Opening	860.00	8,600.00	860.00	8,600.00
Redemption during the year	-	-	-	-
Outstanding at the end of the year	860.00	8,600.00	860.00	8,600.00

B. Rights , preferences and restrictions attached to equity and preference shares

0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid-up (Preference Shares)

The Company has a single class of preference shares having par value of Rs 10 per share. These preference shares are issued in consideration of the slump exchange of Outbound Business Division of SOTC Travel Services Private Limited to the Company as contemplated in the Composite Scheme of arrangement and amalgamation. The Company has issued 100,000,000 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs.10/- each to Travel Corporation (India) Limited, as the residual of SOTC Travel Services Private Limited (i.e. post segregation of Outbound Business Division) is amalgamated into Travel Corporation (India) Limited. Preference shares outstanding at the end of 20 years i.e. 31 July 2037, shall be converted into equity shares as per the conversion ratio of 1 preference shares of Rs. 10/- each into one equity share of Rs. 10/- each. The holders of these shares are entitled to Non-Cumulative dividend of 0.01%. Preference shares carry a preferential right as to dividend over equity shareholders. where dividend is not declared in respect of a financial year in the case of Non-Cumulative Preference Shares, the entitlement for that year lapses. In the event of winding up, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares. The Company has an option to convert the preference shares or redeem the preference shares at any time after the end of 1 year from the date of allotment.

C. Shares held by Holding Company / Ultimate Holding Company / Subsidiaries of Holding Company

	31 March 2022		31 March 2021	
	No. of shares	Amount	No. of shares	Amount
0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid-up by:				
*Thomas Cook (India) Limited (w.e.f. 25 November 2019)	860.00	8,600.00	860.00	8,600.00
	860.00	8,600.00	860.00	8,600.00

*Pursuant to the National Company Law Tribunal (NCLT) Order dated 10th October 2019, the Composite Scheme of Arrangement & Amalgamation amongst TC Forex Services Limited [TCF] and Travel Corporation (India) Limited [TCI] and TC Travel Services Limited [TCTSL] and SOTC Travel Management Private Limited [SOTC TRAVEL] and Thomas Cook (India) Limited [TCIL] and Quess Corp Limited and their respective shareholders (the Scheme) has become effective from 25th November, 2019. As part of the Scheme/arrangement, the Inbound Business of TCI has demerged into SOTC TRAVEL and the residual business of TCI has been merged, along with the other wholly owned subsidiaries viz TCTSL and TCF, with TCIL. TCI ceased to exist w.e.f. 25th November, 2019 and residual business of TCI has been merged with TCIL.
Pursuant to above, 0.01% Non-Cumulative Optionally Convertible Redeemable Preference Shares (OCRPS) held by TCI in the Company are held by TCIL w.e.f. 25th November, 2019.

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D. Particulars of shareholders holding more than 5% shares of a class of shares:

	31 March 2022		31 March 2021	
	No. of shares	% of total shares	No. of shares	% of total shares
0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each, fully paid-up by:				
Thomas Cook (India) Limited	860.00	100.00	860.00	100.00

E. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:
100,000,000, 0.01% Non-Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/- each, were issued by the Company pursuant to the composite scheme of arrangement and amalgamation in the Financial year ended 2017-2018

	31 March 2022 Amount	31 March 2021 Amount
ii. Capital Reserve		
Opening Balance	638.04	638.04
Closing Balance	638.04	638.04

Nature and Purpose of Reserves:-
The reserve created pursuant to Composite Scheme of Arrangement and Amalgamation.

iii. Capital Redemption Reserve		
Opening Balance	1,400.00	1,400.00
Closing Balance	1,400.00	1,400.00

Nature and Purpose of Reserves:-
The reserve created out of profits in event of redemption of Optionally Convertible Non-Cumulative Redeemable Preference Shares.

iv. Retained Earnings		
Opening Balance	(7,373.98)	(2,299.81)
Add : Net Loss for the year	(2,281.09)	(5,074.17)
Closing Balance	(9,655.07)	(7,373.98)
v. Other comprehensive income		
Opening Balance	58.25	18.75
Add : Other Comprehensive Income/(loss) for the year, net of tax	38.53	39.50
Closing Balance	96.78	58.25
vi. Employee Share Option Outstanding Account [refer Note 37]		
Opening Balance	884.90	725.64
Add : Charge for the year [refer Note 37]	45.29	159.26
Closing Balance	930.19	884.90

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

Note 15
Long term borrowings
(Unsecured)

Term Loan from bank	820.37	-
	820.37	-

During the year Company has received loan amounting to Rs. 819.85 lakhs (net of processing fees/stamp duty) from HDFC Bank Limited which is secured by way of second ranking charge over existing primary and collateral securities including mortgages, if any, created in the favor of bank and security created over the assets of the borrower purchased out of this facility. The applicable rate of interest as on balance sheet date is 7.5% p.a. However, the applicable interest rate shall change in accordance with every reset/ change of the reference rate or change of spread by the bank. Duration of the loan is 72 month and is repayable in 48 monthly installments after a moratorium period of 24 months. Interest to be serviced on a monthly basis.

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(All amount in Rs Lakhs, unless otherwise stated)

	31 March 2022 Amount	31 March 2021 Amount
Note 16		
Other financial liabilities		
Lease liabilities [refer Note 2.2]	1,170.55	821.13
	1,170.55	821.13
Note 16 a		
Other financial liabilities - Current		
Lease liabilities - Current [refer Note 2.2]	335.40	317.86
	335.40	317.86
Note 17		
Provisions		
Provision for employee benefits - (non current)		
Provision for Gratuity [refer Note 36]	396.45	373.61
	396.45	373.61
Note 18		
Borrowings		
Bank Overdraft use for Cash Management purpose- unsecured repayable on demand	1,870.77	2,257.34
Working capital demand loan-unsecured repayable on demand	-	150.00
	1,870.77	2,407.34
Note 19		
Trade payables		
Total outstanding dues of Micro and Small enterprises [refer Note 33]	0.84	0.84
Total outstanding dues of creditors other than Micro and Small enterprises (Includes book overdraft Rs 373.61 (LY -Rs 172.14))	9,168.46	12,921.18
	9,169.30	12,922.02

As at 31st March 2022	**Outstanding for following periods from due date of payment**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Total outstanding dues of MSME	-	0.84	-	-	0.84
Total outstanding dues of creditors other than MSME	5,868.11	1,197.33	1,825.60	277.40	9,168.44

As at 31st March 2021	**Outstanding for following periods from due date of payment**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Total outstanding dues of MSME	0.84	-	-	-	0.84
Total outstanding dues of creditors other than MSME	7,576.10	2,792.96	1,890.77	661.35	12,921.18

	31 March 2022 Amount	31 March 2021 Amount
Note 20		
Other financial liabilities (current)		
Security deposits	81.83	262.88
Others	56.58	5.32
	138.41	268.20
Note 21		
Provisions		
Provision for employee benefits - current		
Gratuity [refer note 36]	9.94	-
Accrued salary and benefits	442.83	406.81
Compensated absences [refer Note 36]	58.48	55.22
	511.25	462.03
Note 22		
Other current liabilities		
Revenue received in advance	24.32	293.91
Advance collected from customers	8,116.73	9,600.00
Balances due to government authorities	241.62	293.75
	8,382.67	10,187.66

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Notes to the financial statements (Continued)

for the year ended 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

Note 23	31 March 2022 Amount	31 March 2021 Amount
Revenue from operations		
Travel and related Services	10,616.22	3,288.79
Total Revenue from operations	10,616.22	3,288.79
Other operating revenue		
Marketing fees and other incentive income	777.44	256.80
Unclaimed credit balances no longer required, written back	716.31	90.46
Other miscellaneous operating income	789.84	750.65
	2,283.59	1,097.91
	12,899.81	4,386.70

IND AS 115 'Revenue from Contracts with Customers'

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 contract with customers		
Travel and related Services	10,606.32	3,281.93
Financial Services	9.90	6.86
Total Revenue from contract with customers	10,616.22	3,288.79

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		
India	10,506.93	3,259.95
Overseas	109.29	28.84
	10,616.22	3,288.79
Revenue based on product and services		
Revenue from contract with customers		
Travel and related Services	10,606.32	3,281.93
Financial Services	9.90	6.86
Total Revenue from operations	10,616.22	3,288.79

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. This includes advances received from the customer towards leisure tour / holiday's packages. Revenue on leisure tours / holiday's packages are recognized on the completion of the performance obligation which is on the date of departure of the tour.

Advances collected from customers	8,116.73	9,600.00
Total	8,116.73	9,600.00

Note 24		
Other income		
Interest Income under the effective interest method on-		
Bank deposits	12.58	103.79
Loans to related parties	64.33	190.07
Others	-	19.58
Net foreign Exchange difference	66.25	11.00
Gain on sale proceeds of current investments measured at FVTPL	-	1.83
Interest on tax refunds	24.61	334.16
Profit on Sale of PPE	36.86	1.48
Profit on closure of lease	102.77	-
Miscellaneous income	6.10	0.72
	313.50	662.63

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Notes to the financial statements (Continued)

for the year ended 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

	31 March 2022	31 March 2021
	31 March 2022 Amount	31 March 2021 Amount
Note 25		
Employee benefits expense		
Salaries and other allowances	**3,927.20**	3,455.59
Contribution to provident fund and other funds	**266.51**	305.65
Compensated absences	**3.27**	55.22
Empolyee share based payment expenses (refer Note 37)	**27.59**	90.89
Stock options expenses (refer Note 37)	**17.71**	68.38
Staff welfare expense	**261.84**	238.11
	4,504.12	4,213.84
Note 26		
Finance costs		
Interest and finance charges on Financial Liabilities		
-- Interest on Term loan	**36.08**	15.58
-- Interest on Lease liabilities	**129.22**	202.76
-- Interest on bank over draft	**133.34**	237.85
-- Others Financials liabilities	**53.46**	63.58
-- Bank charges	**9.20**	32.39
	361.30	552.16
Note 27		
Other expenses		
Legal and professional charges	**1,118.73**	1,705.53
Loss on closure of lease	-	757.50
Advertisement and publicity	**145.31**	235.60
Operational lease rentals	**220.37**	303.62
Repairs and maintenance – others	**448.54**	518.02
Communication expenses	**140.65**	223.02
Travelling expenses	**30.93**	24.93
Electricity charges	**93.24**	79.31
Rates and taxes	**54.67**	59.20
Printing and stationery expenses	**24.16**	18.61
Directors commission and sitting fees	**20.06**	27.61
Insurance expenses	**15.75**	35.64
Subscription fees	**16.72**	19.19
Provision for doubtful debts and deposits	**(566.21)**	(32.37)
Bad debts and advance written off	**567.72**	266.49
Corporate social responsibility expense (refer Note below 27 (a))	-	-
Payment to auditors (refer Note below 27 (b))	**62.74**	66.08
Miscellaneous expenses	**5.67**	29.64
	2,399.05	4,337.62
Note 27 (a)		
Corporate social responsibility expenditure		
(a) Gross amount required to be spent by the Company during the year	-	-
(b) Amount spent and paid during the year on	-	-
(c) Out of above amount paid to related party	-	-
Note 27 (b)		
Payment to Auditors		
Statutory Audit fee	**56.84**	53.10
Tax Audit fee	**3.51**	3.54
In other capacity		-
Taxation matters	-	-
Certification fee	**2.40**	3.49
Re-imbursement of expenses	-	5.95
	62.74	66.08

Note 28

Exceptional item

As required by Ind AS 36 - "Impairment of Assets", Financial Assets are tested for impairment on annual basis and assessed for any indication of impairment as at each reporting date to ensure that carrying amount does not exceed the recoverable amount. Accordingly the company assessed the recoverable amount of advances provided to Luxe Asia Private Limited as at March 2022. Due to adverse business conditions, the recovery of advances provided to the subsidiary is doubtful and this has resulted in as impairment provision of Rs.74.03 lakhs and has been charged to the statement of Profit and Loss as an exceptional item for the year ended 31 March 2022

Note 29

Earnings per share (EPS)

A. Net profit for the year attributable to Equity Shareholders	**(2,281.09)**	(5,074.17)
B. Weighted average number of Equity Shares outstanding during the year	**10,000.00**	10,000.00
C. Basic earnings per share (A/B) (Rs)	**(22,810.89)**	(50,741.65)
D. Preference shares (numbers)	**8,60,00,000**	8,60,00,000

Note : Diluted earnings per share is not computed as the Company has incurred a loss during the year due to which the Optionally convertible non -cumulative redeemable preference shares would be anti-dilutive.

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(All amount in Rs Lakhs, unless otherwise stated)

Note 30
Financial instruments – Fair values and risk management

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

as at 31 March 2022

	Carrying amount				Fair value			
	Financial instruments measured at FVTPL	Financial instruments measured at FVTOCI	Financial instruments measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets not measured at fair value								
Trade receivables	-	-	1,949.34	1,949.34	-	-	-	-
Cash and cash equivalents	-	-	878.78	878.78	-	-	-	-
Other bank balances	-	-	2.19	2.19	-	-	-	-
Loans								
- Current	-	-	-	-	-	-	-	-
Other financial assets								
- Non-current (Security deposits)	-	-	347.00	347.00	-	347.00	-	347.00
- Non-current (Others)	-	-	189.35	189.35	-	-	-	-
- Current	-	-	633.39	633.39	-	-	-	-
	-	-	4,000.05	4,000.05	-	347.00	-	347.00
Financial liabilities not measured at fair value								
Non current Borrowings	-	-	820.37	820.37	-	820.37	-	820.37
Current Borrowings (Bank Overdraft)	-	-	1,870.77	1,870.77	-	-	-	-
Trade payables	-	-	9,169.30	9,169.30	-	-	-	-
Lease liabilities								
- Non current	-	-	1,170.55	1,170.55	-	-	-	-
- Current	-	-	335.40	335.40	-	-	-	-
Other financial liabilities								
- Current	-	-	138.41	138.41	-	-	-	-
Total financial liabilities	-	-	13,504.80	13,504.80	-	820.37	-	820.37

as at 31 March 2021

	Carrying amount				Fair value			
	Financial instruments measured at FVTPL	Financial instruments measured at FVTOCI	Financial instruments measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets measured at fair value								
Investment in mutual funds	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Financial assets not measured at fair value								
Trade receivables	-	-	1,179.21	1,179.21	-	-	-	-
Cash and cash equivalents	-	-	3,783.97	3,783.97	-	-	-	-
Other bank balances	-	-	46.39	46.39	-	-	-	-
Loans								
- Current	-	-	5,193.99	5,193.99	-	-	-	-
Other financial assets								
- Non-current (Security deposits)	-	-	426.92	426.92	-	426.92	-	426.92
- Non-current (Others)	-	-	181.14	181.14	-	-	-	-
- Current	99.51	-	1,208.97	1,308.48	99.51	-	-	99.51
	99.51	-	12,020.59	12,120.10	99.51	426.92	-	526.43
Financial liabilities not measured at fair value								
Non current Borrowings	-	-	150.00	150.00	-	150.00	-	150.00
Current Borrowings (Bank Overdraft)	-	-	2,257.34	2,257.34	-	-	-	-
Trade payables	-	-	12,922.02	12,922.02	-	-	-	-
Lease liabilities								
- Non current	-	-	821.13	821.13	-	-	-	-
- Current	-	-	317.86	317.86	-	-	-	-
Other financial liabilities								
- Current	-	-	268.20	268.20	-	-	-	-
Total financial liabilities	-	-	16,736.55	16,736.55	-	150.00	-	150.00

Note: The above excludes investments in Subsidiary amounting to Rs.8849.27 (previous year Rs. 8849.27)

The company has not disclosed the fair value of financials instrument such as trade receivables , trade payables, etc. because their carrying amount are a reasonable approximation of fair value.

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 maximize 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.

(All amount in Rs Lakhs, unless otherwise stated)

Note 30 (Continued)
Financial instruments – Fair values and risk management *(Continued)*

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

Financial instruments measured at fair value

Type	Valuation techniques	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Borrowings	Discount rate to fair value of financials assets and liabilities at amortised cost is based on general lending rate.	Not applicable	Not applicable

Transfers between Levels
There were no transfers in either direction in any of the reporting periods

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

i. Risk management framework

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

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

The Board / 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 Board / 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 Board / Audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. Credit risk primarily arises from financial assets such as trade receivables, Investment in mutual funds, derivative financials instruments , balance with banks and other receivables.

Credit risk arising from investment in mutual funds , derivative financials instruments and balance with banks is limited because the counterparties are bank and recognised financials institution with high credit ratings.

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

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

The average credit period on sales of services is less than 30 days. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The concentration of credit risk in limited due to the fact that the customer base is large.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

	31 March 2022	31 March 2021
Movement in expected credit loss allowance on trade receivables		
Balance at the beginning of the year	636.41	734.95
Addition during the period	-	-
Changes in loss allowance during the year	(321.95)	(98.52)
Balance at the end of the year	314.46	636.43

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Notes to the financial statements (Continued)
for the year ended 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

Note 30 (Continued)
Financial instruments – Fair values and risk management (continued)

iii. Liquidity risk

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

The Company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company believes that the working capital is sufficient to meet its current requirements, accordingly no liquidity risk is perceived.

Financing arrangements **Particulars**	**31 March 2022**	**31 March 2021**
Fixed Long Term loan - Emergency Credit Line Guarantee Scheme	820.37	-
Bank overdraft	1,870.77	2,257.34
Floating rate - WCDL	-	150.00
	2,691.14	2,407.34

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

as at 31 March 2022			**Contractual cash flows**		
	Carrying amount	**Total**	**Less than 1 year**	**1yr to 2 yrs.**	**more than 2 yrs.**
Non-derivative financial liabilities					
Borrowings	820.37	820.37	-	-	820.37
Bank Overdraft	1,870.77	1,870.77	1,870.77		
Trade payables	9,169.30	9,169.30	9,169.30	-	-
Lease liabilities	1,505.94	1,800.89	444.04	417.57	939.29
Other financial liabilities	138.41	473.80	473.80	-	-
	13,504.78	14,135.13	- 11,957.91	417.57	1,759.66

as at 31 March 2021			Contractual cash flows		
	Carrying amount	Total	Less than 1 year	1yr to 2 yrs.	more than 2 yrs.
Non-derivative financial liabilities					
Borrowings	150.00	150.00	150.00	-	-
Bank Overdraft	2,257.34	2,257.34	2,257.34		
Trade payables	12,921.99	12,921.98	12,921.99	-	-
Lease liabilities	691.47	1,375.30	396.26	514.84	464.20
Other financial liabilities	1,033.58	1,033.58	212.45	821.13	-
	17,054.38	17,738.20	- 15,938.04	1,335.97	464.20

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Company is exposed to currency risk on account of its payables to foreign vendors in various foreign currency. The functional currency of the Company is Indian Rupee. However the Company has natural hedge, the collection from its customer is in equivalent INR which converts in various required currency and park it in SPFC (Special Purpose Foreign Currency) account and release the payment to its vendor as and when payable.

The Company enters into foreign currency transactions in the Foreign Exchange and Leisure Travel Outbound businesses. The currency risk arising out of foreign currency transactions in the Foreign Exchange business is monitored by a central dealing room, which then hedges the positions transactions entered into at individual locations across the country, through deals in the interbank market, or through forward contracts, thereby ensuring that there are minimal open positions. In the Leisure Travel Outbound business, package prices are denominated partly in the functional currency of the Company, Indian Rupees (INR), and partly in foreign currencies. The portion of customer collection in foreign currencies, which is parked in SPFC (Special Purpose Foreign Currency) accounts, is used to pay off vendor liabilities, denominated in foreign currencies, thereby creating a natural hedge. As a result, the risk related to foreign currency exchange rate fluctuation is insignificant.

Risk starts on the day of tour launch, when price is fixed in foreign currency. Tour price is collected around 15 days/ 1 month in advance and kept in SPFC account to meet payment obligations to Foreign Service providers.

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Notes to the financial statements (Continued)
for the year ended 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

Note 30 (Continued)

Financial instruments – Fair values and risk management (continued)

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

The currency profile of financial assets and financial liabilities as at 31 March 2022 is as below:

as at 31 March 2022 — **Amount in INR**

	USD	EUR	GBP	Others
Financial Assets				
Cash and cash equivalents	582.83	175.38	14.14	57.31
Other receivables including advances	328.26	67.63	6.37	164.84
	911.09	243.01	20.51	222.15
Financial Liabilities				
Trade and other payables	1,274.12	454.59	11.72	216.36
	1,274.12	454.59	11.72	216.36
Exchange Rates	75.79	84.22	99.46	
Net Exposure in Respective currencies	(363.03)	(211.58)	8.79	5.79

as at 31 March 2021 — Amount in INR

	USD	EUR	GBP	Others
Financial assets				
Cash and cash equivalents	1,113.37	683.73	16.69	556.57
Trade and other receivables including advances	441.54	124.61	1.52	175.32
	1,554.91	808.34	18.21	731.89
Financial liabilities				
Trade and other payables	1,161.91	911.04	19.07	310.08
	1,161.91	911.04	19.07	310.08
Exchange rate	73.52	86.09	100.95	
Net Exposure in Respective currencies	393.00	(102.70)	(0.86)	421.81

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against various currencies as mentioned above at March 31 2022 and March 31 2021 would have affected the measurement of financial instruments denominated in the respective currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast transactions to be held in the foreign currencies.

March 31, 2022 — **Amount in INR**

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	(3.57)	3.57	-	-
EUR	(2.14)	2.14	-	-
GBP	0.09	(0.09)	-	-

March 31, 2021 — Amount in INR

	Profit or Loss		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	3.98	(3.98)	-	-
EUR	(1.01)	1.01	-	-
GBP	(0.01)	0.01	-	-

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Notes to the financial statements (Continued)

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(All amount in Rs Lakhs, unless otherwise stated)

Note 30 (Continued)

Financial instruments – Fair values and risk management (continued)

Interest rate risk

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

	31 March 2022	31 March 2021
Variable rate of borrowings	**7.50%**	8.55%
Bank overdraft (Weighted average interest rate)	**8.67%**	8.58%

As at the end of the reporting period, the company had the following fixed and variable rate borrowings:

	31 March 2022		31 March 2021	
	Balance	**% of total loans**	Balance	% of total loans
Variable rate of borrowings	**824.00**	**31**	150.00	6
Bank overdraft	**1,870.77**	**69**	2,407.34	94
Net exposure to cash flow due to interest rate risk	**2,694.77**	**100**	2,557.34	100

Sensitivity

Profit or Loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.
Changes in interest rate are based on historical movement.

	Impact on profit after tax	
	31 March 2022	31 March 2021
Interest rates - increase by 100 basis points *	(17.53)	(16.64)
Interest rates - decrease by 100 basis points *	17.53	16.64

* Holding all other variables constant

Note 31

Contingent Liabilities and Commitments (to the extent not provided for)

	31 March 2022	31 March 2021
Contingent liabilities		
Claims against the Company not acknowledged as debts		
a. Disputed claims made by clients	**1,009.19**	1,076.31
b. Disputed Service Tax Demands	**4,598.39**	4,679.51
c. Provident Fund Liability on account of pending Supreme court judgment	**35.73**	35.73

(a) It is not practicable for the company to estimate the timing of cash flows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The company does not expect any reimbursement in respect of the above contingent liabilities.

(c) 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 March 31, 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.

Code on social security, 2020

The Indian Parliament has approved the code on social security, 2020 which would impact the contributions by the company towards provident fund and gratuity. The effective date from which the changes are applicabe is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The company is in the process of carrying out the evaluation and will give appropriate impact in standalone finacial statements in the period in which code becomes effective and the related rules to determine the financial impact are published

Commitments (to the extent not provided for)	31 March 2022	31 March 2021
a. Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	**14.66**	46.59

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(All amount in Rs Lakhs, unless otherwise stated)

Note 32

Relationship with Struck off Companies under section 248 of the companies Act, 2013

Sr No.	Name of the struck off company	Nature of transactions with struck off company	Balance Outstanding	Relationship with the struck off company, if any, to be disclosed
i	Rail- Travel Guides Pvt Ltd	Train Ticketing	0.02	NA
ii	Sachinam Holidays Tours	Franchisee	1.00	NA
iii	Net4 Network Services Ltd.	IT services	0.10	NA
iv	Sipsa Holidays Pvt. Ltd.	Franchisee	0.25	NA

Note 33
Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October, 2006, certain disclosures are required to be made relating to dues to Micro and Small Enterprises. On the basis of the information and records available with the management, there are no parties registered as micro and small enterprises.

Particulars	**31 March 2022**	31 March 2021
The amounts remaining unpaid to Micro and Small Suppliers as at the end of the year.		
-- Principal	-	-
-- Interest	0.84	0.84
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	28.32
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		
F.Y. 2020-2021	0.84	0.84
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	0.84	0.84

Note 34
Segment reporting

The Company is in the business of providing travel and related services to its retail and corporate customers which is considered by the chief operating decision maker ('CODM') as the only reportable business segment taking into account the nature of the business, the risk and returns, the organisation structure and internal reporting system, the Company also provides financial services which is not a material reportable segment and is largely considered to be an integral part of travel and related services. The travel and related services includes tour operations and travel management services, arranging air tickets, hotels, sightseeing, visa and other related services.

Further, the Company provides services within similar economic environments considering the origin of services and risks and rewards being similar across the said markets / environment, there are no separate reportable geographical segments. Accordingly, these financial statements are reflective of the information required by the Ind AS 108.

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Notes to the financial statements (Continued)

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Note 35

Capital Management

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

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

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

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

Note 36

Employee benefits

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

(i) Defined contribution plans:
The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Employee State Insurance Corporation, Labour Welfare Fund and National Pension Scheme which are 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 2022	31 March 2021
Employer's contribution to provident fund	179.13	212.30
Employee's State Insurance Corporation	1.90	10.60
National pension scheme	9.04	8.82
Labour welfare fund	0.23	0.35

(ii) Defined benefit plan:
Gratuity plan

The Company provides for Gratuity using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date, based on legislations as enacted up to the balance sheet date. Actuarial gains and losses are recognised in full in Other Comprehensiv Income in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested.

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

Compensated absences and leave encashment
As per the leave policy, every employee will be allotted 30 days of leave in the first week of January. No leaves can be carried forward to the next year whereby, the leave balance left unutilized on 31 December shall lapse. During the year, a sum aggregating to Rs. 3.27 (previous year Rs. 55.22) has been debited to 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 2022	31 March 2021
Gratuity		
Defined benefit asset-Gratuity plan	92.08	120.45
Defined benefit liability	498.47	494.06
Net defined benefit liability	406.39	373.61
- Non-current	396.45	373.61
- Current	9.94	-
Compensated absences		
Liability for compensated absences	58.48	55.22
Total employee benefit liabilities	464.87	428.83

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Notes to the financial statements (Continued)
for the year ended 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

Note 36 (Continued)
Employee benefits (Continued)

Movement in net defined benefit (asset) liability

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

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Opening balance as on 1 April 2021	494.06	637.55	120.45	277.95	373.61	359.60
Current service cost	56.02	52.90	-	-	56.02	52.90
Adjustment to opening fair value of plan assets	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-
Interest cost (income)	24.93	34.67	4.75	13.97	20.18	20.70
Settlements / benefits paid	-	-	-	-	-	-
	80.95	87.57	4.75	13.97	76.20	73.60
Included in OCI						
Remeasurement loss (gain):	-	-	-	-	-	-
Actuarial loss (gain)	(30.89)	(38.20)	-	-	(30.89)	(38.20)
Return on plan assets excluding interest income	-	-	12.53	21.41	(12.53)	(21.41)
	(30.89)	(38.20)	12.53	21.41	(43.42)	(59.59)
Other						
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	(45.65)	(192.86)	(45.65)	(192.86)	-	-
Closing balance as on 31 March 2022	498.47	494.06	92.08	120.45	406.39	373.61

Represented by

	31 March 2022	31 March 2021
Defined benefit asset	92.08	120.45
Defined benefit liability	498.47	494.06
Net defined benefit liability	406.39	373.61

The major categories of plans assets for gratuity are as follows

Particulars	31 March 2022			31 March 2021		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Insurer Managed Funds	92.07	-	92.07	120.45	-	120.45

Defined benefit obligations
i. Actuarial assumptions

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

	31 March 2022	31 March 2021
Discount rate	5.85%	5.55%
Salary escalation rate	6%	6%
Mortality rate	IALM (2012-14)	IALM (2012-14) Ult
Employee Attrition Rate		
Upto Age 30	28.29%	30.00%
Age 31-40	24.67%	22.00%
Age 41-50	18.97%	20.00%
Age 51-59	16.20%	11.00%

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

As at 31 March 2022, the weighted average duration of the defined benefit obligation was 4.35 years (31 March 2021 : 4.77 years)

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(All amount in Rs Lakhs, unless otherwise stated)

Note 36 (Continued)

Employee benefits (Continued)

ii. Sensitivity analysis

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

	31 March 2022		31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (2022 - 1% and 2021 :- 1% movement)	(10.64)	11.06	(11.54)	12.05
Future salary growth (2022 - 1% and 2021 :- 1% movement)	10.60	(10.31)	11.54	(11.17)

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

The following table shows expense recognised in Profit and Loss account and

	31 March 2022	31 March 2021
Current service cost	56.02	52.90
Past service cost	-	-
Interest income, net	20.18	20.70
	76.20	73.60

The following table shows remeasurement recognised in Other Comprehensive Income

	31 March 2022	31 March 2021
Actuarial loss (gain) /loss on deferred benefit obligation	(30.89)	(38.20)
Return on plan assets excluding interest income	(12.53)	(21.41)
	(43.42)	(59.61)

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 lump sum in nature the plan is not subject to any longevity risks.

Note 37

Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option programs (equity-settled)

Thomas Cook (India) Limited, the parent company has granted employee stock options to the Company's employees on the dates mentioned below. Under these plan, the holder of the vested options are entitled to purchase the shares of the holding company at exercise price as mentioned below.

The key terms and conditions related to the grants under these plans are as follows;

Plan	Method of Settlement	Grant date	No. of options	Exercise price	Vesting period
GT07NOV2016	Equity	7 November 2016	2.25	Rs. 1	100% of the options vest at the end of the 4 years i.e. 7-Nov-2020
ESOP 2018-MGMT	Equity	13 June 2018	4.22	Rs. 137.93	100% of the options vest at the end of the 3 years i.e. 13-June -2021
ESOP 2018-EXECOM	Equity	5 October 2018	0.97	Rs. 1	100% of the options vest at the end of the 5 years i.e. 5-Oct-2023

Share options outstanding at the end of the year have the following expiry date and exercise prices

Grant Date	Expiry date/ Expiry Year	Exercise price (Rs.)	March 31,2022 Share options	March 31,2021 Share options
7 November 2016	1 November 2040	1	-	2.25
13 June 2018	10 June 2031	137.93	1.80	2.13
5 October 2018	20 September 2043	1	0.57	0.57
Total			2.37	4.95
weighted average remaining contractual life of options outstanding at end of year			12.17 Years	15.66 Years

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for the year ended 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

Note 37 (Continued)
Share-based payment arrangements: (Continued)

B. Measurement of fair values

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using the Black-Scholes formula. The Black- Scholes model requires the consideration of certain variables such as volatility, risk free rate, expected dividend yield, etc. for the calculation of the fair value of the option. These variables significantly influence the fair value and any changes in these variables could significantly affect the fair value of the option.

Thomas Cook (India) Limited, the holding company ("TCIL") in a composite scheme of arrangement demerged its Human Resources Services Business and transferred it to Quess Corp Limited ("Quess"). The scheme was approved by the National Company Law Tribunal (NCLT) with the appointed date as April 1, 2019. The effective date of the scheme was November 25, 2019 when both TCIL and Quess filed the certified copies of the order with their respective jurisdictional Registrar of Companies.

As a part of the composite scheme, Employees whose ESOPs were outstanding on the effective date will be entitled to the additional shares of Quess on account of the demerger of Human Resource Business. Instead of altering the exercise price, TCIL provided additional award in form of Quess shares.

The employees are now entitled to shares of Quess along with those of TCIL in the same share entitlement ratio prescribed in the scheme for the other shareholders of TCIL.

In case of vested ESOPs, the employees will be granted shares of TCIL and Quess only on payment of the exercise price. In case of unvested ESOPs, the employees will be granted shares of TCIL and Quess on completion of the remaining vesting period and payment of the exercise price.

The options, to the extent, which are settled by shares of Quess do not meet the definition of a share-based payment arrangement because the value of shares of Quess is not based on the price or value of TCIL's equity instruments or any of its group entity's equity instruments.

The options to the extent which are settled by shares of Quess will be considered as an employee benefit within the scope of Ind AS 19.

The options settled by shares of TCIL continue to be considered as share based payments and are accounted as per IND AS 102.

		March 2022			March 2021	
	GT07NOV2016	ESOP 2018-MGMT	ESOP 2018-EXECOM	GT07NOV2016	ESOP 2018-MGMT	ESOP 2018-EXECOM
Fair value (Esop Expenses)	117.75	83.65	155.80	117.75	83.65	155.80
Fair value (Stock Expenses)	95.29	65.71	95.21	95.29	65.71	95.21
Number of options	-	1.80	0.57	2.25	2.13	0.57
Share price at grant date	218.55	248.63	256.20	218.55	248.63	256.20
Exercise price	1.00	137.93	1.00	1.00	137.93	1.00

C. Reconciliation of outstanding share options

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

Particulars	**Number of options**	**Weighted average exercise price**	Number of options	Weighted average exercise price
	31 March 2022	**31 March 2022**	31 March 2021	31 March 2021
Options outstanding as at the beginning of the year	4.95	58.77	7.44	78.64
Options granted during the year	-	-	-	-
Options Exercised during the year	2.41	103.26	-	-
Options lapsed/ forfeited during the year	0.16	137.93	2.49	118.18
Options outstanding as at the year end	2.38	104.85	4.95	58.77
Options vested and exercisable at the end of the year	-	-	-	-

D Expenses/shares option outstanding account arising from share based payment transactions

Total expenses arising from share-based payment related transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	**31 March 2022**	31 March 2021
Employee ESOP expenses	27.59	90.89
Employee Stock Expenses	17.71	68.38

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as at 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

Note 38

Related party transactions

(A) Names of related parties by whom control exists

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

(B) Parties over whom control exists

Relationships	Name of the parties
Subsidiary Company of SOTC Travel Limited	Travel Circle International (Mauritius) Limited (Holding 51% of total Equity.w.e.f 27 June 2017)

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

Relationships	Name of the parties
Fellow subsidiaries	TC Visa Services (India) Limited
	Travel Corporation (India) Limited (Amalgamated w.e.f. 25th November, 2019)
	TCI-Go Vacation India Pvt Ltd
	Allied Tpro (w.e.f 29th June 2017)
	Luxe Asia Private Limited
	Sterling Holiday Resorts Limited
	Quess Corp Limited (upto 31 March 2019)
	Asian Trails SDN BHD (Malaysia)
	Asian Trails Ltd. (Thailand)
	PT Asian Trails Ltd
	Asian Trails (Vietnam) Co. Ltd
	Kuoni Private Safaris (Pty) Ltd
	Private Safaris EA Ltd
	TC Tours Limited (formerly known as 'Thomas Cook Tours Limited')
	Thomas Cook Tours Limited
	Australia Tours Management Pty Ltd.
	DEI Holdings Ltd
	Thomas Cook (Mauritius) Holidays Limited
	Horizon Travel Services LLC
	Desert Adventures Tourism LLC
	Co-Achieve Solutions Private Limited (upto 31 March 2019)
	Travel Circle International Ltd Hongkong
	Asian Trails Holding Ltd.
	Kuoni Australia Holding Pty Ltd
	Thomas Cook (Mauritius) Operations Co Ltd
	TC Travel Services Limited
	Fairfax India Charitable Foundation
	Travel Corporation (India) Limited (formerly known as SOTC Travel Management Limited)

(D) Key Management Personnel / Directors and Management Council

Particulars	Name of the key management personnel
Managing Director	Mr. Vishal Suri
Directors of the Company	Mr. Madhavan Menon
	Mr. Nilesh Vikamsey
	Mrs.Kishori Udeshi
	Mr. Rahul Bhagat
	Mr. Debasis Nandy
Chief Financial Officer	Mr. Farroukh Kolah
Company Secretary	Ms. Kiran Agarwal (upto 20 May 2020)
	Mr. Chirag Vaja (from 29th May 2020 to 9th Nov 2020)
	Mr. Pravesh Palod (from 25th Jan 2021 to 3rd Nov 2021)
	Ms. Shaily Gupta (w.e.f 15th Apr 2022)
Members of Management Council	Mr. Vishal Suri
	Mr. Farroukh Kolah
	Mr. Indiver Rastogi
	Mr. S D Nandakumar
	Mr. Daniel Dsouza
	Ms. Deepti Sheth

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Related party transactions ***(Continued)***

(E) ***Related parties with whom transactions has taken place during the year***

Particulars	Year	Holding Company	Ultimate Holding Company	Subsidiaries	Fellow subsidiaries	Associates
Income from tours	**2022**	**94.40**	-	-	**(34.08)**	-
	2021	179.56	-	-	(148.43)	-
Cost of tours & related services	**2022**	**1,264.03**	-	-	**4,343.09**	-
	2021	340.65	-	-	1,120.50	-
Guarantee fees paid	**2022**	**0.82**	-	-	-	-
	2021	(0.03)	-	-	-	-
Expenses reimbursed	**2022**	**1,046.04**	-	-	**4.14**	-
	2021	1,162.68	-	-	5.10	-
Expenses recovered	**2022**	**94.62**	-	-	**29.99**	-
	2021	79.28	-	-	47.89	-
Interest expenses on ROU assets	**2022**	**52.67**	-	-	-	-
	2021	0.10	-	-	-	-
ROU lease liability	**2022**	**552.36**	-	-	-	-
	2021	7.39	-	-	-	-
Productivity linked bonus income	**2022**	-	-	-	-	-
	2021	-	-	-	59.20	-
Loan Receivable	**2022**	-	-	-	-	-
	2021	1,150.39	-	-	4,043.60	-
Term loan given during the year	**2022**	**3,700.00**	-	-	-	-
	2021	4,200.00	-	-	4,043.60	-
Term loan given (repaid) during the year	**2022**	**4,850.39**	-	-	**4,018.43**	-
	2021	4,150.39	-	-	-	-
Interest income on long term loan	**2022**	**6.43**	-	-	**57.89**	-
	2021	99.63	-	-	90.44	-
Provision for doubtful advances	**2022**	-	-	-	**74.03**	-
	2021	-	-	-	-	-
Receivables	**2022**	**6.38**	-	-	**85.79**	-
	2021	47.81	-	-	246.93	-
Advance to suppliers	**2022**	-	-	-	**74.03**	-
	2021	-	-	-	57.09	-
Payables	**2022**	**327.00**	-	-	**219.43**	-
	2021	561.88	-	-	1,614.01	-

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Notes to the financial statements (Continued)

as at 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

Related party transactions *(Continued)*

(F) Names of parties (subsidiaries and fellow subsidiaries) having related party transactions in excess of 10% in line transactions:

Particulars	Fellow subsidiaries	31 March 2022	31-Mar-21
Income from tours	TCI GO Vacation	(9.06)	(38.99)
	TC Tours Limited	2.97	(72.00)
	Travel Corporation (India) Limited	(27.99)	(37.45)
Cost of tours and related services *	TC Tours Limited	3,231.75	737.14
	Horizon Travel Services LLC	26.56	7.14
	Desert Adventures Tourism LLC	901.97	322.80
	TC Visa Services (India) Limited	167.49	53.42
	Travel Corporation (India) Limited	0.06	-
	Asian Trails (Thailand)	1.05	-
	Kuoni Private Safaris (Pty) Ltd	12.19	-
	Thomas Cook (Mauritius) Holidays Limited	2.02	-
Expenses reimbursed	Travel Corporation (India) Limited	4.14	4.53
	Luxe Asia	-	0.58
Expenses recovered	Travel Corporation (India) Limited	11.72	15.40
	Horizon Travel Services LLC	0.80	1.22
	Desert Adventures Tourism LLC	1.29	1.22
	Private Safaris EA Ltd	0.80	0.82
	Kuoni Private Safaris (Pty) Ltd	0.80	0.82
	Travel Circle International Ltd Hongkong	2.77	2.18
	DEI Holdings Ltd	4.48	0.99
	Asian Trails Holding Ltd.	3.69	3.74
	Kuoni Australia Holding Pty Ltd	0.92	0.93
	Thomas Cook (Mauritius) Operations Co Ltd	0.51	14.82
	Thomas Cook (Mauritius) Holidays Limited	0.85	4.35
	Thomas Cook Lanka (Private) Limited	1.36	1.39
	TC Travel Services Limited	-	-
Incentive paid (Netted off from Revenue)	TC Tours Limited	-	-
Productivity linked bonus	TC Tours Limited	-	59.20
Short term loan	Travel Circle International (Mauritius) Limited	-	4,043.60
Short term loan repaid	Travel Circle International (Mauritius) Limited	4,018.43	-
Interest income on term loan	Travel Circle International (Mauritius) Limited	57.89	90.44
Provision for doubtful advances	Luxe Asia Private Limited	74.03	-
Receivables	Travel Corporation (India) Limited	15.05	61.61
	TCI GO Vacation	1.84	18.37
	Horizon Travel Services LLC	12.26	1.65
	Desert Adventures Tourism LLC	1.59	0.31
	Kuoni Private Safaris (Pty) Ltd	2.05	1.25
	Thomas Cook Lanka (Private) Limited	2.75	1.39
	Private Safaris EA Ltd	0.77	1.04
	DEI Holdings Ltd	2.52	0.25
	Asian Trails Holding Ltd.	7.78	4.08
	Kuoni Australia Holding Pty Ltd	1.77	0.85
	TC Tours Limited	31.40	149.34
	Thomas Cook (Mauritius) Holidays Limited	4.01	3.16
	Thomas Cook (Mauritius) Operations Co Ltd	0.51	3.09
	Travel Circle International Ltd Hongkong	1.50	0.55
Payables	Travel Corporation (India) Limited	-	2.82
	Sterling Holiday Resorts Ltd	1.09	1.09
	Asian Trails (Thailand)	5.17	0.41
	Horizon Travel Services LLC	8.75	4.55
	Desert Adventures Tourism LLC	30.54	37.37
	Thomas Cook (Mauritius) Holidays Limited	-	6.31
	TC Tours Limited	95.51	1,515.33
	TC Visa Services (India) Limited	52.12	46.12
	Borderless Travel Services Ltd (BTSL)	26.25	-
Advance to suppliers	Luxe Asia Private Limited	74.03	57.09

Chartered Accountants

SOTC Travel Ltd. MUMBAI

Notes to the financial statements (Continued)

as at 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

(G) ***Related parties with Holding and Ultimate Holding Company***

Particulars	Holding and Ultimate Holding Company	31 March 2022	31 March 2021
Income from tours	Thomas Cook (India) Limited	**94.40**	179.56
Cost of tours and related services	Thomas Cook (India) Limited	**1,264.03**	340.65
Expenses reimbursed	Thomas Cook (India) Limited	**1,046.04**	1,162.68
Expenses recovered	Thomas Cook (India) Limited	**94.62**	79.28
Interest expenses on ROU assets	Thomas Cook (India) Limited	**52.67**	0.10
ROU lease liability	Thomas Cook (India) Limited	**552.36**	7.39
Guarantee Fees paid	Thomas Cook (India) Limited	**0.82**	(0.03)
Loan Receivable	Thomas Cook (India) Limited	-	1,150.39
Term loan given during the year	Thomas Cook (India) Limited	**3,700.00**	4,200.00
Term loan repaid during the year	Thomas Cook (India) Limited	**4,850.39**	4,150.39
Interest income on term loan	Thomas Cook (India) Limited	**6.43**	99.63
Receivables	Thomas Cook (India) Limited	**6.38**	47.81
Payables	Thomas Cook (India) Limited	**327.00**	561.88

(H) **Transactions with Key Management Personnel**

Particulars		31 March 2022	31 March 2021
Salaries and other employee benefits to whole-time directors and executive officers			
	Mr. Vishal Suri	**625.24**	113.65
	Mr. Farroukh Kolah	**52.96**	36.55
	Ms. Kiran Agarwal (upto 20th May 2020)	-	7.09
	Mr. Chirag Vaja (from 29th May 2020 to 9th Nov 2020)	-	1.69
	Mr. Pravesh Palod (w.e.f. 25th Jan 2021)	-	0.89
	Mr. S D Nandakumar	**97.47**	67.42
	Mr. Daniel Dsouza	**82.93**	53.54
	Ms. Deepti Sheth	**41.17**	27.02
Commission and other benefits to non-executive/independent directors		-	-
Gratuity is contributed for the company as whole and hence excluded			

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SOTC Travel Ltd. MUMBAI

(All amount in Rs Lakhs, unless otherwise stated)

Note 39

	Financial performance ratios	Numerator	Denominator	31 March 2022	31 March 2021	% Change
A	**Performance Ratios**					
	Net Profit ratio (i)	Loss after tax	Revenue from operations	-18%	-116%	-85%
	Net Capital Turnover Ratio (in times) (ii)	Revenue from operations	Average working capital = (Opening net current assets + Closing net current assets)/2*	(0.98)	(0.44)	121%
	Return on Capital Employed #	Loss before interest and tax	Capital Employed = Tangible Net Worth ** + Total Debt + Lease Liabilities	-56%	-98%	NA
	Return on Equity ratio	Loss after tax	Average total equity = (Opening total equity + Closing total equity)/2	-73%	-76%	-4%
	Return on Investment (iv)	Income generated from invested fund in the market	Average invested fund in market= (Opening funds in the market+ Closing funds in the market)/2	6%	5%	32%
	Debt Service Coverage ratio #	Loss before interest, tax and , Depreciation and amortisation	Borrowings principal payments, Interest and lease payment	NA	NA	NA
B	**Leverage Ratios**					
	Debt- Equity Ratio (iii)	Total Borrowings	Total Equity	2.09	0.84	148%
C	**Liquidity Ratios**					
	Current ratio #	Current Assets	Total Current Liabilities	0.30	0.55	-46%
D	**Activity Ratio**					
	Inventory Turnover ratio	Cost of services	Closing inventory	NA	NA	NA
	Trade Receivable Turnover Ratio (iv)	Revenue from operations	Average trade receivables = (Opening trade receivable + Closing trade receivable)/2	8.25	1.28	543%
	Trade Payable Turnover Ratio (iv)	Cost of services	Average trade payable = (Opening trade payable + Closing trade payable)/2	1.02	0.53	91%

* Net current assets = Total current assets - Total current liability

**Tangible net worth = Total net worth - Intangible assets (including intangible asset under development and goodwill)

Since the Company has incurred losses

Reason for Variance

i Due to improvement in the business operation resulted in reduction in losses post Covid 19 pandamic

ii Due to reduction in working capital.

iii The ratio has increased because company has borrowed term loan from HDFC (ECLGS).

iv Due to improvement in the business operation post Covid 19 pandamic.

Note 40

Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or is pending against the Company, for holding any Benami property.

(ii) The Company does not have any charges or satisfaction of such charges which are yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company does not have any transaction which is not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey) or any other relevant provisions of the Income-tax Act, 1961.

Chartered Accountants

SOTC Travel Ltd. MUMBAI

SOTC Travel Limited

Statement of cash flows *(Continued)*
for the year ended 31 March 2022

(All amount in Rs Lakhs, unless otherwise stated)

	For the year ended 31 March 2022 Amount	For the year ended 31 March 2021 Amount
Reconciliation of Cash and Cash equivalents with the Balance Sheet		
Cash and Bank Balances as per Balance Sheet	**(991.99)**	1,526.63
Cash and Cash equivalents as restated as at the year end	**(991.99)**	1,526.63

Note:
Components of cash and cash equivalents consists of:

Cash on hand	**2.39**	20.84
Balance with Banks		
Current Account	**876.39**	3,763.13
Less: Bank Overdraft	**(1,870.77)**	(2,257.33)
	(991.99)	1,526.63

Reconciliation between opening and closing balances in the Balance Sheet for liabilities arising from financing activities

Opening Term Loan from Bank	**150.00**	900.00
Proceeds from borrowings	**820.37**	150.00
Repayments of borrowings	**(150.00)**	(900.00)
Closing Term Loan from Bank	**820.37**	150.00

Notes:
1. The above statement of cash flow has been prepared under the 'Indirect method' as set out in the Indian Accounting Standard (IND AS) 7 - "Statement of cash flow".

	Note
Significant accounting policies	*1B*
Notes to the financial statements	*2-43*

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

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

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070
Mumbai
23 May 2022

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

Madhavan Menon
Chairman
[DIN: 00008542]

Vishal Suri
Managing Director
[DIN: 06413771]

Farroukh Kolah
Chief Financial Officer
Mumbai
16-May-22

Shaily Gupta
Company Secretary
[CS No: A24078]

B S R & Co. LLP
Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

INDEPENDENT AUDITORS' REPORT

To the Members of SOTC Travel Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SOTC Travel Limited ("the Company"), which comprise the balance sheet as at 31 March 2022, 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 31 March 2022, 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 on the financial statements.

Emphasis of matter

We drawn attention to Note 1B.2 of the financial statements, the possible effect in uncertainties relating to Covid-19 pandemic on the Company's financial performance as assessed by the management.

Our opinion is not modified in respect of this matter.

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

Registered Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditors' Report *(Continued)*
SOTC Travel Limited

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 Company's directors report but does not include the financial statements and our auditors' report thereon. The Board report is expected to be made available to us after the date of the 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' 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 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, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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.

Independent Auditors' Report *(Continued)*
SOTC Travel Limited

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

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 in the financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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.

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Independent Auditors' Report *(Continued)*
SOTC Travel Limited

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

2. (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 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 Auditors' 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:

a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 31 to the financial statements;

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

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Independent Auditors' Report *(Continued)*

SOTC Travel Limited

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

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

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Chartered Accountants

Independent Auditors' Report *(Continued)*
SOTC Travel Limited

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

(C) With respect to the matter to be included in the Auditors' 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's Registration No.: 101248W/ W-100022

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No. 042070
UDIN : 22042070AJLFHF3843

Place: Mumbai
Date: 23 May 2022

SOTC Travel Limited

Annexure "A" to the Independent Auditor's Report on the financial statements of SOTC Travel Limited for the year ended 31 March 2022

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2022, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and Right of Use Assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of two years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, clause3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii) (a) The Company is a service company, primarily rendering travel and related services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of corporate guarantee. In our opinion, the monthly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

Annexure "A" to the Independent Auditor's Report *(continued)*

iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided security or guarantee or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has provided loans, secured or unsecured in respect of which the requisite information is as below. The Company has not provided guarantee and loans, secured or unsecured to firms, limited liability partnership or any other parties.

A. the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates as below.

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity as below:

Particulars (Amount in lakhs)	**Guarantees**	**Security**	**Loans**	**Advances in nature of loans**
Aggregate amount during the year				
- Subsidiaries*	-	-	-	-
- Joint ventures*	-	-	-	-
- Associates*	-	-	-	-
Others	-	-	1,700	-
Balance outstanding as at balance sheet date				
- Subsidiaries*	-	-	-	-
- Joint ventures*	-	-	-	-
- Associates*	-	-	-	-
Others	-	-	-	-

**As per Companies Act, 2013*

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loan during the year is, prima facie, not prejudicial to the interest of the Company. Further, the Company has not made any investment, provided guarantee, given any security and any advance in the nature of loan during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

BSR & Co. LLP Mumbai - 400 063 Chartered Accountants

SOTC Travel Limited

Annexure "A" to the Independent Auditor's Report *(continued)*

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company and loans given, in our opinion the provisions of Section 186 of the Act have been complied with.

v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for any of the services provided by the Company. Accordingly, clause 3(vi) of the Order is not applicable.

vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Cess and other material statutory dues have generally been regularly deposited by the company with the appropriate authorities though there have been slight delays in a few cases of Provident Fund, ESIC, Professional Tax and Labour Welfare Fund.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

BSR & Co. LLP Chartered Accountants

SOTC Travel Limited

Annexure "A" to the Independent Auditor's Report *(continued)*

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Cess or other material statutory dues which have not been deposited on account of any dispute are as follows:

Nature of Statute	Nature of Dues	Amount Demanded	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Finance Act, 1994	Service tax	227,772,514	2006-2015	CESTAT	None
The Finance Act, 1994	Service tax	64,06,240	2006-2010	CESTAT	None
The Finance Act, 1994	Service tax	7,03,04,341	2006-2009	CESTAT	None
The Finance Act, 1994	Service tax	1,27,41,876	2006-2012	CESTAT	None
The Finance Act, 1994	Service tax	6,0559,936	2015-2016	CESTAT	None
The Finance Act, 1994	Service tax	2,99,37,382	2009-2011	Commissioner of Service Tax	None
The Finance Act, 1994	Service tax	84,45,459	2011-2015	Assistant Commissioner Service Tax	None
The Finance Act, 1994	Service tax	4,36,31,401	2016-2018	Commissioner of Service Tax	None

viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions or any other lender during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

BSR & Co. LLP
Chartered Accountants

Annexure "A" to the Independent Auditor's Report *(continued)*

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

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

xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

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

xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

BSR & Co. LLP Chartered Accountants

Annexure "A" to the Independent Auditor's Report *(continued)*

xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

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

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable

xvii) The Company has incurred cash losses of INR 2,841.16 lakhs in the current financial year and INR 6,090.77 lakhs in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

SOTC Travel Limited

Annexure "A" to the Independent Auditor's Report *(continued)*

xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

B. H. Dhupelia

Bhaveshkumar Dhupelia
Partner
Membership No. 042070
UDIN : 22042070AJLFHF3843

Place: Mumbai
Date: 23 May 2022

SOTC Travel Limited

Annexure "B" to the Independent Auditors' report on the financial statements of SOTC Travel Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of SOTC Travel Limited ("the Company") as of 31 March 2022 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 31 March 2022, 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").

Auditors' 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.

BSR & Co. LLP
Chartered Accountants
Mumbai - 400 063

SOTC Travel Limited

Annexure "B" to the Independent Auditor's Report *(Continued)*

Auditors' Responsibility *(Continued)*

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 financial statements, whether due to fraud or error.

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

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's Registration No.: 101248W/ W-100022

B. H. Dhupelia

Bhaveshkumar Dhupelia
Partner
Membership No. 042070
UDIN : 22042070AJLFHF3843

Place: Mumbai
Date: 23 May 2022

Independent Auditor's Report

To the Members of Indian Horizon Marketing Services Limited

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Indian Horizon Marketing Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("the Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("the SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in report of board of directors but does not include the standalone financial statements and our auditor's report thereon.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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

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influence the economic decisions of users taken on the basis of these standalone 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 standalone 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 system 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.

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

   (i) 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;

   (ii) 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;

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

   (iv) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

   (v) On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;

   (vi) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

   (vii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company;

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

      a) The Company does not have any pending litigations, which would impact the financial position of the Company;

G. M. KAPADIA & CO. MUMBAI ★ Chartered Accountants ★

b) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts ;

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

d) (i) The Management has represented that, to the best of its knowledge and belief, as stated in note no. 24, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, as stated in note no. 24, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material mis-statement; and

e) The Company has neither declared nor paid any dividend during the year.

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

G. M. KAPADIA & CO. MUMBAI ★ Chartered Accountants ★

Atul Shah
Partner
Membership No. 039569

Place: Mumbai
Dated: 16 MAY 2022

UDIN:22039569AJGNUH4676

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022 :

To the best of our information and according to the explanation provided to us by the Company and the books of account and records examined by us in the normal course of our audit, we state that:

(i) (a) to (d) The Company does not have any property, plant and equipment and hence provision of paragraph 3(i)(a) to (d) of the Order is not applicable; and

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under paragraph 3(ii) (b) of the Order is not applicable.

(iii) (a) to (f) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under paragraph 3(iii)(a) to (f) of the Order are not applicable to the Company.

(iv) The Company has not granted any loan, made investment or provided guarantee or security to the parties covered under section 185 and 186 of the Act. Therefore, paragraph 3(iv) of the Order is not applicable to the Company.

(v) The Company has not accepted deposits or amounts which are deemed to be deposits therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

by the Company. Hence, reporting under paragraph 3(vi) of the Order is not applicable.

(vii) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues such as goods and services tax, income tax, cess and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable were in arrears as at March 31, 2022, for a period of more than six months from the date they became payable; and

(b) There are no such statutory dues as referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2022, on account of dispute.

(viii) There are no transaction which are not recorded in the books of accounts and have been surrended or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under paragraph 3(ix)(a) of the Order is not applicable to the Company;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The Company has not taken any terms loan. Accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable to the Company;

(d) The Company has not raised any funds on short-term basis. Accordingly, the reporting under paragraph 3(ix)(d) of the Order is not applicable to the Company; and

(e) & (f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under paragraph 3(ix)(e) and (f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company; and

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the current financial year. Accordingly, the reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

(xi) (a) We have neither come across any instance of fraud by the Company or any material instance of fraud on the Company by its officers or employees, noticed or reported during the year;

(b) No report under section 143(12) of the Act has been filed during the year by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government; and

(c) There are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv)(a) & (b) The Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

(xv) The Company has not entered into any non-cash transactions with its directors. We have been informed that no such transactions have been entered into with persons connected with directors.

(xvi)(a) to (c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3(xvi) (a), (b) and (c) of the Order is not applicable; and

(d) The Group does not have any CIC as part of the Group as per definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under paragraph 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses amounting to Rs. 0.78 lakhs during the financial year covered by our audit and Rs.0.40 lakhs in the immediately preceding financial year;

(xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3(xviii) of the Order is not applicable.

(xix) In view of losses incurred by the Company and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, in our opinion though material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

when they fall due within a period of one year from the balance sheet date, management has represented and as stated in the Note 23 to the financial statements that, the Holding Company has undertaken to provide financial support that may be required in Company's obligation towards third parties.

(xx) The provisions of section 135(5) and 135(6) of the Act are not applicable to the Company. Accordingly, the reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable to the Company

(xxi) The Company does not have subsidiary, associate or joint venture hence is not required to prepare consolidated financial statements. Accordingly, reporting on paragraph 3(xxi) of the Order is not applicable.

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN:22039569AJGNUH4676

Place: Mumbai
Dated: 16 MAY 2022

Annexure B to the Independent Auditor's Report
Referred to in paragraph 2(vi) under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022

Opinion

We have audited the internal financial controls with reference to the standalone financial statements of the Company as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to the standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as at March 31, 2022 based on the internal controls with reference to the standalone financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the standalone 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 includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the standalone 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 the standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to the standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Place: Mumbai
Dated: 16 MAY 2022

UDIN:22039569AJGNUH4676

Indian Horizon Marketing Services Limited
Balance Sheet as at March 31, 2022

(Amount in Thousands)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
Deferred Tax Assets (Net)	3	10	10
Total Non-Current Assets		**10**	**10**
Current Assets			
Financial Assets			
- Cash & Cash Equivalents	4	52	99
Other current assets	5	7	-
Current Tax Assets	6	9	10
Total Current Assets		**68**	**109**
TOTAL ASSETS		**78**	**119**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	7	500	500
Other Equity - Reserve & Surplus	8	(514)	(435)
Total Equity		**(14)**	**64.957**
LIABILITIES			
Current Liabilities			
Financial Liabilities			
- Other financial liabilities	9	92	54
Other Current Liabilities	10	-	-
Total Current Liabilities		**92**	**54**
TOTAL LIABILITIES		**92**	**54**
TOTAL EQUITY AND LIABILITIES		**78**	**119**

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

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: May 16, 2022
Place: Mumbai

For and on behalf of the Board of Directors

Rambhau Kenkare
Director
DIN No. 01272743

Date: May 16, 2022
Place: Mumbai

Debasis Nandy
Director
DIN No. 06368365

Date: May 16, 2022
Place: Mumbai

Indian Horizon Marketing Services Limited
Statement of Profit And Loss for the Year Ended March 31, 2022

(Amount in Thousands)

Particulars	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Income			
Other income	11	-	-
Total income		-	-
Expenses			
Finance Cost	12	-	0
Other expenses	13	78	40
Total expenses		78	40
Profit before tax		(78)	(40)
Less: Tax expense	14		
Current tax		-	-
Deferred tax		-	-
Total tax expenses		-	-
Profit for the year (A)		(78)	(40)
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)		(78)	(40)
Earnings per equity share (Face value of INR 10 each)	19		
- Basic earnings per share (In INR)		(1.57)	(0.80)
- Diluted earnings per share (In INR)		(1.57)	(0.80)

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: May 16, 2022
Place: Mumbai

For and on behalf of the Board of Directors

Rambhau Kenkare
Director
DIN No. 01272743

Date: May 16, 2022
Place: Mumbai

Debasis Nandy
Director
DIN No. 06368365

Date: May 16, 2022
Place: Mumbai

Indian Horizon Marketing Services Limited
Statement of Cash Flows for the Year Ended March 31, 2022

(Amount in Thousands)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
A) Cash flow from operating activities		
Profit before income tax	(78)	(40)
Adjustments for:		
Interest income on bank deposit	-	-
Operating profit before changes in operating assets and liabilities	(78)	(40)
Change in operating assets and liabilities:		
Increase/(Decrease) in Other financial Liabilities	38	41
Increase/(Decrease) in Other Liabilities	-	(0)
Increase/ (Decrease) in Other Assets	(7)	-
Increase/ (Decrease) in Other Financial Assets	-	-
Cash generated from operations	(47)	1
Income taxes paid	(0)	-
Net cash inflow from operating activities	(48)	1
B) Cash flow from investing activities:		
Interest Received	-	-
Invesment in Subsidiaries	-	-
Dividend received on Mutual Funds	-	-
Proceeds / (Investment) in Bank fixed deposits	-	-
Net cash inflow/(outflow) from investing activities	-	-
C) Cash flow from financing activities		
Proceeds from issue of equity shares under employees stock options schemes	-	-
Share application money pending allotment	-	-
Repayment of leases (net)	-	-
Proceeds from Borrowing	-	-
Repayment of Borrowings	-	-
Dividend paid during the year	-	-
Net cash generated from/(used in) financing activities	-	-
Net increase in cash and cash equivalents	(48)	1
Add: Cash and cash equivalents at the beginning of the financial year	99	99
Cash and cash equivalents at the end of the year	52	100
Reconciliation of Cash Flow statements as per the cash flow statement	**31 March 2022**	**31 March 2021**
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	52	99
Bank Overdrafts	-	-
Balances as per statement of cash flows	52	99

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: May 16, 2022
Place: Mumbai

For and on behalf of the Board of Directors

Rambhau Kenkare
Director
DIN No. 01272743

Date: May 16, 2022
Place: Mumbai

Debasis Nandy
Director
DIN No. 06368365

Date: May 16, 2022
Place: Mumbai

STATEMENT OF CHANGES IN EQUITY

Equity share capital

Particulars	Amount
Balance as at April 1, 2020	**500**
changes in equity share capital during the year	-
Balance as at March 31, 2021	**500**
changes in equity share capital during the year	-
Balance as at March 31, 2022	**500**

Other Equity

	Reserves and Surplus		
Particulars	**Capital Contribution**	**Retained Earnings**	**Total Other Equity**
Balance as at April 1, 2020	**-**	**(395)**	**(395)**
Profit for the year	-	(40)	(40)
Other Comprehensive Income	-	-	-
Transaction with owners in their capacity as owners			
Employee Stock Option Expense	-	-	-
Balance as at March 31, 2021	**-**	**(435)**	**(435)**
Profit for the year	-	(78)	(78)
Other Comprehensive Income	-	-	-
Balance as at March 31, 2022	**-**	**(514)**	**(514)**

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

Atul Shah
Partner
Membership No. 39569

Date: May 16, 2022
Place: Mumbai

For and on behalf of the Board of Directors

Rambhau Kenkare
Director
DIN No. 01272743

Date: May 16, 2022
Place: Mumbai

Debasis Nandy
Director
DIN No. 06368365

Date: May 16, 2022
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, 2021 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.

Indian Horizon Marketing Services Limited

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

Indian Horizon Marketing Services Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 3: Deferred Tax Assets (Net)

The balance comprises of temporary differences attributable to:

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax on Business Losses	10	10
Net Deferred Tax Assets	**10**	**10**

Note 4: Financial Assets - Cash and Cash Equivalents:

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks - In current accounts	52	99
Total Cash and cash equivalents	**52**	**99**

Note 5:Other current assets:

Particulars	As at March 31, 2022	As at March 31, 2021
Balances receivables from government authorities	7	-
Total Cash and cash equivalents	**7**	**-**

Note 6: Current Tax Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Tax	9	10
Closing Balances - Current Tax Asset/(Liabilities)	**9**	**10**

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 7: Equity Share Capital

Equity Share capital (Amount in Thousands)

Particulars	No of Shares (In Thousands)	Amount
AUTHORISED		
As at April 1, 2020	3,000	30,000
Increase during the year	-	-
As at March 31, 2021	3,000	30,000
Increase during the year	-	-
As at March 31, 2022	3,000	30,000

(i) Movement in Equity Share Capital during the Year

Particulars	No of Shares (In Thousands)	Amount
As at April 1, 2020	50	500
Add: No of Shares issued during the year	-	-
As at March 31, 2021	50	500
Add: No of Shares issued during the year	-	-
As at March 31, 2022	50	500

(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, 2022		As at March 31, 2021	
	No of Shares (In Thousands)	Amount	No of Shares (In Thousands)	Amount
Equity Shares				
Thomas cook (India) Limited(Holding Company) and its Nominees	50	500	50	500

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

Category of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No of Shares (In Thousands)	% of Holding	No of Shares (In Thousands)	% of Holding
Equity Shares				
Thomas cook (India) Limited(Holding Company) and its Nominees	50	100%	50	100%
Total Other Financial Assets	50	100%	50	100%

(v) Shares held by the promoters at the end of the year

Name of Promoter	As at March 31, 2022		
	No of Shares (In Thousands)	% of Holding	% Change during theyear
Equity Shares			
Thomas cook (India) Limited(Holding Company) and its Nominees	50	100%	-

Name of Promoter	As at March 31, 2021		
	No of Shares	% of Holding	% Change during theyear
Equity Shares			
Thomas cook (India) Limited(Holding Company) and its Nominees	50	100%	-

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 8: Reserves and surplus (Amount in Thousands)

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings	(514)	(435)
Total reserves and surplus	**(514)**	**(435)**

Retained Earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	**(435)**	**(395)**
Net Profit for the year	(78)	(40)
Items of other Comprehensive income recognised directly in retained earnings	-	-
Closing Balance	**(514)**	**(435)**

Note 9: Other Financial Liablities

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from Related Party	-	-
Liabilities against expense	93	54
Total Other Financial Liablities	**93**	**54**

Note 10: Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Dues	-	-
Total Other Current Liabilities	-	-

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 11: Other Income

(Amount in Thousands)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Other Miscellaneous Income	-	-
Total	-	-

Note 12: Finance Costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Other Finance Charges	-	0
Total	-	**0**

Note 13: Other Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Legal and Professional Charges #(Refer note below "a")	78	40
Miscellaneous Expenses	-	-
Total	**78**	**40**

Legal and Professional charges include auditors remuneration

(a): Details of payments to auditors

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Payment to auditors		
As auditor:		
-Statutory Audit	12	25
-Tax Audit	-	-
Total payments to auditors	**12**	**25**

Note 14: Income Tax Expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
increase in deferred tax assets	-	-
Total deferred tax credit	-	-
Income tax expense	-	-

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit from continuing operations before income tax expense	(78)	(39.918)
Tax at the Indian tax rate of 25.17% (PY - 25.17%)	**(20)**	**(10)**
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	20	10
Income tax expense	-	-

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 15: 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 16: Financial risk management

Being a non - operating company, the company is not exposed to any kind of risk.

Note 17: 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, 2022 and March 31, 2021.

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 18: 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, 2022	As at March 31, 2021
Thomas Cook (India) Limited, India ("TCIL") holds 100% of Equity Shares of the Company. (Fairbridge Capital (Mauritius) Limited, Mauritius ("FCML") holds 70.58% of Equity Shares of TCIL. FCML is a stepdown subsidiary of Fairfax Financial Holdings Limited, Canada, the ultimate holding company.)	Parent entity	India	100%	100%

(b) Key Management personnel

Particulars
Debasis Nandy
R R Kenkare
Abraham Alapatt

* There are no transaction with the related parties for the year ended March 31, 2022(March 31, 2021:NIL).

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 19: Earnings Per Share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit attributable to equity shareholders	(78)	(40)
Weighted average number of outstanding shares	50	50
(a) Basic earnings per share		
Attributable to the equity holder of the company	(2)	(1)
(b) Diluted earnings per share		
Attributable to the equity holder of the company	(2)	(1)

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

Particulars	March 31, 2022	March 31, 2021
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	(78)	(40)
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	**(78)**	**(40)**

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

Particulars	March 31, 2022	March 31, 2021
Weighted average number of equity shares used as the denominator in calculating basic earning per share	50	50
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	50	50

Indian Horizon Marketing Services Limited

Indian Horizon Marketing Services Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

Note 20: Segmental Reporting
Since the Company has no operations, there are no reportable segments.

Note 21: 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, 2022. 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 22: Key Financials Ratio's

Ratio Analysis	Numerator	Denominator	For the year ended 31 March 2022	For the year ended 31 March 2021	Variance	Remark
Current Ratio	Total Current Assets	Total Current Liabilities	0.74	2.01	-63%	Reduction in current Assets from 1.09 Lac to 0.69 Lac and increase in current liability from 0.54 to 0.92 Lac and hence reduction in current Ratio from 2.01 to 0.75
Return on Equity Ratio	Profir After Tax	Closing Shareholders Equity	5.80	-0.61	-1043%	Increase in loss from 0.40 Lac to 0.78 Lac and Equity from 00.65 Lac to -00.14 Lac and hence increase in ROE Ratio from -0.61 to 5.80
Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	0.00	0.00	0%	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payable	0.27	0.29	-8%	
Net capital turnover ratio	Net Sales	Net Working Capital	0.00	0.00	0%	
Net profit ratio	Profit for the year	Total Non-Current Assets	-782%	-398%	97%	Reduction in loss from 0.40 Lac to 0.78 Lac and hence reduction in Net Profit Ratio from -398% to -782%
Return on Capital employed	Profit before tax and Finance Cost	Total Equity	580%	-61%	-1046%	Increase in loss from 0.40 Lac to 0.78 Lac and Equity from 00.65 Lac to -00.14 Lac and hence increase in Return on Capital Employed Ratio from -61% to 580%
Return on investment	Net Profit	Cost of the Investment	-	-	-	NA
Debt-Equity Ratio	Debt	Equity	-	-	-	NA
Debt Service Coverage Ratio	Net Operating Income	Debt Service	-	-	-	NA
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	-	-	-	NA

Note 23: As at March 31, 2021, 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 16, 2022 by written support letter.

Note 24:
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 25: Additional Regulatory Information detailed in clause 6Y of General Instructions given in Part I of Division I of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

Note 26: Previous year's figures has been regrouped/rearranged wherever necessary to confirm with current year's figure.

Signatures to Notes 1 to 26 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

G. M. KAPADIA & CO. MUMBAI ★ Chartered Accountants ★

Atul Shah
Partner
Membership No. 39569

Date: May 16, 2022
Place: Mumbai

For and on behalf of the Board of Directors

Rambhau Kenkare
Director
DIN No. 01272743

Date: May 16, 2022
Place: Mumbai

Debasis Nandy
Director
DIN No. 06368365

Date: May 16, 2022
Place: Mumbai

Independent Auditor's Report

To the Members of BORDERLESS TRAVEL SERVICES LIMITED

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **BORDERLESS TRAVEL SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("the Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("the SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in report of the board of directors but does not include the standalone financial statements and our auditor's report thereon.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial

G. M. KAPADIA & CO. MUMBAI ★ Chartered Accountants ★

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 standalone 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 system 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.

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

   (i) 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;

   (ii) 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;

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

   (iv) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

   (v) On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;

   (vi) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

   (vii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company;

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

   a) The Company does not have any pending litigations, which would impact the financial position of the Company;

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

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

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

d) (i) The Management has represented that, to the best of its knowledge and belief, as stated in note no.24 no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, as stated in note no.24 no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material mis-statement;

e) The Company has neither declared nor paid any dividend during the year.

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN:22039569AJGNNJ2991

Place: Mumbai
Dated: 16 MAY 2022

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022 :

To the best of our information and according to the explanation provided to us by the Company and the books of account and records examined by us in the normal course of our audit, we state that:

(i) (a) to (d) The Company does not have any property, plant and equipment and hence provision of paragraph 3(i)(a) to (d) of the Order is not applicable; and

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under paragraph 3(ii)(b) of the Order is not applicable.

(iii) (a) to (f) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under paragraph 3(iii)(a) to (f) of the Order is not applicable to the Company.

(iv) The Company has not granted any loan, made investment or provided guarantee or security to the parties covered under Section 185 and 186 of the Act. Therefore, paragraph 3(iv) of the Order is not applicable to the Company.

(v) The Company has not accepted deposits from the public and therefore, the provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder are not applicable to the Company. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Hence, reporting under paragraph 3(vi) of the Order is not applicable.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

(vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues, as applicable, to the appropriate authorities. According to the information and explanations given to us and based on verification carried out by us on test basis, there are no arrears of statutory dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date, they became payable; and

(b) There are no such statutory dues as referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2022, on account of dispute.

(viii) There are no transaction which are not recorded in the books of accounts and have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under paragraph 3(ix)(a) of the Order is not applicable to the Company;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The Company has not taken any terms loan. Accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable to the Company;

(d) The Company has not raised any funds on short-term basis. Accordingly, the reporting under paragraph 3(ix)(d) of the Order is not applicable to the Company;

(e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under paragraph 3(ix)(e) of the Order is not applicable; and

(f) The Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, the reporting under paragraph 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company; and

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the current financial year. Accordingly, the reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

(xi) (a) We have neither come across any instance of fraud by the Company or any material instance of fraud on the Company by its officers or employees, noticed or reported during the year;

(b) No report under section 143(12) of the Act has been filed during the year by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government; and

(c) There are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) (a) & (b) The Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

(xv) The Company has not entered into any non-cash transaction with directors. We have been informed that no such transactions have been entered into with persons connected with directors.

(xvi) (a) to (c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3(xvi) (a), (b) and (c) of the Order is not applicable; and

(d) The Group does not have any CIC as part of the Group as per definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under paragraph 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses amounting to Rs.115 Lakhs during the financial year covered by our audit and Rs.77.5 Lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3(xviii) of the Order is not applicable.

(xix) In view of losses incurred by the Company and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, in our opinion though material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date,

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

management has represented and as stated in the Note 22 to the financial statements that, the Holding Company has undertaken to provide financial support that may be required in Company's obligation towards third parties.

(xx) Based on the audit procedures performed by us, the provisions of sub-section (5) and (6) of section 135 of Act are not applicable to the Company. Accordingly, the reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable to the Company.

(xxi) The Company does not have subsidiary, associate or joint venture hence is not required to prepare consolidated financial statements. Accordingly, reporting on paragraph 3(xxi) of the Order is not applicable.

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

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN:22039569AJGNNJ2991

Place: Mumbai
Dated: 16 MAY 2022

Annexure B to the Independent Auditor's Report

Referred to in paragraph 2(vi) under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022

Opinion

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022 based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone 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 G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Place: Mumbai
Dated: 16 MAY 2022

UDIN:22039569AJGNNJ2991

Borderless Travel Services Limited
Balance Sheet as at Mar 31, 2022

(Amount in Lacs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
Deferred Tax Assets	3	51.3	18.8
Total Non-Current Assets		**51.3**	**18.8**
Current assets			
Financial Assets			
Cash & Cash Equivalents	4.1	47.2	15.9
Other Financial Assets	4.2	26.3	26.3
Other current assets	5	0.9	0.8
Total Current Assets		**74.4**	**43.0**
TOTAL ASSETS		**125.7**	**61.8**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	6	0.5	0.5
Other equity			
-Reserve & surplus	7	(144.1)	(64.4)
Total Equity		**(143.6)**	**(63.9)**
LIABILITIES			
Non-Current liabilites			
Employee Benefit Obligations	8	26.2	24.1
Current liabilities			
Financial liabilities			
- Loans	9	150.0	12.0
- Other financial liabilities	9	85.6	69.4
Employee Benefit Obligations	8	4.5	18.2
Other current liabilities	10	3.0	2.0
Total current liabilities		**243.1**	**101.6**
TOTAL LIABILITIES		**269.3**	**125.7**
TOTAL EQUITY AND LIABILITIES		**125.7**	**61.8**

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

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: 16.05.2022
Place: Mumbai

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6775970

Date: 16.05.2022
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: 16.05.2022
Place: Mumbai

Borderless Travel Services Limited
Statement of Profit And Loss for the year ended Mar 31, 2022

(Amount in Lacs)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from Operations		-	-
Total income		-	-
Expenses			
Employee benefits expense	11	100.8	74.8
Finance Cost	12	7.4	0.1
Other expenses	13	7.2	2.6
Total expenses		**115.4**	**77.5**
Profit before tax		**(115.4)**	**(77.5)**
Less : Tax expense			
Current tax	14	-	-
Deferred tax	14	(32.4)	(18.8)
Total tax expenses		**(32.4)**	**(18.8)**
Profit for the year (A)		**(83.0)**	**(58.7)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		3.3	-
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)		**3.3**	**-**
Total comprehensive income for the year (A+B)		**(79.7)**	**(58.7)**
Earnings per equity share (Face value of INR 10 each)			
- Basic earnings per share (In INR)	19	(1,659.9)	(1,173.3)
- Diluted earnings per share (In INR)		(1,659.9)	(1,173.3)

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: 16.05.2022
Place: Mumbai

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6775970

Date: 16.05.2022
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: 16.05.2022
Place: Mumbai

STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital (Amount in Lacs)

Particulars	Amount
Balance as at April 1, 2020	**0.5**
changes in equity share capital during the year	-
Balance as at March 31, 2021	**0.5**
changes in equity share capital during the year	-
Balance as at March 31, 2022	**0.5**

(B) Other Equity

	Reserves & Surplus	
Particulars	**Retained Earnings**	**Total Reserve & Surplus**
Balance as at April 1, 2020	**(5.7)**	**(5.7)**
Profit for the year	(58.7)	(58.7)
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	-	-
Transaction with owners in their capacity as owners		
Balance at the March 31, 2021	**(64.4)**	**(64.4)**
Profit for the year	(83.0)	(83.0)
Other Comprehensive Income	3.3	**3.3**
Total Comprehensive Income for the year	-	-
Transaction with owners in their capacity as owners		
Balance as at March 31, 2022	**(144.1)**	**(144.1)**

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

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: 16.05.2022
Place: Mumbai

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6775970

Date: 16.05.2022
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: 16.05.2022
Place: Mumbai

Borderless Travel Services Limited
Statement of Cash Flows for the year ended Mar 31, 2022

(Amount in Lacs)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
A) Cash flow from operating activities			
Profit before income tax		**(112.1)**	**(77.5)**
Operating profit before changes in operating assets and liabilities		**(112.1)**	**(77.5)**
Change in operating assets and liabilities:			
Increase/(Decrease) in Other financial Liabilities		4.5	101.5
Increase/(Decrease) in Other Liabilities		1.0	2.0
(Increase)/ Decrease in Other Assets		-	(26.3)
(Increase)/ Decrease in Other Financial Assets		(0.1)	(0.8)
Cash generated from operations		**(106.7)**	**(1.1)**
Income taxes paid		-	-
Net cash inflow from operating activities		**(106.7)**	**(1.1)**
B) Cash flow from investing activities:			
Loan received/Paid		138.0	12.0
Proceeds / (Investment) in Bank fixed deposits, including interest income		-	-
Net cash inflow / (outflow) from investing activities		**138.0**	**12.0**
Net increase in cash and cash equivalents		31.3	10.9
Add: Cash and cash equivalents at the beginning of the financial year		15.9	5.0
Cash and cash equivalents at the end of the year		**47.2**	**15.9**
Reconciliation of Cash Flow statements as per the cash flow statement		**31 March 2022**	**31 March 2021**
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents		47.2	15.9
Balances as per statement of cash flows		47.2	15.9

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

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: 16.05.2022
Place: Mumbai

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6775970

Date: 16.05.2022
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: 16.05.2022
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.

This financial statements for the year 31st March, 2022 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 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.

Significant Accounting Policies *(continued)*

1.5 Empolyee Benefits

(a) Long-term Employee Benefits

The Company operates the following post-employment schemes:
(i) Defined benefit plans such as gratuity
(ii) Defined contribution plans such as provident fund

(i) Defined Contribution Plans

Contribution towards Provident Fund for all employees are 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.

Company's contributions to the above funds are charged to the Statement of Profit and Loss for the year for which the contributions are due for payment.

(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.

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

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

1.6 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.

1.7 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 88,872/-, 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.

Borderless Travel Services Limited
Notes forming part of the Financial Statements for the year ended Mar 31, 2022

Note 3: Deferred Tax Assets:

The balance comprises of temporary differences attributable to: (Amount in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax on Business Losses	51.3	18.8
Total Deferred Tax Assets	**51.3**	**18.8**

Note 4.1: Financial Assets - Cash and cash equivalents

(Amount in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks :		
In current accounts	46.3	15.9
Cash in hand	-	-
Cheques on hand	0.9	-
Total Cash and cash equivalents	**47.2**	**15.9**

Note 4.2: Other financials assets

(Amount in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Receivables from Related Parties	26.3	26.3
Total Cash and cash equivalents	**26.3**	**26.3**

Note 5: Other current assets

(Amount in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to Vendor	0.0	0.0
SLA bank Balance	0.7	0.7
Balance with Govt Authorities	0.2	0.0
Total Other Current Assets	**0.9**	**0.8**

Borderless Travel Services Limited
Notes forming part of the Financial Statements for the year ended Mar 31, 2022

Note 6: Equity Share Capital

Equity Share capital (Amount in Lacs)

Particulars	No of Shares	Amount
AUTHORISED		
As at April 1, 2020	10	100
Increase during the year	-	-
As at March 31, 2021	10	100
Increase during the year	-	-
As at March 31, 2022	10	100

(i) Movement in Equity Share Capital during the Year

Particulars	No of Shares	Amount
As at April 1, 2020	0.1	0.5
Add: No of Shares issued during the year	-	-
As at March 31, 2021	0.1	0.5
Add: No of Shares issued during the year	-	
As at March 31, 2022	0.1	0.5

(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, 2022			As at March 31, 2021		
	No of Shares	Amount	% change during the year	No of Shares	Amount	% change during the year
Equity Shares						
Thomas cook (India) Limited (Holding Company) and its Nominees	0.1	0.5	-	0.1	0.5	-

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

Category of Shareholder	As at March 31, 2022			As at March 31, 2021		
	No of Shares	% of Holding	% change during the year	No of Shares	% of Holding	% change during the year
Equity Shares						
Thomas cook (India) Limited (Holding Company) and its Nominees	0.1	100%	-	0.1	100%	-

(v) Shares held by promoters at the end of the year

Category of Shareholder	As at March 31, 2022			As at March 31, 2021		
	No of Shares	% of Holding	% change during the year	No of Shares	% of Holding	% change during the year
Equity Shares						
Thomas cook (India) Limited (Holding Company) and its Nominees	0.1	100%	-	0.1	100%	-

Note 7: Reserves and surplus (Amount in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings	(144.1)	(64.4)
Total reserves and surplus	**(144.1)**	**(64.4)**

Retained Earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	**(64.4)**	**(5.7)**
Net Profit for the year	(83.0)	(58.7)
Items of other Comprehensive income recognised directly in retained earnings	3.3	
Closing Balance	**(144.1)**	**(64.4)**

Note 9: Other Financial Liablities (Amount in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Loan from Related Party	150.0	12.0
Interest Payable to Related Party	0.2	-
Advance from Related Party	66.2	65.7
Liabilities against expense	19.2	3.7
Total Other Financial Liablities	**235.6**	**81.4**

Note 10: Other Current Liabilities

(Amount in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Dues	3.0	2.0
Total	**3.0**	**2.0**

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

Particulars	31st March, 2022	31st March, 2021
Discount rate	6.60%	5.70%
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	Impact on defined benefit obligation		
	Change in assumptions	Increase in assumptions	Decrease in assumptions
	31st March, 2022	31st March, 2022	31st March, 2022
Discount rate	50 basis points	-3.39%	3.57%
Salary growth rate	50 basis points	3.57%	-3.43%

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 major categories of plans assets for gratuity are as follows:

Particulars	31st March, 2022			
	Quoted	Unquoted	Total	In %
Insurer Managed Funds	-	-	-	

(v) 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 :

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.

(vi) Defined benefit liability and employer contributions for gratuity
The weighted average duration of the defined benefit obligation is 6.96 years. The expected maturity analysis of undiscounted gratuity is as follows:

(Amount in Lacs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31st March, 2021 - Post Employment Obligations	2.6	2.1	6.0	37.1	47.8

Significant estimates: Actuarial assumptions and sensitivity for gratuity

The significant actuarial assumptions were as follows:

Particulars	31st March, 2022	31st March, 2021
Discount rate	6.60%	5.70%
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	Impact on defined benefit obligation		
	Change in assumptions	Increase in assumptions	Decrease in assumptions
	31st March, 2022	31st March, 2022	31st March, 2022
Discount rate	50 basis points	-3.39%	3.57%
Salary growth rate	50 basis points	3.57%	-3.43%

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 major categories of plans assets for gratuity are as follows:

Particulars	31st March, 2022			
	Quoted	Unquoted	Total	In %
Insurer Managed Funds	-	-	-	

(v) 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 :

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.

(vi) Defined benefit liability and employer contributions for gratuity

The weighted average duration of the defined benefit obligation is 6.96 years. The expected maturity analysis of undiscounted gratuity is as follows:

(Amount in Lacs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31st March, 2021 - Post Employment Obligations	2.6	2.1	6.0	37.1	47.8

Borderless Travel Services Limited
Notes forming part of the Financial Statements for the year ended Mar 31, 2022

Note 11 : Employee Benefit Expense **(Amount in Lacs)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries Wages and Bonus	94.3	68.3
Contribution to Provident and Other Funds	4.2	3.9
Gratuity	3.0	1.3
Leave valuation	(0.7)	1.3
Total	**100.8**	**74.8**

Note 12 : Finance Costs **(Amount in Lacs)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Other Finance Charges	7.4	0.1
Total	**7.4**	**0.1**

Note 13 : Other Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Legal and Professional Charges #(Refer note below "a")	7.1	2.5
IT Expense : License and Software Maintenance Cost	0.1	0.1
Total	**7.2**	**2.6**

Legal and Professional charges include auditors remuneration

(a): Details of payments to auditors

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Payment to auditors		
As auditor:		
-Statutory Audit	0.3	0.2
-Tax Audit	-	-
In other capacities		
-Re-imbursement of expenses	-	-
Total payments to auditors	**0.3**	**0.2**

Note 14: Income Tax Expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
increase in deferred tax assets	(32.4)	(18.8)
Total deferred tax credit	**(32.4)**	**(18.8)**
Income tax expense	**(32.4)**	**(18.8)**

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit from continuing operations before income tax expense	(115.4)	(77.5)
Tax at the Indian tax rate of 25.17% (PY - 25.17%)	**(29.1)**	**(19.5)**
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	(3.4)	0.7
Income tax expense	**(32.4)**	**(18.8)**

Note 15: 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 16: Financial risk management

Being a non - operating company, the company is not exposed to any kind of risk.

Note 17: 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, 2022 and March 31, 2021.

Note 18: 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, 2022	As at March 31, 2021
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 (Directors)

Particulars
Amit Madhan
Rajeev Kale
Abraham Alapatt

(c) Transactions with related parties

The following transactions occurred with related parties:

Nature of transaction	March 31, 2022	March 31, 2021
(i) Holding Company		
Interest Expenses		
Thomas Cook (India) Limited	7.4	0.1
Balance as at the year end		
Thomas Cook (India) Limited		
Loan Payable	150.0	12.0
Interest Payable	0.2	-
Outstanding Payable	215.8	65.7
(ii) Fellow Subsidiaries		
Reimbursement of Expenses (Net)		
Horizon Travel Services LLC [ATP]	3.8	0.7
Balance as at the year end		
Outstanding Payable		
Horizon Travel Services LLC [ATP]	7.4	2.9
Outstanding Receivable		
SOTC Travel Limited	26.3	26.3

Borderless Travel Services Limited
Notes forming part of the Financial Statements for the year ended Mar 31, 2022

Note 19: Earnings Per Share

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Net Profit attributable to equity shareholders	(83.0)	(58.7)
Weighted average number of outstanding shares	0.1	0.1
(a) Basic earnings per share		
Attributable to the equity holder of the company	(1,659.9)	(1,173.3)
(b) Diluted earnings per share		
Attributable to the equity holder of the company	(1,659.9)	(1,173.3)

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

Particulars	**March 31, 2022**	**March 31, 2021**
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	(83.0)	(58.7)
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	**(83.0)**	**(58.7)**

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

Particulars	**March 31, 2022**	**March 31, 2021**
Weighted average number of equity shares used as the denominator in calculating basic earning per share	0.1	0.1
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	0.1	0.1

Borderless Travel Services Limited
Notes forming part of the Financial Statements for the year ended Mar 31, 2022

Note 20 : Segmental Reporting
Since the Company has no operations, there are no reportable segments.

Note 21: 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, 2022. 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 22
As at March 31, 2022, 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 16, 2023 by written support letter.

Note 23
Ratios

Current Ratio	FY 22	FY 21	Variance in Ratio	
Curent Asests	74.4	43.0		In Current Liabilities the intercompany loan amount has increased, also the liability against the expense has increased due to SLA charges (ATP)
Current Liabilities	216.8	77.5		
Ratio	0.3	0.6	38%	

Debt Equity Ratio	FY 22	FY 21	Variance in Ratio	
Total Debt	150.0	12.0		Variation due to increase in total debt as the new loan from TCIL had been received
Total Equity	143.6	63.9		
Ratio	1.0	0.2	-456%	

Return on Equity Ratio	FY 22	FY 21	Variance in Ratio	
(Loss) / Profit after Tax	(79.7)	(58.7)		SLA charges to ATP and interest expenses increased during the year
Total Equity	143.6	63.9		
Ratio	-0.6	-0.9	40%	

Net Profit Ratio	FY 22	FY 21	Variance in Ratio	
Profit after tax	(79.7)	(58.7)	NA	No Revenue during the previous and current year
Revenue from Operations	-	-		
Ratio	NA	NA		

Net Capital Turnover Ratio	FY 22	FY 21	Variance in Ratio	
Revenue from Operations	-	-		No Revenue during the previous and current year
Closing Working Capital	-168.7	-58.6		
Ratio	NA	NA	NA	

Return on Investment	FY 22	FY 21	Variance in Ratio	
Closing less opening market price	NA	NA		No Investments
Opening Market price	NA	NA		
Ratio	NA	NA	NA	

Debt Service Coverage Ratio	FY 22	FY 21	Variance in Ratio	
Profit before interest, tax and depreciation	(108.0)	(77.4)		The loan amount increased as fresh loan from TCIL has been received during the year
Clsoing Debt Service	150.2	12.0		
Ratio	-0.7	-6.4	89%	

Inventory Turnover Ratio	FY 22	FY 21	Variance in Ratio	
Cost of Goods Sold	NA	NA		No Inventory and no COGS
Closing Inventory	NA	NA		
Ratio	NA	NA	NA	

Trade Receivable Turnover Ratio	FY 22	FY 21	Variance in Ratio	
Revenue from Operations	NA	NA		No Revenue and trade receivables
Closing current Trade	NA	NA		
Ratio	NA	NA	NA	

Trade Payable Turnover Ratio	FY 22	FY 21	Variance in Ratio	
Cost of Goods Sold	NA	NA		NO COGS
Closing Trade Payable	19.2	3.7		
Ratio	NA	NA	NA	

Note 24
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note.25
Additional Regulatory Information detailed in clause 6Y of General Instructions given in Part I of Division I of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

Note 26: Previous year's figures has been regrouped/rearranged wherever necessary to confirm with current year's figure.

Signatures to Notes 1 to 26 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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: 16.05.2022
Place: Mumbai

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6776970

Date: 16.05.2022
Place: Mumbai

Abraham Alapatt
Director
DIN No. 6809421

Date: 16.05.2022
Place: Mumbai

JARDIN TRAVEL SOLUTIONS LIMITED

Regd. Office: Thomas Cook Building, Dr. D.N. Road, Fort, Mumbai – 400 001
CIN: U63090MH2015PLC267993 Email: sharedept@thomascook.in
Tel: 022 –42427000 Fax: 022 – 2302286

Directors Report

To the Members of
Jardin Travel Solutions Limited

Your Directors have pleasure in presenting the Seventh Annual Report of the Company, along with Audited Financial Statements for the financial year ended 31st March, 2022.

Financial Results:

The financial results of the Company are summarised below:

Particulars	For the financial year ended 31st March, 2022	For the financial year ended 31st March, 2021
	(Rs. In Lakh)	(Rs. In Lakh)
Revenue	10.20	56.69
Profit before Depreciation & Taxation	-2.92	0.100
Depreciation	0.19	14.71
Profit/(Loss) before Taxation	-3.12	-14.61
Provision for Taxation	-	-
MAT credit entitlement	-	-
Deferred Tax	33.60	-3.65
Profit /(Loss) after taxation	-36.72	-10.96
Balance brought forward from previous year	-82.99	-72.13
Other Comprehensive Income	-	0.10
Balance available for appropriation	-36.72	-10.86
Appropriations:		
Interim Dividend on Equity shares	-	-
Tax on dividend	-	-
Transferred to General reserve	-	-
Balance carried forward to Balance Sheet	-119.71	-82.99

Operations/ State of Company's Affairs:

Even though the second wave of the pandemic in April - May 2021 was more severe from a health perspective, the economic impact was muted compared to the national lockdown of the previous year 2020-21. The travel businesses witnessed gradual recovery in the second half, with improving air traffic and demand for holidays. While the country experienced the pandemic's third wave during the last quarter of fiscal 2022, it did not have a material impact on the pace of recovery, given low severity, shorter and limited lockdowns by governments and improved vaccination rates. The Company expects demand for its services to pick up albeit at a slower pace.

During the year, your Company has loss after tax of Rs. 36.72 Lakh as compared to loss after tax of Rs. 10.96 Lakh for the previous year.

Dividend:

In view of current year losses, the Board of Director does not recommend any dividend for the financial year ended 31st March, 2022.

Jardin Travel Solutions Limited

Transfer to Reserve:

For the financial year ended 31st March, 2022, the Company has not transferred any sum to Reserves.

Particulars regarding conservation of energy, technology absorption and foreign exchange earnings and expenditure:

Your Company being in the business of Information Technology related services, its activities do not involve any expenditure on Technology and Research and Development and, therefore, the other particulars in the section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are not applicable to the Company.

During the financial year, Foreign Exchange earned was Rs.57,16,141/- and Foreign Exchange spent was Nil.

Non-Acceptance of Deposits:

During the financial year the company has not accepted any deposits within the meaning of under section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, as amended, and as such, no amount of principal or interest was outstanding as of the date of balance sheet.

Particulars of Contracts or Arrangements with Related Parties:

All the Related Party transactions which were entered into during the Financial Year 2021-22 were at arm's length basis and in the ordinary course of business.

Information on transactions with related parties that could be considered as material under the provisions of Companies Act, 2013 and rules made thereunder is appended in Form AOC-2 as **Annexure -A** to this Report.

Particulars of Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013:

The Company has not granted any Loans, guarantees and investments during the financial year ended 31st March, 2022.

Share Capital Structure:

The Authorised Share Capital of the Company is Rs. 10,000,000/- divided into 10,00,000 equity shares of Rs.10/- each. The Issued, Subscribed and Paid-up Capital of the Company as on that date is Rs. 10,000,000/- divided into 10,00,000 equity shares of Rs. 10/- each.

Directors' Responsibility Statement:

The Directors would like to assure the Members that the financial statements for the year under review conform to the requirements of the Companies Act, 2013 pursuant to Section 134(5) and that:

i) in the preparation of the annual accounts for financial year ended 31st March, 2022, the applicable accounting standards have been followed and there are no material departures;

ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2022 and of the loss of the Company for the year ended on that date;

iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the Directors have prepared the annual accounts on a going concern basis; and

Jardin Travel Solutions Limited

Directors:

Mr. Amit Madhan (DIN: 06646076), Mr. Rajeev Kale (DIN: 06775970) and Mr. Alapatt Abraham (DIN: 06809421) were the Directors of the Company as on 31.03.2022.

There has been no change in the Board of Directors of the Company during the year under review.

Reappointment

In accordance with the Articles of Association of the Company and pursuant to the provisions of Section 152 of the Companies Act, 2013 read with Rules made thereunder, Mr. Alapatt Abraham (DIN: 06809421) Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Brief resume of the Director proposed to be re-appointed along with such other details as stipulated under Secretarial Standards on General Meetings (SS-2) are provided as an Annexure to the Notice convening the Annual General Meeting.

The above proposal for re-appointment of Director forms part of the Notice of the ensuing Annual General Meeting and recommended for the Members approval therein.

Number of Board Meetings during the Financial Year:

During the financial year ended 31st March, 2022, 5 (Five) meetings of the Board of Directors were held on April 7, 2021, May 25, 2021, August 02, 2021, October 25, 2021 and February 2, 2022 respectively.

Details of attendance of each director at the Board of Directors Meetings held during the financial year 2021-22 are as follows:

Sr. No.	Name of Member	Designation	No. of Board Meetings Attended
1.	Mr. Amit Madhan	Director	5/5
2.	Mr. Abraham Alapatt	Director	5/5
3.	Mr. Rajeev kale	Director	5/5

Auditors:

Statutory Auditors

Appointment

M/s G.M. Kapadia, Chartered Accountants (Firm Registration No. 104767W) were appointed as Statutory Auditors of the Company at the Extraordinary General meeting of the Company held on 3rd August, 2017 for a period of 5 years, subject to the ratification of members every year, if applicable. Further, at the Annual General Meeting of the Company held on 2nd August, 2018, they were re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of 3rd Annual General Meeting until the conclusion of the 8th Annual General Meeting of the Company.

Further, based on the notification issued by the Ministry of Corporate Affairs (MCA) on 7th May, 2018, the requirement for ratification of appointment of Statutory Auditors by members at every Annual General Meeting (AGM) has been omitted under the Companies (Amendment) Act, 2017. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing Annual General Meeting.

Statutory Auditors Report

There are no qualifications, reservation or adverse remarks made by the Statutory Auditors in the Audit Report for the Financial Year ended 31st March, 2022.

Details of Frauds Reported by Auditors

There were no frauds reported by the Statutory Auditors under the provisions of Section 143(12) of the Companies Act, 2013 and rules made there under.

Cost Auditor

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with rules framed thereunder, Cost Audit and Maintenance of Cost Records is not applicable to the Company.

Jardin Travel Solutions Limited

Details of Holding / Subsidiary / Joint Ventures / Associate Companies:

a. **Holding Company:**

The holding company of your Company is Thomas Cook (India) Limited (TCIL) who holds 10,00,000 equity shares of Rs.10/- each along with its Nominees representing 100% of the total paid-up share capital of the Company as on 31st March, 2022. TCIL is a listed Company whose securities are listed on BSE Limited and the National Stock Exchange of India Limited.

b. **Subsidiary / Joint Ventures / Associate Companies:**

During the financial year under review, the Company has no subsidiary or Joint Venture or Associate Companies.

Material changes and commitments affecting the financial position of the Company:

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

Change(s) in the nature of business, if any:

There has been no change in the nature of business of the Company during the financial year ended 31st March, 2022.

Corporate Social Responsibility:

The Company does not meet the threshold requirement of provisions of Section 135 of the Companies Act, 2013 ("the Act") in respect of Corporate Social Responsibility, thus the Company is not required to comply with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.

Audit Committee:

The provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

Nomination and Remuneration Committee:

The provisions of Section 178 of the Companies Act, 2013 are not applicable to the Company.

Risk Management:

The Company has been following the principle of risk minimization as is the norm in every industry voluntarily.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are Regulations, Competition, Business risk, Technology obsolescence, Investments, Retention of talent and Expansion of facilities.

Business risk, inter-alia, further includes financial risk, political risk, fidelity risk and legal risk.

These risks are assessed and appropriate steps are taken to mitigate the same.

Significant/ material orders passed by the Regulators or Courts or Tribunals:

There are no significant/material orders passed by any of the Regulators or Courts or Tribunals impacting the going concern status of your Company or its operations in future.

Internal Financial Controls:

Your Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses in the design or operation were observed.

Jardin Travel Solutions Limited *

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Extract of Annual Return:

Pursuant to section 92(3) of the Companies Act, 2013 read with Section 134(3)(a) of the Companies, 2013, as amended w.e.f. 28.08.2020, the Company is required to place a copy of the Annual Return on the website of the Company, if any. As the Company does not have website, this provision is not applicable to the Company. However, as a good corporate practice the extract of the Annual Return in Form MGT-9 is attached to the Report as an **Annexure B.**

Particulars of Employees:

The provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, in respect of the employees of the Company is not applicable to the Company.

Compliance of Secretarial Standard

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings and that such systems are adequate and operating effectively. The Company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013

Your Company has adequate safeguards to protect women at workplace and is fully committed to uphold and maintain the dignity of every women executive working in the Company. The Company values the dignity of individuals and strives to provide a safe and respectable working environment to all its employees. The Company is committed to providing an environment, which is free of discrimination, intimidation and abuse.

Pursuant to Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013 and rules made thereunder, the Company has a Policy for prevention of Sexual Harassment in the Company. All the employees are covered under this policy.

Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Status of complaints filed and pending as on 31st March, 2022 is as under.

Number of complaints pending as on the beginning of the financial year	:	0
Number complaints filed during the financial year	:	0
Number of complaints pending as on the end of the financial year	:	0

The details of application made or any proceeding pending under the insolvency and bankruptcy code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year.

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year is not applicable

The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

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Acknowledgements

Your Directors wish to place on record their appreciation for the continued support and contributions made by all the employees, customers, vendors for their continued support throughout the financial year.

Your Directors also wish to place on record their appreciation for the wholehearted co-operation and support extended by Thomas Cook (India) Limited from time to time.

FOR AND ON BEHALF OF THE BOARD
OF JARDIN TRAVEL SOLUTIONS LIMITED

Place: Mumbai
Date: 16th May, 2022

RAJEEV KALE
DIRECTOR
DIN:06775970

AMIT MADHAN
DIRECTOR
DIN: 06646076

Jardin Travel Solutions Limited

JARDIN TRAVEL SOLUTIONS LIMITED

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Annexure A

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	**NIL** (All the transactions with related parties are at arm's length basis)
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at arm's length basis.

Sr. No.	Name (s) of the related party & nature of relationship	Nature of transaction	Amount (in Rs.)
a)	Thomas Cook (India)Ltd. (Holding Company)	Sale of Services	246,029
b)	Asian Trail Holdings Ltd. (Fellow Subsidiary)	Sale of Services	284,546
		Total	**530,575**

FOR AND ON BEHALF OF THE BOARD
OF JARDIN TRAVEL SOLUTIONS LIMITED

RAJEEV KALE
DIRECTOR
DIN:06775970

AMIT MADHAN
DIRECTOR
DIN: 06646076

Jardin Travel Solutions Limited

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Annexure B
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2022
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	U63090MH2015PLC267993
2	Registration Date	01/09/2015
3	Name of the Company	Jardin Travel Solutions Limited
4	Category / Sub-Category of the Company	Company limited by shares / Indian Non-Government Company
5	Address of the Registered office and contact details	Thomas Cook Building, Dr. D.N. Road, Fort, Mumbai – 400 001 Maharashtra Tel No: + 91 22 42427000 Fax No.: +9122 23022864 Email : sharedept@thomascook.in
6	Whether listed company	No
7	Name, Address and Contact details of Registrar and Share Transfer Agent	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Income from IT Software related Services	62099	54%
2.	Chargeback or Call Centre	82200	46%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of shares held	Applicable Section
1	Thomas Cook (India) Limited Thomas Cook Building , Dr. D. N. Road, Fort, Mumbai – 400 001	L63040MH1978PLC020717	Holding	100.00	2(46)

*Thomas Cook (India) Limited, along with its 6 nominees holds 100% of the equity share capital of the Company.

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IV. **SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

i. Category-wise Share Holding

Category of Shareholder		No. of Shares held at the beginning of the year i.e April 1, 2021				No. of Shares held at the end of the year i.e March 31, 2022				% Change during the year
		De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
A.	**Promoters**									
1	**Indian**									
a.	Individual/HUF	0	0	0	0	0	0	0	0	0
b.	Central Govt.	0	0	0	0	0	0	0	0	0
c.	State Govt.	0	0	0	0	0	0	0	0	0
d.	Bodies Corp.*	0	10,000,00	10,000,00	100	0	10,000,00	10,000,00	100	0
e.	Bank/ FI	0	0	0	0	0	0	0	0	0
f.	Any Other	0	0	0	0	0	0	0	0	0
Sub Total- (A)-1		**0**	**10,000,00**	**10,000,00**	**100**	**0**	**10,000,00**	**10,000,00**	**100**	**0**
2	Foreign	0	0	0	0	0	0	0	0	0
a.	NRI-Individuals	0	0	0	0	0	0	0	0	0
b.	Other Individuals	0	0	0	0	0	0	0	0	0
c.	Body Corp.	0	0	0	0	0	0	0	0	0
d.	Bank/ FI	0	0	0	0	0	0	0	0	0
e.	Any Other	0	0	0	0	0	0	0	0	0
Sub Total- (A)-2		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholders of Promoters (1+2)		**0**	**10,000,00**	**10,000,00**	**100**	**0**	**10,000,00**	**10,000,00**	**100**	**0**
B.	**Public Shareholding**									
1	**Institution**									
a.	Mutual Funds	0	0	0	0	0	0	0	0	0
b.	Bank/ FI	0	0	0	0	0	0	0	0	0
c.	Central Govt.	0	0	0	0	0	0	0	0	0
d.	State Govt.	0	0	0	0	0	0	0	0	0
e.	Venture Capital	0	0	0	0	0	0	0	0	0
f.	Insurance Co	0	0	0	0	0	0	0	0	0

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g.	FIIs	0	0	0	0	0	0	0	0	0
h.	Foreign Portfolio Investors Corporate	0	0	0	0	0	0	0	0	0
i.	Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
j.	Others	0	0	0	0	0	0	0	0	0
Sub-Total-B (1)		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2	**Non-Institution**									
a.	Body Corporate	0	0	0	0	0	0	0	0	0
b.	Individual	0	0	0	0	0	0	0	0	0
i.	Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii.	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c.	Others									
(i)	Trust	0	0	0	0	0	0	0	0	0
(ii)	Directors & their relatives	0	0	0	0	0	0	0	0	0
Sub-Total-B (2)		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Net Total B (1+2)		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
C.	**Shares held by Custodian for GDRs & ADRs**									
Promoter and Promoter Group		0	0	0	0	0	0	0	0	0
Public		0	0	0	0	0	0	0	0	0
Grand Total(A+B+C)		**0**	**10,000,00**	**10,000,00**	**100**	**0**	**10,000,00**	**10,000,00**	**100**	**0**

** 6 Equity shares are held by six Nominees of Thomas Cook (India) Limited, out of which two are directors*

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ii. **Shareholding of Promoters:**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year i.e April 1, 2021			Shareholding at the end of the year i.e March 31, 2022			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledge-d / encumbered to total shares	
1	Thomas Cook (India) Limited*	1000000	100.00	-	1000000	100.00	-	-

Mr. Madhavan Menon, Mr. Rambhau R. Kenkare, Mr. Debasis Nandy, Mr. Mahesh Iyer, Mr. Abraham Alapatt and Mr. Rajeev Kale hold 1 Equity share each of the Company as nominee shareholder on behalf of Thomas Cook (India) Limited.

iii. Change in Promoters' Shareholding:

Sr. No	Sr. No	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shares during the year	
		No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	Thomas Cook (India) Limited*								
	At the beginning of the year	1000000	100	Nil	Nil	Nil	Nil	1000000	100
					No Change	Nil	Nil	1000000	100
	At the end of the year	1000000	100	Nil	Nil	Nil	Nil	1000000	100

Mr. Madhavan Menon, Mr. Rambhau R. Kenkare, Mr. Debasis Nandy, Mr. Mahesh Iyer, Mr. Abraham Alapatt and Mr. Rajeev Kale hold 1 Equity share each of the Company as nominee shareholder on behalf of Thomas Cook (India) Limited.

iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No	Name	Shareholding at the beginning of the year		Date	Increase/ decrease in shareholding		Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1.	-	-	-		-	-		-	-
	At the beginning of the year	-	-		--	-		-	-
	At the end of the year	-	-		-	-		-	-

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v. **Shareholding of Directors and Key Managerial Personnel**

Sr. No.	Name	Shareholding at the beginning of the year –		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Abraham Alapatt								
	At the beginning of the year	1*	0.00						
				-	-	-	-	-	-
	At the end of the year	1*	0.00						
				-	-	-		-	-
2	Rajeev Kale								
	At the beginning of the year	1*	0.00						
				-	-	-		-	-
	At the end of the year	1*	0.00						
				-	-	-		-	-
3	Amit Madhan								
	At the beginning of the year	0	0.00						
				-	-	-		-	-
	At the end of the year	0	0.00						
				-	-	-		-	-

**Holds 1 Equity share as Nominee of Thomas Cook (India) Limited*

V. **INDEBTEDNESS:** (Amount in Rs.)

Particulars		Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
1)	Principal Amount	-	76,00,000	-	-
2)	Interest due but not paid	-	7,06,586	-	-
3)	Interest accrued but not due	-	-	-	-
Total (1+2+3)		-	83,06,586	-	-

Jardin Travel Solutions Limited

	Change in Indebtedness during the financial year				
	Principal Amount				
(+)	Addition	-	1,50,00,000	-	-
(-)	Reduction	-	(1,76,00,000)	-	-
	Interest Accrued But not Due				
(+)	Addition	-	-	-	-
(-)	Reduction	-	-	-	-
	Interest Due But not Paid		-		
(+)	Addition	-	89,817	-	-
(-)	Reduction	-	(5,82,828)	-	-
Net change			**(3093011)**		
	Indebtedness at the end of the financial year				
1)	Principal Amount	-	50,00,000	-	-
2)	Interest due but not paid	-	2,13,575	-	-
3)	Interest accrued but not due	-	-	-	-
Total (1+2+3)			**52,13,575**		

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in Rs.)

Sr. No.	**Particulars of Remuneration**	**MD/ WTD/ Manager (Amount in Rs.)**
1	Gross Salary	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil
2	Stock Option	Nil
3	Sweat Equity	Nil
4	Commission	Nil
	(i) As % of Profit	Nil
	(ii) Others, specify	Nil
5	Others, please specify	Nil
	Total	Nil
Ceiling as per the Companies Act, 2013		NA

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B. Remuneration to other directors:

I. Independent Directors:

Particulars of Remuneration	Amount (in Rs.)
Fee for attending Board Committee Meetings	Nil
Commission	Nil
Others	Nil
Total (I)	**Nil**

II. Other Non-Executive Directors:

Particulars of Remuneration	Name of Directors			Total amount
	Amit Madhan	Abraham Alapatt	Rajeev Kale	
Fee for attending Board Committee Meetings	Nil	Nil	Nil	Nil
Commission	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil
Total (I)	**Nil**	**Nil**	**Nil**	**Nil**
Total Managerial Remuneration	-	-	-	-
Overall Ceiling as per the Companies Act, 2013	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total amount
		CEO	Company Secretary	CFO	
1	Gross Salary	Nil	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission (i) As % of Profit (ii) Others, specify	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	**Nil**	**Nil**	**Nil**	**Nil**

Jardin Travel Solutions Limited

JARDIN TRAVEL SOLUTIONS LIMITED
Regd. Office: Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai – 400 001
CIN: U63090MH2015PLC267993 Email: sharedept@thomascook.in
Tel: 022 –42427000 Fax: 022 – 2302286

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES (Under Companies Act, 2013)

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other officers in default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

FOR AND ON BEHALF OF THE BOARD
OF JARDIN TRAVEL SOLUTIONS LIMITED

RAJEEV KALE
DIRECTOR
DIN:06775970

AMIT MADHAN
DIRECTOR
DIN: 06646076

Jardin Travel Solutions Limited

G. M. KAPADIA & CO.

(REGISTERED)

CHARTERED ACCOUNTANTS

70, LOWER GROUND FLOOR, HEMKUNT COLONY, NEW DELHI 110048, INDIA

PHONE : (91-11) 2641 1327, 4108 2273

INDEPENDENT AUDITOR'S REPORT

To the Members of Jardin Travel Solutions Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of **Jardin Travel Solutions Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022 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 Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as " the Standalone Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its loss, the 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 Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone 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 ICAI's 'Code of Ethics'. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

Emphasis of Matter

We draw attention to following Notes to the Standalone Financial Statements:

1. Note 26, which describes the uncertainty related to challenges to all the businesses of the Company due to COVID-19.

2. Note 26, which further states that the Company's holding company-Thomas Cook (India) Limited have committed to provide the necessary level of support, to enable the Company to continue as a going concern in view of cash losses incurred by the Company in past few years, as has been done during the year and in the earlier year.

Our opinion on the Standalone Financial Statements is not modified in respect of these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Management and the Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in report of board of directors but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Management and the Board of Directors of the Company are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone 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 Standalone 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 system 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.

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Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss, (including other comprehensive income), the Statement of 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 Standalone Financial Statements comply with the Ind AS, under section 133 of the Act, read with specified Companies (Indian Accounting Standards) Rules 2015, as amended;

   e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

G. M. KAPADIA & CO.
NEW DELHI
Chartered Accountants

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**";

g) The Company has not paid any remuneration to its directors during the year, accordingly, no reporting is required with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act; and

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

   i. The Company does not have any pending litigations which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

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

   iv. (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (ii) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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(iii) Based on the audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material misstatement;

v. The Company has neither declared nor paid any dividend during the year.

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

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

Abhishek Singh

Abhishek Singh
Partner
Membership No. 407549
UDIN: 22407549ALSDTN4835

Place: New Delhi
Date: 16 MAY 2022

Annexure A to the Independent Auditor's Report on Standalone Financial Statements of Jardin Travel Solutions Limited

(Referred to in paragraph 1 under "Other Legal and Regulatory Requirements" of our report of even date)

I (a) A. The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, plant and equipment;

B. The Company did not have any intangible assets, therefore reporting under the clause 3(i)(a)(B) of the Order, regarding maintenance of records of intangible assets not applicable to the Company;

(b) As represented by the management, all the property, plant and equipment were physically verified by the management once in two years in a phased manner. In our opinion, the frequency of verification followed by the management is reasonable having regard to the size of the Company and the nature of the assets. As informed to us, no discrepancies observed in the course of such verification by the Company;

(c) The Company does not hold any immovable properties and the properties where the Company is lessee. Accordingly, the reporting under clause 3(i)(c) of the Order regarding title deeds of immovable properties is not applicable to the Company;

(d) According to the information and explanations given to us and on the basis of our examination of records, the Company has not revalued its property, plant and equipment (including Right of Use assets) and intangible assets during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company;

(e) According to the information and explanations given to us and on the basis of our examination of records, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder;

ii (a) The Company did not have any inventories of finished goods, stores, spare parts and raw materials, therefore reporting under the clause 3(ii)(a) of the Order is not applicable to the Company;

(b) During the year under audit, the Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company;

iii (a) to (f) During the year under audit, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, therefore reporting under the clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company;

iv Based on the audit procedures applied by us, during the year under audit, the Company has not granted loans, guarantee and security or made investments which require compliance in terms of the provisions contained in the section 185 or section 186 of the Act. In such circumstances, reporting under the clause 3(iv) of the Order is not applicable to the Company;

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

V In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the public and therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;

vi The Central Government has not specified the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for services rendered by the Company;

vii (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues such as income tax, goods and services tax, and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable were in arrears as at March 31, 2022, for a period of more than six months from the date they became payable;

(b) In our opinion and according to the information and explanations given to us, there are no dues payable by the Company on account of any dispute in case of statutory dues referred to in sub-clause(a) above as on March 31, 2022

viii According to the information and explanation provided to us, there are no transactions that are not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting under clause 3(viii) of the Order is not applicable to the Company;

ix (a) Based on our audit procedure and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings including interest thereon ,if any, to any lender;

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or any other lender;

(c) The Company has not taken any terms loan. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company;

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements, the Company has not used any funds raised on short-term basis for long term purposes;

(e) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;

(f) The Company does not hold any investment during the year, accordingly the reporting under the clause 3(ix)(f) of the Order is not applicable to the Company;

x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company;

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(b) The Company did not have made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, therefore, reporting under clause 3(x)(b) of the Order is not applicable to the Company;

xi (a) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;

(c) As represented to us by the management, the whistle blower policies is not mandated for the Company under the Act, therefore reporting under the clause 3(xi)(c) of the Order is not applicable to the Company;

xii In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company;

xiii In our opinion, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Further provision of Section 177 of the Act are not applicable to the Company;

xiv The company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Act;

xv In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Act are not applicable to the Company;

xvi. (a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934;

(b) In our opinion and on the basis of our audit procedure, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;

(c) In our opinion, according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;

(d) In our opinion, according to the information and explanations provided to us, the Group does not have any CIC as part of the Group as per definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016;

xvii The Company has incurred cash losses of Rs.5,47,411/- in the current year and there were cash losses of Rs.85,020/- in the immediate preceding financial year;

xviii There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company;

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xix In view of losses incurred by the Company and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, in our opinion though material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date, management has represented and as stated in the Note 26 to the financial statements that, the holding Company has undertaken to provide financial support that may be required in Company's obligation towards third parties;

xx. In our opinion and based on our examination, the company is not required to comply with section 135(5) of the Act.

xxi. The Company does not have subsidiary, associate or joint venture hence is not required to prepare consolidated financial statements. Accordingly, reporting on paragraph 3(xxi) of the Order is not applicable.

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

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

Abhishek Singh

Abhishek Singh
Partner
Membership Number: 407549
UDIN ::22407549ALSDTN4835

Place: New Delhi
Date: 16 MAY 2022

Annexure B to the Independent Auditor's Report

The Annexure referred to in Paragraph 2(f) under the heading "Other Legal and Regulatory Requirements" of our report of even date, on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls with reference to standalone financial statements of Jardin Travel Solutions Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

Abhishek Singh

Abhishek Singh
Partner
Membership Number: 407549
UDIN: 22407549ALSDTN4835

Place: New Delhi
Date: 16 MAY 2022

Jardin Travel Solutions Limited
Balance Sheet as at March 31, 2022
(Amount are expressed in Indian Rupees- INR)

Particulars	Notes	As at '31 March 2022	As at '31 March 2021
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2	-	19,855
(b) Deferred tax assets (net)	3	-	33,59,741
(c) Other tax assets	4	2,28,157	1,79,262
(d) Other non-current assets	5	-	2,34,474
Total non current assets		**2,28,157**	**37,93,332**
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	6	2,91,209	55,63,889
(ii) Cash and cash equivalents	7	16,15,246	2,73,301
(b) Other current assets	8	14,70,030	16,84,789
Total current assets		**33,76,485**	**75,21,979**
TOTAL ASSETS		**36,04,642**	**1,13,15,311**
II. EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	9	1,00,00,000	1,00,00,000
(b) Other equity	10	(1,19,71,250)	(82,99,283)
Total equity		**(19,71,250)**	**17,00,717**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	50,00,000	76,00,000
(ii) Trade payables	12	3,45,232	7,96,407
(iii) Other financial liabilities	13	2,13,575	10,73,307
(b) Other current liabilities	14	17,085	1,44,880
Total current liabilities		**55,75,892**	**96,14,594**
Total liabilities		**55,75,892**	**96,14,594**
TOTAL EQUITY AND LIABILITIES		**36,04,642**	**1,13,15,311**

Significant accounting policies 1

The notes from 1 to 32 form an integral part of the financial statements

As per our report of even date.
For G. M. Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

Abhishek Singh
Partner
Membership No: 407549

Date:
Place: New Delhi 16 MAY 2022

For and on behalf of the Board of Directors

Rajeev Kale
Director
[DIN:06775970]

Date:
Place: Mumbai

Amit Madhan
Director
[DIN:06646076]

Date:
Place: Mumbai

Jardin Travel Solutions Limited

Jardin Travel Solutions Limited
Statement of Profit And Loss for the year ended March 31, 2022
(Amount are expressed in Indian Rupees- INR)

Particulars	Note	For the year ended 31 Mar 2022	For the year ended 31 March 2021
(1) Revenue			
(a) Revenue from operations	15	5,30,575	48,25,608
(b) Other income	15(a)	4,89,422	8,43,553
Total income		**10,19,997**	**56,69,161**
(2) Expenses			
(a) Employee benefits expense	16	4,56,021	38,59,068
(b) Finance costs	17	6,82,955	6,57,149
(c) Depreciation and amortization expenses	2	19,855	14,70,929
(d) Other expenses	18	1,73,393	11,42,878
Total expenses		**13,32,224**	**71,30,024**
(3) Profit before tax		(3,12,227)	(14,60,863)
(4) Tax expense:			
(a) Current tax	3	-	-
(b) Short / (excess) tax provisions net for earlier years	3	-	-
Net current tax		-	-
(a) Deferred tax	3	33,59,741	(3,64,801)
(5) Profit after tax		**(36,71,968)**	**(10,96,062)**
(6) Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of defined benefit liability (asset)		-	-
(ii) Income tax expense on remeasurements of defined benefit liability		-	-
Other comprehensive income (net of tax) (i-ii)		-	-
(7) Total comprehensive income for the period		**(36,71,968)**	**(10,96,062)**
(8) Earnings per equity share	19		
(i) Basic		(3.67)	(1.10)
(ii) Diluted		(3.67)	(1.10)

Significant accounting policies 1

The notes from 1 to 32 form an integral part of the financial statements

As per our report of even date attached.
For G. M. Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

Abhishek Singh
Partner
Membership No: 407549

Date:
Place: New Delhi
16 MAY 2022

For and on behalf of the Board of Directors

Rajeev Kale
Director
[DIN:06775970]

Date:
Place: Mumbai

Amit Madhan
Director
[DIN:06646076]

Date:
Place: Mumbai

Jardin Travel Solutions Limited

Jardin Travel Solutions Limited

Notes to financial statements for the year ended Mar 31, 2022

(Amount are expressed in Indian Rupees- INR)

Statement of Cash Flows for the year ended March 31 , 2022

Particulars	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
A) Cash flow from operating activities			
Profit / (Loss) before income tax		(3,12,227)	(14,60,863)
Adjustments for:			
Depreciation	2	19,855	14,70,929
Interest Expense	17	6,72,645	6,50,749
Foreign exchange gain/loss		-	1,04,175
		3,80,273	7,64,990
Change in operating assets and liabilities			
Increase /Decreasein Financial liabilities	11&12	(4,51,174)	(11,26,850)
Increase /Decrease in Other current liabilities	13&14	(9,87,527)	2,19,003
Decrease / (Increase) in Other Non Current Assets	5	2,34,474	67,338
Increase /Decrease in Financial assets	6	52,72,680	(20,17,258)
Increase /Decrease in Other current assets	8	2,14,759	2,44,358
Cash generated from operations		46,63,485	(18,48,419)
Income taxes paid		(48,895)	(1,04,398)
Net Cash inflow/outflow from operations		46,14,590	(19,52,817)
B) Cash flow from investing activities:			
Acquisition of property, plant and equipment	2	-	-
Net cash inflow/outflow from investing activities		-	-
C) Cash flow from financing activities			
Loan taken from Holding Company	10	(26,00,000)	-
Interest paid		(6,72,645)	(6,50,749)
Net cash inflow/outflow from financing activities		(32,72,645)	(6,50,749)
Net (decrease)/increase in cash and Bank Balance		13,41,945	(26,03,566)
Add: Cash and bank balance at the beginning of the financial year/period	7	2,73,301.00	28,76,867
Cash and bank balance at the end of the year/period		16,15,246	2,73,302
Reconciliation of Cash Flow statements as per the cash flow statement			
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents		16,15,246	2,73,301
Bank Overdrafts		-	-
Balances as per statement of cash flows		16,15,246	2,73,301

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 notes from 1 to 32 form an integral part of the financial statements

As per our report of even date attached.
For G. M. Kapadia & Co.

Chartered Accountants

Firm's Registration No: 104767W

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

Abhishek Singh
Partner
Membership No: 407549

Date: 16 MAY 2022
Place: New Delhi

For and on behalf of the Board of Directors of Jradin Travel Solutions Ltd.

Rajeev Kale
Director
[DIN:06775970]

Date:
Place: Mumbai

Amit Madhan
Director
[DIN:06646076]

Date:
Place: Mumbai

Jardin Travel Solutions Limited

Jardin Travel Solutions Limited
Notes to financial statements for the year ended Mar 31, 2022
(Amount are expressed in Indian Rupees- INR)

Statement of Changes in Equity (SOCIE)

(a) Equity share capital

	31 March 2022		31 March 2021	
	No. of Shares	Amount	No. of Shares	Amount
At the commencement of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Changes in equity share capital during the year	-	-	-	-
At the end of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000

(b) Other equity

Particulars	Other equity Retained Earnings	Items of Other comprehensive income Remeasurements of the net defined benefit Plans	Total attributable to equity shareholders
Balance at 1 April 2020	(71,71,013)	(42,012)	(72,13,025)
Profit /(Loss) for the year	(10,96,062)		(10,96,062)
Other comprehensive income for the year		9,804	9,804
Total comprehensive income for the year	(10,96,062)	9,804	(10,86,258)
Balance at 31 Mar 2021	(82,67,075)	(32,208)	(82,99,283)
Profit /(Loss) for the year	(36,71,968)		(36,71,968)
Transfer to retained earnings	(32,208)	32,208	
Other comprehensive income for the year		-	-
Total comprehensive income for the year	(37,04,176)	-	(36,71,968)
Balance at 31 Mar 2022	(1,19,71,250)	-	(1,19,71,251)

The notes from 1 to 32 form an integral part of the financial statements

As per our report of even date attached,
For G. M. Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

Abhishek Singh
Partner
Membership No: 407549

Date:
Place: New Delhi

16 MAY 2022

For and on behalf of the Board of Directors

Rajeev Kale
Director
[DIN:06775970]

Date:
Place: Mumbai

Amit Madhan
Director
[DIN:06646076]

Date:
Place: Mumbai

Jardin Travel Solutions Limited

Notes to the financial statements

For the period from 1 April 2021 to 31 March 2022

1 Company overview

Jardin Travel Solutions Limited (the Company) is incorporated on 1st September 2015 as a public company limited by shares under the provisions of Companies Act, 2013. The Company is incorporated as Tour operator (Destination management) &back end information technology service provider. The Company is mainly engaged in the business of providing back end information technology services. Pursuant to the Composite Scheme of Arrangement and Amalgamation amongst TC Forex Services Limited (Formerly known as Tata Capital Forex Limited), TC Travel Services Limited (Formerly known as TC Travel and Services Limited), SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited), Travel Corporation (India) Limited (TCI), Quess Corp Limited and Thomas Cook (India) Limited (TCIL) and their respective shareholders ('Composite Scheme of Arrangement and Amalgamation') effective from 25th November, 2019, Jardin Travel Solutions Limited has become direct wholly owned subsidiary of TCIL with effect from 25th November 2019.

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. In accordance with proviso to the Rule of the Companies (Accounts) Rules, 2014 the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting Standards.

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

The financial statements were authorized for issue by the Company's Board of Directors on 16th May 2022

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

1B.2 Use of estimates

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

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Jardin Travel Solutions Limited

assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements

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

Note 20-Determining the amount of expected credit loss on financial assets (including trade receivables).

1B Significant accounting policies *(Continued)*

1B.2 Use of estimates

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 24 - Measurement of defined benefit obligations: key actuarial assumptions;

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

Note 20-Impairment of financial assets,

1B.3 Current / non-current classification

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

Assets

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

a) it is expected to be 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;

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Jardin Travel Solutions Limited

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)

Deferred tax assets and liabilities are classified as non-current assets and liabilities on net basis.

Operating cycle

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

1B.4 Property Plant and 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

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Jardin Travel Solutions Limited

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 asset's 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.4 Property Plant and Equipment's (Continued)

De-recognition:

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 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
- 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

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Jardin Travel Solutions Limited

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 Significant accounting policies *(Continued)*

1B.6 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 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.

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

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

All financial assets are recognised 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 recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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 principle and interest on the principle amount outstanding.

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Jardin Travel Solutions Limited

1B Significant accounting policies*(Continued)*

1B.6 Financial instruments (Continued)

i. Financial assets *(Continued)*

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 derecognised (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 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.
- 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.

Jardin Travel Solutions Limited

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1B Significant accounting policies*(Continued)*

1B.6 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 amortised cost e.g., bank balance

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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

ii. Financial liabilities

Classification:

Financial liabilities are classified as measured at amortised 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 amortised 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.

G. M. KAPADIA & CO. ★ NEW DELHI ★ Chartered Accountants

Jardin Travel Solutions Limited ★

1B Significant accounting policies*(Continued)*

1B.6 Financial instruments (Continued)

ii. Financial liabilities ***(Continued)***

De-recognition:

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

Offsetting of financial instruments:

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

1B.7 Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.

Revenue from providing back end information technology services related to "Passion software" is recognised as per the terms of the contract with customer on progressive basis as monthly accrual.

Revenue does not include taxes viz. service tax (ST) / goods and service tax (GST) collected on behalf of Government, since no economic benefit flowing to the Company.

1B.8 Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary nature. The costs of the Company are broadly categorised in Employee benefit expenses, finance cost and other operating expenses. Employee benefit expenses majorly include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Finance Cost majorly include interest charges towards loan taken from Group Company. Other operating expenses majorly include legal and professional fees, IT Communication expenses, operating lease rentals, Security expenses and repairs & maintenance charges etc.

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

Jardin Travel Solutions Limited

1B Significant accounting policies*(Continued)*

1B.9 Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and bank balances. To be classified as cash and cash equivalents, the financial asset must:

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

1B.10 Employee benefits

(a) Short-term employee benefits

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

(b) Post-employment benefits

Defined contribution plan

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

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Jardin Travel Solutions Limited

1B Significant accounting policies*(Continued)*

1B.10 Employee benefits (Continued)

(b) Post-employment benefits (Continued)

Defined benefit plan

Gratuity

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

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

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.

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Jardin Travel Solutions Limited

1B Significant accounting policies *(Continued)*

1B.11 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.12 Taxation

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

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

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

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

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

Jardin Travel Solutions Limited

1B Significant accounting policies *(Continued)*

1B.12 Taxation (Continued)

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (tax bases).

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 recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company 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 recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

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Jardin Travel Solutions Limited

1B Significant accounting policies*(Continued)*

1B.13 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.14 Provisions and Contingent liabilities

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

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

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

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

1B.15 Application of New Indian Accounting Standards

All the Ind AS issued under section 133 of the Companies Act 2013 and notified by the Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standard) Rules,2015 (as amended) till the financial statement approved have been considered in preparation of these financial statements.

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2 Property, plant and equipment

Particulars	Computer Hardware
Gross carrying value as of 31 March 2020	57,46,760
Additions during the year	-
Disposals during the year	-
Gross carrying value as of 31 March 2021	57,46,760
Additions during the year	-
Disposals during the year	-
Gross carrying value as of 31 March 2022	57,46,760
Closing accumulated depreciation as of 31 March 2020	42,55,976
Depreciation charge during the year 2020-21	14,70,929
Closing accumulated depreciation as of 31 March 2021	57,26,905
Depreciation charge during the year 2021-22	19,855
Closing accumulated depreciation as of 31 March 2022	57,46,760
Carrying value as of 31 March 2021	19,855
Carrying value as of 31 March 2022	-

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3 Income taxes

	For the year ended 31 March 2022	For the year ended 31 March 2021
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	-	-
In respect of earlier years	-	-
Deferred tax		
In respect of current year	33,59,741	(3,64,801)
Income Tax expense recognised in Statement of profit and loss	33,59,741	(3,64,801)
(ii) Amounts recognised in other comprehensive income		
Deferred tax expense on remeasurements of defined benefit plans	-	3,445
Income tax expense recognised in OCI	-	3,445
B. Reconciliation of tax expense and the accounting profit for the year is as under :		
Profit/(Loss) before tax	(3,12,227)	(14,60,863)
Tax using the Company's domestic tax rate*		
Tax effect of:		
Others	-	-
Tax expense as per Statement of profit and loss	33,59,741	(3,64,801)

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3 **Income Taxes (Continued)**

The major component of defferd tax (liabilities)/Assets arising on account of timing difference are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities	-	-
Deferred Tax Assets		
Property, plant and equipment	-	3,17,576
Business Loss	-	22,84,620
MAT Credit	-	6,98,470
Employee benefits	-	59,075
Net Deferred Tax Assets	-	33,59,741

Particulars	Property, plant and equipment	Business Loss	MAT Credit	Employee benefits	Total
As at March 31, 2021	3,17,575.7	22,84,620	6,98,470	59,075	33,59,741
charged/(credited)					-
-to profit or loss	(3,17,576)	(22,84,620)	(6,98,470)	(59,075)	(33,59,741)
-to other comprehensive income					-
As at March 31, 2022	-	-	-	-	-

In the absence of reasonable certainty of availability of future taxable profits against which the deferred tax assets can be adjusted, the Company has recognized deferred tax assets to the extent of deferred tax liability available.

Expiry schedule of deferred tax assets not recognised is as under :

Particulars	2021-22	2022-23	2023-24	2024-25	2025-26	Beyond 5 years	Indefinite	Total
Business losses	-	-	-	-	73,64,261.00	15,89,222.00	-	89,53,483.00
Tax Losses:								
Unabsorbed depreciation								
MAT Credit						7,06,820.00		7,06,820.00
Long term capital losses								
Short term capital loses								
On WDV of assets							7,44,780.00	7,44,780.00
Total	-	-	-	-	73,64,261.00	22,96,042.00	-	1,04,05,083.00

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4 **Other tax assets**

Particulars	31 Mar 2022	31 March 2021
Advance tax	2,28,157	1,79,262
Total tax assets	**2,28,157**	**1,79,262**

5 **Other non-current assets**

Particulars	31 Mar 2022	31 March 2021
Advance paid to gratuity fund	-	2,34,474
Total Other non-current assets	-	**2,34,474**

6 **Trade receivables**

Particulars	31 Mar 2022	31 March 2021
Trade receivables	2,91,209	55,63,889
Less: Allowance for doubtful debts	-	-
Total recievables	**2,91,209**	**55,63,889**
Break up of Security Details		
'- Considered good	2,91,209	55,63,889
- Considered doubtful		-
Total	**2,91,209**	**55,63,889**
Less Impairment loss		-
Total Trade Recievables	**2,91,209**	**55,63,889**

Trade receivables Ageing Schedule
As at 31st March, 2022

Particular	Less than 6 Month	6 Month - 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Trade Receivables - Considered Good	2,91,209					2,91,209
Undisputed Trade Receivables - Which have significant increase in credit risk						-
Undisputed Trade Receivables - Credit Impaired						-
Disputed Trade Receivables - Considered Good						-
Disputed Trade Receivables - Which have significant increase in credit risk						-
Disputed Trade Receivables - Credit Impaired						-
Total	**2,91,209**	-	-	-	-	**2,91,209**

As at 31 March 2021

Particular	Less than 6 Month	6 Month - 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Trade Receivables - Considered Good	8,70,217	46,93,672				55,63,889
Undisputed Trade Receivables - Which have significant increase in credit risk						-
Undisputed Trade Receivables - Credit Impaired						-
Disputed Trade Receivables - Considered Good						-
Disputed Trade Receivables - Which have significant increase in credit risk						-
Disputed Trade Receivables - Credit Impaired						-
Total	**8,70,217**	**46,93,672**	-	-	-	**55,63,889**

7 **Cash and cash equivalents**

Particulars	31 Mar 2022	31 March 2021
Balance with banks :		
In current account	16,15,246	2,73,301
Total Cash and cash equivalents	**16,15,246**	**2,73,301**

8 **Other current assets**

Particulars	31 Mar 2022	31 March 2021
Prepaid expenses - current	-	15,228
Unbilled revenue	-	2,70,000
Balances with Government Authorities (Cenvat / Service tax credit receivable)	20,11,204	19,40,735
Less: Provision for ITC	(5,41,174)	(5,41,174)
Total Other current financial assets	**14,70,030**	**16,84,789**

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9 Equity share capital

Authorised equity share capital

Particulars	Number of shares	Amount
As at April 1, 2020	10,00,000	1,00,00,000
Increase during the year	-	-
As at March 31, 2021	10,00,000	1,00,00,000
Increase during the year	-	-
As at March 31, 2022	**10,00,000**	**1,00,00,000**

(i) Movement in Equity Share Capital (Issued, Subscribed and Fully Paid up)

Particulars	Number of shares	Equity Share Capital (par value)
As at April 1, 2020	10,00,000	1,00,00,000
Less: Share Forfeited		
Add: exercise of options-proceeds received		
Add: No of Shares issued during the year	-	-
As at March 31, 2021	10,00,000	1,00,00,000
Add: No of Shares issued during the year	-	-
As at March 31, 2022	**10,00,000**	**1,00,00,000**

Terms and rights attached to Equity 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 secured creditors if any, of all preferential amounts, in proportion to their shareholding.

(ii) Shares of the company held by Holding Company

Category of Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% of Holding	Number of shares	% of Holding
Thomas Cook India Limited (Holding company) & its nominees	10,00,000	100	10,00,000	100

(iii) Details of Shareholders holding 5% or more shares in the Company

Category of Shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% of Holding	Number of shares	% of Holding
Thomas Cook India Limited (Holding company) & its nominees	10,00,000	100	10,00,000	100

Pursuant to the the Composite Scheme of Arrangement and Amalgamation amongst TC Forex Services Limited (Formerly known as Tata Capital Forex Limited), TC Travel Services Limited (Formerly known as TC Travel and Services Limited), SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited), Travel Corporation (India) Limited, Quess Corp Limited and Thomas Cook (India) Limited (TCIL) and their respective shareholders ('Composite Scheme of Arrangement and Amalgamation') effective from 25th November, 2019, Jardin Travel Solutions Limited has become direct wholly owned subsidiary of TCIL.

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10 Reserves and surplus

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings	(1,19,71,251)	(82,99,283)
Total reserves and surplus	**(1,19,71,251)**	**(82,99,283)**

Retained Earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	(82,99,283)	(72,13,025)
Net Profit/(loss) for the year	(36,71,968)	(10,96,062)
Other comprehensive income for the year	-	9,804
Closing Balance	**(1,19,71,251)**	**(82,99,283)**

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11 **Borrowings**

Particulars	31 Mar 2022	31 March 2021
Unsecured		
-Loans and advances from related parties (ICD)	50,00,000	76,00,000
Total Borrowings	**50,00,000**	**76,00,000**

Terms of repayment:
Above ICD's have been matured and repaid to Thomas Cook India Limited post balancesheet date in April 2021 and new loan was received from holding company Thomas Cook India Limited on Oct 2021.
Pursuant to the the Composite Scheme of Arrangement and Amalgamation amongst TC Forex Services Limited (Formerly known as Tata Capital Forex Limited), TC Travel Services Limited (Formerly known as TC Travel and Services Limited), SOTC Travel Management Private Limited (formerly known as SITA Travels and Tours Private Limited), Travel Corporation (India) Limited, Quess Corp Limited and Thomas Cook (India) Limited (TCIL) and their respective shareholders ('Composite Scheme of Arrangement and Amalgamation') effective from 25th November, 2019, Jardin Travel Solutions Limited has become direct wholly owned subsidiary of TCIL.

12 **Trade payables**

Particulars	31 Mar 2022	31 March 2021
Due to micro, small and medium enterprises (Refer note 21)	-	-
Due to others	3,45,233	7,96,407
Total Trade and other payables	**3,45,233**	**7,96,407**

Trade Payable Ageing Schedule
As at 31st March, 2022

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises					-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,73,995	10,000			3,83,995
Disputed dues of micro enterprises and small enterprises					-
Disputed dues of creditors other than micro enterprises and small enterprises					-
Total Trade Payables	**3,73,995**	**10,000**	-	-	**3,83,995**

As at 31st March, 2021

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	5,15,856	2,80,551			7,96,407
Total outstanding dues of creditors other than micro enterprises and small enterprises					-
Disputed dues of micro enterprises and small enterprises					-
Disputed dues of creditors other than micro enterprises and small enterprises					-
Total Trade Payables	**5,15,856**	**2,80,551**	-	-	**7,96,407**

13 **Current - other financial liabilities**

Particulars	31 Mar 2022	31 March 2021
Accrued salary and benefits	-	73,404
Other financial liability	2,13,575	9,99,903
Provision for Income Tax	-	-
Total Current - other financial liabilities	2,13,575	**10,73,307**

14 **Other current liabilities**

Particulars	31 Mar 2022	31 March 2021
Statutory dues	17,085	1,44,880
Total Other current liabilities	**17,085**	**1,44,880**

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15 **Revenue from operations**

Particulars	For the year ended 31 Mar 2022	For the year ended March 31, 2021
Sales and services		
Income from IT Software	2,84,546	20,65,809
Income From Chargeback or Call Centre	2,46,029	27,59,799
TOTAL	5,30,575	48,25,608

15(a) **Other income**

Particulars	For the year ended 31 Mar 2022	For the year ended March 31, 2021
Sales and services		
Unclaimed credit balances no longer required, written back	3,75,255	8,42,372
Exchange gain (net)	56,384	-
Miscellaneous Income	57,783	1,181
TOTAL	4,89,422	8,43,553

16 **Employee benefit expense**

Particulars	For the year ended 31 Mar 2022	For the year ended March 31, 2021
Salaries and other allowances	3,95,132	32,74,688
Contribution to provident fund and other funds	43,622	2,93,259
Gratuity	-	2,60,997
Staff welfare	17,267	30,124
TOTAL	4,56,021	38,59,068

17 **Finance costs**

Particulars	For the year ended 31 Mar 2022	For the year ended March 31, 2021
Interest expenses	6,72,645	6,50,749
Other finance charges	10,310	6,400
TOTAL	6,82,955	6,57,149

18 **Other expenses**

Particulars	For the year ended 31 Mar 2022	For the year ended March 31, 2021
Legal and professional charges	76,584	2,05,294
Communication	-	1,57,561
Repairs and maintenance – others	2,099	2,099
Auditors' remuneration	90,000	1,23,199
Rates and taxes	4,710	5,41,839
Printing and stationery	-	2,100
Exchange gain (net) (including forward exchange contract)	-	1,10,786
TOTAL	1,73,393	11,42,878

Auditor's Remuneration

Particulars	For the year ended 31 Mar 2022	For the year ended March 31, 2021
As auditor		
- Statutory audit	90,000	1,23,199
TOTAL	90,000	1,23,199

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19 Earnings per share (EPS)

Particulars	31 March 2022	31 March 2021
A. Net Profit/(Loss) for the year	(36,71,968)	(10,96,062)
B. Weighted average number of equity shares outstanding during the year	10,00,000	10,00,000
C. Weighted average number of preference shares outstanding during the year		
D. Basic earnings per share (A/B)	(3.67)	(1.10)
E. Diluted earnings per share (A/B+C)	(3.67)	(1.10)

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20 **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 2022	Carrying amount				Fair value			
	Financial instruments measured at fair value through profit or loss (FVTPL)	Financial instruments measured at fair value through comprehensive income (FVTOCI)	Financial instruments measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets measured at Fair value								
Investment in Mutual Funds	-	-	-	-	-	-	-	-
Financial assets not measured at fair value								
Trade receivables	-	-	2,91,209	2,91,209	-	-	-	-
Cash and cash equivalents	-	-	16,15,246	16,15,246	-	-	-	-
Other financial assets								-
- Non-current	-	-	-	-	-	-	-	-
- Current	-	-	14,70,030	14,70,030	-	-	-	-
	-	-	33,76,485	33,76,485	-	-	-	-
Financial liabilities measured at Fair value								
Derivative Liability	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Trade payables	-	-	3,45,233	3,45,233	-	-	-	-
Borrowings	-	-	50,00,000	50,00,000	-	50,00,000	-	50,00,000
Other financial liabilities								
- Current	-	-	2,13,575	2,13,575	-	-	-	-
Total financial liabilities	-	-	55,58,808	55,58,808	-	50,00,000	-	50,00,000

31 March 2021	Carrying amount				Fair value			
	Financial instruments measured at fair value through profit or loss (FVTPL)	Financial instruments measured at fair value through comprehensive income (FVTOCI)	Financial instruments measured at amortized cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets measured at Fair value								
Investment in Mutual Funds	-	-	-	-	-	-	-	-
Financial assets not measured at fair value								
Trade receivables	-	-	55,63,889	55,63,889	-	-	-	-
Cash and cash equivalents	-	-	2,73,301	2,73,301	-	-	-	-
Other financial assets								-
- Non-current	-	-	-	-	-	-	-	-
- Current	-	-	16,84,789	16,84,789	-	-	-	-
	-	-	75,21,979	75,21,979	-	-	-	-
Financial liabilities not measured at fair value								
Trade payables	-	-	7,96,407	7,96,407	-	-	-	-
Borrowings	-	-	76,00,000	76,00,000	-	76,00,000	-	76,00,000
Other financial liabilities								
- Current	-	-	10,73,307	10,73,307	-	-	-	-
Total financial liabilities	-	-	94,69,714	94,69,714	-	76,00,000	-	76,00,000

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

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following methods and assumptions were used to estimate the fair values:

a) The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non- current assets,and cash and cash equivalents are considered to be the same as their fair values.

b) The fair values of long term security deposits taken and non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of observable inputs.

c) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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:

- Liquidity risk ;
- Credit risk ; and
- Currency risk

i. Risk management framework

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

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

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

ii. Liquidity risk

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

The company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has an outstanding bank borrowings on Rs Nil. As of March 2022 the company has working capital of Rs (20,37,567) including cash and cash equivalents of Rs 16,15,246 and current investments of Rs Nil. As of March 2020 company had working capital of Rs (20,92,616) including cash and cash equivalent of Rs 2,73,301 and current investement of Rs NIL.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 2022	**Carrying amount**	**Total**	**Less than 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities							
Loans and advances from related parties	50,00,000	50,00,000	50,00,000	-	-		-
Trade and other payables	3,45,233	3,45,233	3,45,233	-	-	-	-
Other financial liabilities	2,13,575	2,13,575	2,13,575	-	-	-	-

			Contractual cash flows				
31 March 2021	**Carrying amount**	**Total**	**Less than 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Non-derivative financial liabilities							
Loans and advances from related parties	76,00,000	76,00,000	-	-	-	76,00,000	-
Trade and other payables	7,96,407	7,96,407	7,96,407	-	-	-	-
Other financial liabilities	10,73,307	10,73,307	10,73,307	-	-	-	-

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20 Financial instruments – Fair values and risk management (Continued)

C. Financial risk management *(Continued)*

iii. 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.

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

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics 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 customer operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

The average credit period on sales of services is less than 30 days. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

Movement in impairement on trade receivables	31 March 2022	31 March 2021
Balance at the beginning of the year	-	-
Impairment	-	-
Balance at the end of the year	-	-

Cash and cash equivalents

The Company held cash and cash equivalents of Rs 16,15,241.79 as at 31 March 2022 (Rs. 2,73,301as at 31 March 2021). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated AA- to AA+

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

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20 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.

v. **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 2022 and 31 March 2021 are as below:

Particulars	31 March 2022 USD	31 March 2022 EUR	31 March 2022 JPY	31 March 2022 GBP
Financial assets				
Trade and other receivables	2,91,209	-	-	-
Total	2,91,209	-	-	-
Net exposure in respective currencies	2,91,209	-	-	-

Particulars	31 March 2021 USD	31 March 2021 EUR	31 March 2021 JPY	31 March 2021 GBP
Financial assets				
Trade and other receivables	55,63,889	-	-	-
Total	55,63,889	-	-	-
Net exposure in respective currencies	55,63,889	-	-	-

v. **Currency 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.

Particulars	Average rate		Year-end spot rate	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
USD	74.45	74.39	75.79	73.11

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against various currencies as mentioned above at 31 March 2022 and 31 March 2021 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.

Particulars	Profit or loss		Equity, net of tax	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
31 March 2022				
1% movement				
USD	2,912	(2,912)	-	-
	2,912	(2,912)	-	-

Particulars	Profit or loss		Equity, net of tax	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
31 March 2021				
1% movement				
USD	55,639	(55,639)	-	-
	55,639	(55,639)	-	-

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Jardin Travel Solutions Limited

(Amount are expressed in Indian Rupees- INR)

21 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

Particulars	31 March 2022	31 March 2021
The amounts remaining unpaid to micro and small suppliers as at the end of the year.		
-- Principal	-	-
-- Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

22 Segment reporting

The Company is in the business of providing IT Software services to its 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.

23 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 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, 2022 and March 31, 2021.

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(Amount are expressed in Indian Rupees- INR)

24 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, and Labour Welfare Fund 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 2022	31 March 2021
Employer's contribution to provident fund	28,607	3,66,769
Employee's State Insurance Corporation	4,541	4,043
National Pension Scheme	10,374	1,60,659
Labour welfare fund	100	2,550
NPS Contribution		-

(ii) Defined Benefit Plan:

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

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

Company has transferred all its employees to its holding company Thomas Cook (India) Ltd in May 2021, accordingly we have also transferred the fund to the holding company.

Based on the actuarial valuation obtained in respect of gratuity, 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 2022	31 March 2021
Gratuity		
Net defined benefit asset	-	4,48,417
Net defined benefit liability	-	2,13,943
Net defined benefit (asset) / liability	-	(2,34,474)
Compensated absence		
Liability for compensated absences		-
Non-current		-
Current		-
Total employee benefit liabilities	-	(2,34,474)

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Jardin Travel Solutions Limited

24 Employee benefits *(Continued)*

B. Movement in net defined benefit (asset) liability

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

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Opening balance	2,13,943	2,16,173	4,48,417	5,04,736	(2,34,474)	(2,88,563)
Current service cost	-	91,663	-	-	-	91,663
Adjustment to opening fair value of plan assets		-	-	27,182	-	(27,182)
Interest cost (income)	-	12,309	-	30,306	-	(17,997)
	2,13,943	3,20,145	4,48,417	5,62,224	(2,34,474)	(2,42,079)
Included in OCI						
Experience adjustment	-	29,674	-	-	-	29,674
Effect of asset ceiling	-	-	-	(1,20,735)	-	1,20,735
Return on plan assets excluding interest income	-	-		6,928	-	(6,928)
	-	29,674	-	(1,13,807)	-	1,43,481
Other						
Contributions paid by the employer	-	-		1,35,876	-	(1,35,876)
Liabilities assumed / (settled)	(2,13,943)	-	(4,48,417)	-	2,34,474	-
Benefits paid	-	-1,35,876	-	(1,35,876)	-	-
Closing balance	-	2,13,943	-	4,48,417	-	(2,34,474)
Represented by						
Net defined benefit asset					-	4,48,417
Net defined benefit liability					-	2,13,943
					-	(2,34,474)

C. Plan assets

Plan assets comprise the following:

Particulars	31-Mar-22	31-Mar-21
Investment in Gratuity Fund(LIC)	-	4,48,417
	-	4,48,417

24 Employee benefits *(Continued)*

D. Defined benefit obligations

i. Actuarial assumptions

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

Particulars	31 March 2022	31 March 2021
Discount rate	0.00%	5.70%
Salary escalation rate	0.00%	6.00%
Mortality rate	IALM (2012-14) Ult	IALM (2012-14) Ult
Employee Attrition Rate		
Upto Age 30	0.00%	29.00%
Age 31-40	0.00%	23.00%
Age 41-50	0.00%	15.00%
Age 51 and above	0.00%	10.00%

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

As on 31st March, 2022 company had no employees because of which no actuarial valuation was done as per Indas 19.

ii. Sensitivity analysis

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

Particulars	31-Mar-22		31-Mar-21	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	-	-	2,08,858	2,19,311
Future salary growth (0.5% movement)	-	-	2,19,269	2,08,849
Future pension growth (1% movement)				
Medical cost trend rate (1% movement)				

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.

As on 31st March, 2022 company had no employees because of which no actuarial valuation was done as per Indas 19.

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25 **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 2022. Management believes that the Company's international and domestic transactions with associated enterprises post 31 March 2022 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.

26 **Going Concern Assumption**

The lockdowns and restrictions imposed from time to time on various activities due to COVID-19 pandemic have posed challenges to all the businesses of the Company. However, the Company has now been able to restart some of its businesses in the foreign exchange and domestic ticketing & leisure operations in India and outside India. The Company expects operations to normalize in a phased manner once the confidence of corporates / travellers is fully restored. The Company has assessed the impact of COVID-19 on the carrying amount of its assets and revenue recognition. In developing the assumptions relating to the possible future uncertainties, the Company, as on date of approval of these standalone financial results has used internal and external sources of information to the extent available. The Company, based on current estimates and information, expects the carrying amount of these assets to be recovered.
The Company has also assessed the impact for existing and anticipated effects of COVID-19 on the future cash flow projections on the basis of significant assumptions as per the available information.

The Company has obtained support letter from its holding company Thomas Cook (India) Limited to safeguard its ability to continue as a going concern.The Company continues to provide services for its holding company.The Company is also planning to set up a training academy and various other related services to support the holding company and its subsidiaries/ group companies.

Based on aforesaid assessment, management believes that the Company will continue as a going concern. The Company continues to monitor any material changes to its COVID-19 impact assessment, resulting from the future economic conditions and future uncertainty, if any.

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Notes to financial statements for the year ended Mar 31, 2022
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27 **Related party transactions**
(A) **Names of related parties by whom control exists**

Name of the parties	Relationships
Thomas Cook (India) Limited	Holding Company w.e.f 25th Nov 2019

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

Name of the parties	Relationships
Quess Corp Ltd	Fellow Subsidiary of the company
Desert Adventures Tourism LLC	Fellow Subsidiary of the company
Asian Trail Holdings Ltd	Fellow Subsidiary of the company

(C) **Key Management Personnel**

Name of the parties	Name of the key management personnel
Directors of the Company	Amit Madhan* Rajeev Kale* Abraham Alapatt*

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

Particulars	Year	Ultimate cholding Company/ Holding Company	Fellow Subsidary	Other Related Party	Total
Sale of services	2022	2,46,029	2,84,546	-	5,30,575
	2021	24,89,799	20,65,809	-	45,55,608
Loan Taken	2022	1,50,00,000	-	-	1,50,00,000
	2021	-	-	-	-
Loan Repaid	2022	1,76,00,000	-	-	1,76,00,000
	2021	-	-	-	-
Interest on loan taken	2022	6,72,645	-	-	6,72,645
	2021	6,50,750	-	-	6,50,750

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Jardin Travel Solutions Limited

27 Related party transactions *(Continued)*

(E)

Particulars	Year	Holding Company	Fellow Subsidary	Other Related Party	Total
Balance as at 31 March					
Receivable	**2022**	**2,34,474**	**56,735**	**-**	**2,91,209**
	2021	50,621	50,06,283	-	50,56,904
Payables	**2022**	**52,13,575**	**-**	**-**	**52,13,575**
	2021	85,23,134	-	-	85,23,134

(F)

Particulars	Holding Company	2022	2021
Sale of Servies	Thomas Cook (India) Limited	**2,46,029**	24,89,799
Interest on loan taken	Thomas Cook (India) Limited	**6,72,645**	6,50,750
Transactions during the year:			
Loan Repaid	Thomas Cook (India) Limited	**1,76,00,000**	-
Loan Taken	Thomas Cook (India) Limited	**1,50,00,000**	-
Balance as at 31 March			
Net Receivable	Thomas Cook (India) Limited	**2,34,474**	50,621
Payables:			
Loan Payable	Thomas Cook (India) Limited	**50,00,000**	76,00,000
Interest payable on Loan	Thomas Cook (India) Limited	**2,13,575**	8,12,992
Other Payable	Thomas Cook (India) Limited	**-**	1,10,142

(G)

Particulars	Fellow Subsidary	2022	2021
Sale of Services	Desert Adventures Tourism LLC	-	13,55,477
Sale of Servies	Asian Trail Holdings Ltd	**2,84,546**	7,10,332
Balance as at 31 March			
Receivable	Desert Adventures Tourism LLC	**56,735**	50,06,283
Receivable	Asian Trail Holdings Ltd	-	5,29,837
Payable	Quess Corp Limited	-	-

* These KMPs have not drawn any remuneration from the company during the year.

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

Jardin Travel Solutions Limited

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Notes to financial statements for the period ended Mar 31, 2022
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28 **Ration Analysis**

Sr. No.	Financial performance ratios	Numerator	Denominator	31 March 2022	31 March 2021	Variance in %	Reasons
1	Current ratio (in times)	Total Current Assets	Total Current Liabilities	0.61	0.78	-22.60%	
2	Debt equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	-2.54	4.47	-156.76%	Reduction in business and operations from FY 2020-21 to FY 2021-22
3	Debt service coverage ratio (in times)*	Profit / (Loss) before interest, after tax and Depreciation and amortisation	Borrowings principal payments, Interest and lease payment	NA **	NA **	NA **	
4	Return on Net Worth (RONW) or Return on Equity (ROE) (in percentage) *	Profit / (Loss) after tax	Average total equity = (Opening total equity + Closing total equity)/2	186.28%	-64.45%	-389.04%	Reduction in business and operations from FY 2020-21 to FY 2021-22
5	Trade receivable turnover (in times)	Revenue from operations	Average trade receivables = (Opening trade receivable + Closing trade receivable)/2	1.82	0.87	110.07%	Reduction in business and operations from FY 2020-21 to FY 2021-22
6	Trade payable turnover ratio (in times)	Cost of services and other expenses	Average trade payable = (Opening trade payable + Closing trade payable)/2	NA **	NA **	NA **	
7	Net Capital turnover ratio (in times)	Revenue from operations	Average working capital = (Opening net current assets + Closing net current assets)/2***	-0.24	-2.31	-89.54%	Reduction in business and operations from FY 2020-21 to FY 2021-22
8	Net Profit Ratio (in percentage) *	Profit / (Loss) after tax	Revenue from operations	-692.07%	-22.71%	2946.98%	Reduction in business and operations from FY 2020-21 to FY 2021-22
9	Return on capital employed * (in percentage)	Profit / (Loss) before interest and tax	Closing capital employed = Tangible net worth# + Total borrowings + lease liabilities	152.15%	-26.18%	-681.10%	Reduction in business and operations from FY 2020-21 to FY 2021-22
10	Return on investment (in percentage) ##	Income Generated from invested funds in market	Average invested funds in market = (Opening funds invested in market + Closing funds invested in market)/2	NA **	NA **	NA **	

** Since the company has incurred losses.

*** Net current assets = Total current assets - Total current liability

Tangible net worth = Total net worth - Intangible assets (including intangible asset under development and goodwill).

29 **Other Statutory Information**

(i) The Company does not have any Benami property, where any proceeding has been initiated or is pending against the Company, for holding any Benami property.

(ii) The Company does not have any charges or satisfaction of such charges which are yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vi) The Company does not have any transaction which is not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey) or any other relevant provisions of the Income-tax Act, 1961

30 **Code on Social Security, 2020**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards provident fund and gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The Company is in the process of carrying out the evaluation and will give appropriate impact in standalone finacial statements in the period in which Code becomes effective and the related rules to determine the financial impact are published

31 **Regrouping**

The figures for the previous periods have been regrouped/ rearranged wherever necessary to confirm to the current period classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

32 **Disclosure under sec 115BAA in The Income Tax act , 1961**

In view of insertion of new Section 115 BAA in the Income Tax Act, 1961, as introduced by the Government of India, vide Taxation (Amendment) Ordinance, 2019 dated 20th of September 2019, domestic companies have been given an option to pay tax at reduced rate of 22%, effective from financial year 2019-20 (assessment year 2020- 21) & onwards, subject to their adhering to certain conditions specified therein.

The Management of the company has not exercised such option till the 2020-21 (assessment year 2021- 22) and further it continues to evaluate the benefit of exercising the option for a lower corporate tax rate vis-à-vis the existing provisions, 2021-22 (assessment year 2022- 23) onwards and the Company has an option for the same till the filing of return of income for such Year. Pending exercising of the option, the company has recognized the taxes on income for the year ended March 31, 2022 as per the earlier provisions.

The notes from 1 to 32 form an integral part of the financial statements

As per our report of even date attached.

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

G. M. KAPADIA & CO. NEW DELHI Chartered Accountants

Abhishek Singh
Partner
Membership No: 407549

Date:
Place: New Delhi
15 MAY 2022

Jardin Travel Solutions Limited

For and on behalf of the Board of Directors

Rajeev Kale	Amit Madhan
Director	Director
[DIN:06775970]	[DIN:06646076]
Date:	Date:
Place: Mumbai	Place: Mumbai

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G. M. KAPADIA & CO.
(REGISTERED)
CHARTERED ACCOUNTANTS
1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA
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Independent Auditor's Report
To the Members of TC Visa Services (India) Limited
Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **TC Visa Services (India) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("the Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("the SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in report of board of directors but does not include the standalone financial statements and our auditor's report thereon.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

MUMBAI NEW DELHI CHENNAI BENGALURU HYDERABAD JAIPUR

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

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 standalone 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 system 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.

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

   (i) 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;

   (ii) 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;

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

   (iv) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

   (v) On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;

   (vi) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

   (vii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company; and

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

      a) The Company does not have any pending litigations, which would impact the financial position of the Company;

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

b) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts;

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

d) (i) The Management has represented that, to the best of its knowledge and belief, as stated in Note No. 29, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, as stated in Note No. 29, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material mis-statement;

e) The Company has neither declared nor paid any dividend during the year.

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Place: Mumbai
Dated: 16 MAY 2022

UDIN:22039569AJJUM05187

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022 :

To the best of our information and according to the explanation provided to us by the Company and the books of account and records examined by us in the normal course of our audit, we state that:

(i) (a) to (d) The Company does not have any property, plant and equipment and hence provision of paragraph 3(i)(a) to (d) of the Order is not applicable; and

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

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

(b) During the year, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) (a) The Company has given unsecured loan to its holding company during the year amounting to Rs. 80 million and the same has been repaid during the year. The Company has not granted secured loans/advances in the nature of loans, or stood guarantee, or provided security to any parties;

(b) The terms and conditions of the grant of the above-mentioned loan were not prejudicial to the Company's interest; and

(c) to (f)Since, the loan granted has been repaid during the year itself, paragraph 3(iii)(c) to (f) of the Order is not applicable.

(iv) The Company has not granted any loans, or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of loan given by it and the the Company has not provided any guarantees or security or made investment to the aprties covered under section 186 of the Act.

(v) In our opinion and according to the information and explanation given to us, the Company has not accepted deposits or amounts which are deemed to be deposits therefore, the provisions of sections 73 to 76 or any other relevant provisions of

G. M. KAPADIA & CO. MUMBAI ★ Chartered Accountants ★

the Act and the rules framed there under are not applicable to the Company. We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Hence, reporting under paragraph 3(vi) of the Order is not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues, as applicable, to the appropriate authorities. According to the information and explanations given to us and based on verification carried out by us on test basis, there are no arrears of statutory dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date, they became payable; and

(b) There are no such statutory dues as referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2022, on account of dispute.

(viii) There are no transaction which are not recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The Company has not taken any terms loan. Accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable to the Company;

(d) The Company has not raised any funds on short-term basis. Accordingly, the reporting under paragraph 3(ix)(d) of the Order is not applicable to the Company;

(e) & (f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under paragraph 3(ix)(e) and (f) of the Order is not applicable.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company; and

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the current financial year. Accordingly, the reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) We have neither come across any instance of fraud by the Company or any material instance of fraud on the Company by its officers or employees, noticed or reported during the year;

(b) No report under section 143(12) of the Act has been filed during the year by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government; and

(c) There are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards;

(xiv)(a) & (b) The Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

(xv) The Company has not entered into any non-cash transaction with directors. We have been informed that no such transactions have been entered into with persons connected with directors.

(xvi) (a) to (c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3(xvi) (a) (b) and (c) of the Order is not applicable; and

(d) The Group does not have any CIC as part of the Group as per definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under paragraph 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses amounting to Rs.1.27 Lakhs during the financial year covered by our audit and Rs.2.24 Lakhs in the immediately preceding financial year.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

(xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3(xviii) of the Order is not applicable;

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The provisions of section 135(5) and 135(6) of the Act are not applicable to the Company. Accordingly, the reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable to the Company.

(xxi) The Company does not have subsidiary, associate or joint venture hence is not required to prepare consolidated financial statements. Accordingly, reporting on paragraph 3(xxi) of the Order is not applicable.

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN:22039569AJJUM05187

Place: Mumbai
Dated: 16 MAY 2022

Annexure B to the Independent Auditor's Report
Referred to in paragraph 2(vi) under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on the standalone financial statements for the year ended March 31, 2022

Opinion

We have audited the internal financial controls with reference to the standalone financial statements of the Company as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to the standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as at March 31, 2022 based on the internal controls with reference to the standalone financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to the standalone 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 ('Guidance Note') issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

G. M. KAPADIA & CO. ★ MUMBAI ★ Chartered Accountants

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the standalone 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 includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the standalone 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 the standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to the standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

Place: Mumbai
Dated: 16 MAY 2022

UDIN:22039569AJJUM05187

TC VISA SERVICES (INDIA) LIMITED
Balance Sheet as at March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
Deferred Tax Assets (Net)	3	94.1	65.0
Total Non-Current Assets		**94.1**	**65.0**
Current Assets			
Financial Assets			
- Trade Receivables	5(a)	150.6	61.6
- Cash & Cash Equivalents	5(b)	517.6	41.1
- Other Financial Assets	5(c)	577.3	25.5
- Loan	5(d)	-	1,300.0
Current Tax Assets	4	-	7.1
Other Current Assets	6	87.0	61.5
Total Current Assets		**1,332.5**	**1,496.8**
TOTAL ASSETS		**1,426.6**	**1,561.8**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	7	5.0	5.0
Other Equity - Reserve & Surplus	8	928.7	1,015.5
Total Equity		**933.7**	**1,020.5**
LIABILITIES			
Non-Current Liabilities			
Employee Benefit Obligations	9	8.6	16.2
Total Non-Current Liabilities		**8.6**	**16.2**
Current Liabilities			
Financial Liabilities - Trade Payables	10	313.4	435.6
Employee Benefit Obligations	9	19.1	21.0
Current Tax Liabilities	4	15.5	-
Other Current Liabilities	11	136.3	68.5
Total Current Liabilities		**484.3**	**525.2**
TOTAL LIABILITIES		**492.9**	**541.4**
TOTAL EQUITY AND LIABILITIES		**1,426.6**	**1,561.8**

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: 16 May 2022
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6775970

Date: 16 May 2022
Place: Mumbai

Rambhau Kenkare
Director
DIN: 01272743

Date: 16 May 2022
Place: Mumbai

TC VISA SERVICES (INDIA) LIMITED
Statement of Profit And Loss for the Year Ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Income			
Revenue from operations	12	103.3	74.2
Other income	13	87.4	122.8
Total income		**190.7**	**197.0**
Expenses			
Employee benefits expense	14	179.1	236.2
Finance Cost	15	24.0	3.3
Other Expenses	16	114.9	182.0
Total expenses		**318.0**	**421.5**
Profit before tax		**(127.3)**	**(224.5)**
Less: Tax expense	17		
Current tax		-	0.0
Deferred tax		(32.0)	(53.9)
Total tax expenses		**(32.0)**	**(53.9)**
Profit for the year (A)		**(95.3)**	**(170.6)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		11.4	3.7
Income tax relating to items that will not be reclassified to profit or loss		(2.9)	(1.0)
Total other comprehensive income for the year, net of taxes (B)		**8.5**	**2.7**
Total comprehensive income for the year (A+B)		**(86.8)**	**(167.9)**
Earnings per equity share (Face value of INR 10 each)	22		
- Basic earnings per share (In INR)		(190.5)	(341.2)
- Diluted earnings per share (In INR)		(190.5)	(341.2)

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

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

Atul Shah
Partner
Membership No. 39569

Date: 16 May 2022
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6775970

Date: 16 May 2022
Place: Mumbai

Rambhau Kenkare
Director
DIN: 01272743

Date: 16 May 2022
Place: Mumbai

TC VISA SERVICES (INDIA) LIMITED
Statement of Cash Flows for the Year Ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
A) Cash flow from operating activities		
Profit before income tax	**(127.3)**	**(224.5)**
Adjustments for:		
Provision for Doubtful Debts and Advances (Net)	(21.2)	14.0
Interest income on bank deposit	-	(13.7)
Operating profit before changes in operating assets and liabilities	**(148.5)**	**(224.2)**
Change in operating assets and liabilities:		
(Increase)/Decrease in trade receivable	(67.7)	1,307.9
(Increase)/Decrease in other financial assets	(551.8)	(10.1)
(Increase)/Decrease in other current assets	(25.5)	(49.3)
Increase/(Decrease) in non current employee benefit obligations	3.7	5.6
Increase/(Decrease) in trade payables	(122.2)	116.0
Increase/(Decrease) in current employee benefit obligations	(1.9)	10.9
Increase/(Decrease) in other current liabilities	67.8	(23.6)
Cash generated from operations	**(846.1)**	**1,133.2**
Income taxes paid	22.6	(14.4)
Net cash inflow from operating activities	**(823.5)**	**1,118.8**
B) Cash flow from investing activities:		
Repayment of Loan given to Related Parties	1,300.0	(1,300.0)
Interest on bank deposits	-	13.7
Net cash inflow/(outflow) from investing activities	**1,300.0**	**(1,286.3)**
C) Cash flow from financing activities:	-	-
Net increase in cash and cash equivalents	476.5	(167.5)
Add: Cash and cash equivalents at the beginning of the financial year	41.1	208.6
Cash and cash equivalents at the end of the year	**517.6**	**41.1**
Reconciliation of Cash Flow statements as per the cash flow statement	**For the Year Ended March 31, 2022**	**For the Year Ended March 31, 2021**
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	517.6	41.1
Balances as per statement of cash flows	**517.6**	**41.1**

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: 16 May 2022
Place: Mumbai

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6775970

Date: 16 May 2022
Place: Mumbai

Rambhau Kenkare
Director
DIN: 01272743

Date: 16 May 2022
Place: Mumbai

TC VISA SERVICES (INDIA) LIMITED
Statement of Changes in Equity for the Year Ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

Equity share capital

Particulars	Amount
Balance as at March 31, 2020	**5.0**
Changes in Equity Share Capital due to prior period error	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at March 31, 2021	**5.0**
Changes in Equity Share Capital due to prior period error	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year	-
Balance as at March 31, 2022	**5.0**

	Reserves and Surplus		
Particulars	**Capital Contribution**	**Retained Earnings**	**Total Other Equity**
Balance as at March 31, 2020	**9.9**	**1,173.4**	**1,183.3**
Profit for the year	-	(170.6)	(170.6)
Other Comprehensive Income	-	2.7	2.7
Transaction with owners in their capacity as owners			
Employee Stock Option Expense	-	-	-
Balance as at March 31, 2021	**9.9**	**1,005.5**	**1,015.5**
Profit for the year	-	(95.3)	(95.3)
Other Comprehensive Income	-	8.5	8.5
Balance as at March 31, 2022	**9.9**	**918.7**	**928.7**

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

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: 16 May 2022
Place: Mumbai

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6775970

Date: 16 May 2022
Place: Mumbai

Rambhau Kenkare
Director
DIN: 01272743

Date: 16 May 2022
Place: Mumbai

General Information

TC Visa Services (India) Limited (the "Company") was incorporated on August 30, 2011 with main object to render consultancy and / or advisory services in connection with obtaining / arranging visas. The Company is a 100% subsidiary of Thomas Cook (India) Limited. The Company commenced operations from February 1, 2013.

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 and other relevant provisions of the Act as amended from time to time that are notified and effective as at 31st March, 2022.
Financial for the Year Ended March 31, 2022 is prepared based on 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.

(b) Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the following:
• Investments, and
• Defined benefit plans

(c) Use of estimates and judgments

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 judgment 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 judgments 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 recognized in the period in which the estimates are revised and in any future periods affected.

The areas involving critical estimates and judgments are:
(i) Estimation of defined benefit obligation
(ii) Impairment of Trade Receivables

1.2 Revenue Recognition

To recognize revenues, the Company applies the following five step approach:
1. identify the contract with a customer;
2. identify the performance obligations in the contract;
3. determine the transaction price;
4. allocate the transaction price to the performance obligations in the contract; and
5. recognize revenues when a performance obligation is satisfied.

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 products or services.
Revenue comprises of consultancy and / or advisory services in connection with obtaining / arranging visas. The revenue arising from providing consultancy and/or advisory services in connection with obtaining Visa clearance services is included on the basis of margins earned, since inclusion on the basis of their gross value would not be meaningful and potentially misleading as an indicator of the level of the Company's business.

Revenue is recognised when services towards obtaining /arranging Visa clearance(s) are rendered i.e. submission of relevant documents to the Consulate.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue in excess of billing is classified as Accrued Revenue and is classified as a financial asset because, in these cases, right to consideration is unconditional upon passage of time. While invoicing in excess of revenue is classified as Income received in Advance.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

1.3 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.

TC VISA SERVICES (INDIA) LIMITED

1.4 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.

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.

Income Tax:

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 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.

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.

1.5 Employee Benefits

(a) Long-term Employee Benefits

The Company operates the following post-employment schemes:

(i) Defined benefit plans such as gratuity

(ii) Defined contribution plans such as provident fund

(i) Defined Contribution Plans

Contribution towards Provident Fund for all employees are 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.

Company's contributions to the above funds are charged to the Statement of Profit and Loss for the year for which the contributions are due for payment.

(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.

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

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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1.6 **Impairment of Assets**

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.

The entity considers evidence of impairment for receivables for each specific asset. All individually significant receivables are assessed for specific impairment.

1.7 **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 shall 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 company 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.

1.8 **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. Cash and cash equivalents include cash on hand, term deposits with banks and other short-term highly liquid investments. To be classified as cash and cash equivalents, the financial asset must:

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

In the cash flow statement, Cash and Cash Equivalents includes Cash on Hand, Cheques/Drafts on Hand, Remittances in Transit, Balances with Bank held in Current Account and Demand Deposits with maturities of three months or less. Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1.9 **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.

2.0 **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:
- the entity's business model for managing the financial assets and
- 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.

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('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 shall, 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.

(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.

2.1 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.

2.2 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.

2.3 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.

2.4 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 shall have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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Notes to Financial Statements for the Year Ended March 31, 2022

(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, 2022	As at March 31, 2021
Deferred Tax Assets		
On provisions allowable for tax purpose when paid	88.1	53.7
On Provision for Doubtful Advances	6.0	11.3
Net Deferred Tax Assets	**94.1**	**65.0**

Movement in Deferred Tax Assets

Particulars	On provisions allowable for tax purpose when paid	On Provision for Doubtful Advances	Total
As at April 1, 2020	4.3	7.8	12.1
charged/(credited)			
-to profit or loss	50.4	3.5	53.9
-to other comprehensive income	(1.0)	-	(1.0)
As at March 31, 2021	**53.7**	**11.3**	**65.0**
charged/(credited)			
-to profit or loss	37.3	(5.2)	32.0
-to other comprehensive income	(2.9)	-	(2.9)
As at March 31, 2022	**88.1**	6.0	94.1

Note 4: Current Tax Assets/(Liabilities)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance - Current Tax Asset/(Liability)	7.1	(7.3)
Less: Current Tax payable for the year	-	-
Add: Taxes Paid	(22.6)	14.4
Closing Balances - Current Tax Asset/(Liabilities)	**(15.5)**	7.1

Note 5: Financial Assets

5(a)Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Receivables	174.6	106.8
Less: Allowance for doubtful debts	(24.0)	(45.2)
Total recievables	**150.6**	**61.6**
Break up of Security Details		
Unsecured, considered good	150.6	61.6
Unsecured, considered Doubtful	24.0	45.2
Total	174.6	**106.7**
Less : Allowance for doubtful debts	(24.0)	(45.2)
Total Trade Recievables	**150.6**	**61.6**

Trade receivables Ageing Schedule

As at 31 March 2022

Particular	Less than 6 Month	6 Month - 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Trade Receivables - Considered Good	58.6	41.0	4.5	6.6	39.9	**150.6**
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - Credit Impaired	-	-	-	-	24	24
Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Total	58.6	41.0	4.5	6.6	63.9	**174.6**

Trade receivables Ageing Schedule

As at 31 March 2021

Particular	Less than 6 Month	6 Month - 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Trade Receivables - Considered Good	56.0	4.5	1.1	-	-	**61.5**
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - Credit Impaired	3.3	0.1	7.4	25.0	9.4	**45.2**
Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Total	59.3	4.6	8.5	25.0	9.4	**106.7**

5(b) Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks :		
In current accounts	63.6	36.5
Fixed Deposits with original maturity of less than three months	450.0	-
Cash in hand	3.9	4.3
Cheques on hand	0.1	0.3
Total Cash and cash equivalents	**517.6**	**41.1**

5(c) Other Financial Assets

Particulars	Non-current	Current	Non-current	Current
	As at March 31, 2022		As at March 31, 2021	
Accrued Revenue	-	8.1	-	10.6
Other Receivables from Related Parties	-	569.2	-	14.9
Other Receivables from Mutual Fund Companies	-	-	-	-
Total Other Financial Assets	-	**577.3**	-	**25.5**

5(d) Loan

Particulars	Non-current	Current	% of Total	Non-current	Current	% of Total
	As at March 31, 2022			As at March 31, 2021		
Loan to Related Parties	-	-	-	-	1,300.0	100.0
Total Loan	-	-	-	-	**1,300.0**	**100.0**

Note: Loan Repayable without specifying any terms or period of repayment.

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Note 6: Other Current Assets

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Advance to Suppliers		
Considered good	61.4	9.0
Considered Doubtful	-	-
Less: Allowance for doubtful advances	-	-
	61.4	**9.0**
Advance to Employees		
Considered good	-	24.7
	-	
Less: Allowance for doubtful debts	-	-
	-	**24.7**
Prepaid expenses	1.5	4.9
Receivable with Government authorities- GST	24.1	22.9
Total	**87.0**	**61.5**

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Notes to Financial Statements for the Year Ended March 31, 2022
(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, 2020	5.0	50.0
Increase during the Year Ended March 31, 2021	-	-
As at March 31, 2021	5.0	50.0
Increase during the Year Ended March 31, 2022	-	-
As at March 31, 2022	5.0	50.0

(i) Movement in Equity Share Capital during the Year

Particulars	No of Shares (In lakhs)	Amount
As at April 1, 2020	0.5	5.0
Increase during the Year Ended March 31, 2021	-	-
As at March 31, 2021	0.5	5.0
Increase during the Year Ended March 31, 2022	-	-
As at March 31, 2022	0.5	5.0

(ii) Terms and rights attached to shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution to all secured creditors, if any, of all preferential amounts, in proportion to their dues.

(iii) Shares of the company held by Holding Company

Particulars	As at March 31, 2022			As at March 31, 2021		
	No of Shares (In lakhs)	Amount	% Change during the year	No of Shares (In lakhs)	Amount	% Change during the year
Equity Shares						
Thomas Cook (India) Limited and its nominees	0.5	5.0	-	0.5	5.0	-

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

Category of Shareholder	As at March 31, 2022			As at March 31, 2021		
	No of shares (In lakhs)	% of Holding	% Change during the year	No of shares (In lakhs)	% of Holding	% Change during the year
Equity Shares						
Thomas Cook (India) Limited and its nominees	0.5	100.0%	-	0.5	100.0%	-

(v) Shares held by Promoters at the end of the year

Category of Shareholder	As at March 31, 2022			As at March 31, 2021		
	No of shares (In lakhs)	% of Holding	% Change during the year	No of shares (In lakhs)	% of Holding	% Change during the year
Equity Shares						
Thomas Cook (India) Limited and its nominees	0.5	100.0%	-	0.5	100.0%	-

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Note 8: Reserves and surplus

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Contribution	9.9	9.9
Retained Earnings	918.7	1,005.5
Total reserves and surplus	**928.6**	**1,015.4**

(a) Capital Contribution

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	**9.9**	**9.9**
Capital Contribution towards ESOP Expenses	-	-
Closing Balance	**9.9**	**9.9**

(b) Retained Earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	**1,005.5**	**1,173.4**
Net Profit for the year	(95.3)	(170.6)
Items of other Comprehensive income recognised directly in retained earnings	8.5	2.7
Closing Balance	**918.7**	**1,005.5**

Nature and Purpose of Reserves-

Capital Contribution
The company has created capital contribution reserve in relation to push-down ESOP's from its parent company- Thomas Cook (India) Limited due to Ind AS requirement.

TC VISA SERVICES (INDIA) LIMITED

Note 9: Employee Benefit Obligations

Particulars	As at March 31, 2022			As at March 31, 2021		
	Non Current	Current	Total	Non Current	Current	Total
Leave Entitlement	-	1.6	1.6	-	2.8	2.8
Gratuity	8.6	-	8.6	16.2	-	16.2
Employee Benefit Payables	-	17.5	17.5	-	18.2	18.2
Total	8.6	19.1	27.7	16.2	21.0	37.2

(i)Leave Obligations - Leave Entitlement

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

The amount of the provision of INR 1.6 (31 March 2021 - INR 2.8) 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, 2022	As at March 31, 2021
Current leave obligations expected to be settled within next 12 months	1.6	2.8

(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 8.1 Lakhs (March 31, 2021 - INR 15 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
March 31, 2020	**39.8**	**25.5**	**14.4**
Current service cost	5.8	-	5.8
Interest expense/(income)	2.1	1.4	0.7
Total amount recognised in profit and loss	**7.9**	**1.4**	**6.5**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(0.5)	0.5
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	(4.6)	-	(4.6)
Total amount recognised in other comprehensive income	**(4.6)**	**(0.5)**	**(4.1)**
Employer contributions	-	0.5	(0.5)
Benefit payments	(24.2)	(24.2)	-
March 31, 2021	**18.9**	**2.7**	**16.2**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
March 31, 2021	**18.9**	**2.7**	**16.2**
Current service cost	3.1	0.0	3.1
Interest expense/(income)	1.0	0.2	0.8
Total amount recognised in profit and loss	**4.1**	**0.2**	**3.9**
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	2.0	(2.0)
(Gain)/loss from change in demographic assumptions	0.3	-	0.3
(Gain)/loss from change in financial assumptions	(1.4)	-	(1.4)
Experience (gains)/losses	(8.3)	-	(8.3)
Total amount recognised in other comprehensive income	**(9.4)**	**2.0**	**(11.4)**
Employer contributions	-	-	-
Benefit payments	(1.1)	(1.1)	-
March 31, 2022	**12.5**	**3.9**	**8.6**

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

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	12.5	18.9
Fair value of plan assets	3.9	2.7
Deficit of funded plan	8.6	16.2
Unfunded plans	-	-
Deficit of gratuity plan	**8.6**	**16.2**

TC VISA SERVICES (INDIA) LIMITED

(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, 2022	As at March 31, 2021
Discount rate	6.85%	5.70%
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		Impact on defined benefit obligation: Decrease in assumptions	
	March 31,2022	March 31,2021	March 31,2022	March 31,2021	March 31,2022	March 31,2021
Discount rate	50 basis point	50 basis point	-4.44%	-2.66%	4.78%	2.81%
Salary growth rate	50 basis point	50 basis point	4.79%	2.79%	-4.49%	-2.67%

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 shall 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 major categories of plans assets for gratuity are as follows:

Particulars	As at March 31, 2022: Unquoted	Total	In %	As at March 31, 2021: Unquoted	Total	In %
Insurer (LIC) Managed Funds	3.9	3.9	100.00%	2.7	2.7	100.00%

(v) 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.

(vi) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 9.20 years (2021 - 5.47 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, 2022	1.3	1.2	3.0	21.4	**26.9**
Post Employment Obligations as at March 31, 2021	3.4	3.1	7.1	13.7	**27.3**
Post Employment Obligations as at March 31, 2020	6.9	5.6	12.0	36.1	**60.6**
Post Employment Obligations as at March 31, 2019	6.3	5.5	11.8	26.5	**50.1**
Post Employment Obligations as at March 31, 2018	5.5	4.9	10.8	22.4	**43.5**

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Note 10: Financial Liabilities

Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Payables		
-Dues of micro enterprises and small enterprises	-	-
-Dues of creditors other than micro enterprises and small enterprises	313.4	435.6
Total Trade Payables	313.4	435.6

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

Trade Payable Ageing Schedule

As at 31st March, 2022

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	184.1	83.9	44.7	0.7	313.4
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total Trade Payables	184.1	83.9	44.7	0.7	313.4

As at 31st March, 2021

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	396.7	37.0	1.9	-	435.6
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total Trade Payables	396.7	37.0	1.9	-	435.6

Note 11: Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Advance received from Customers	122.1	58.1
Statutory Dues	14.2	10.4
Total	136.3	68.5

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Note 12: Revenue from Operations

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Income From Operations	103.3	74.2
Total	**103.3**	**74.2**

Note 13: Other Income

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Interest Income on Bank Deposits	-	13.7
Claims Written back	1.0	-
Miscellaneous Income	44.6	53.9
Interest on Loan to Related Parties	41.8	55.2
Total	**87.4**	**122.8**

Note 14: Employee Benefit Expense

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Salaries Wages and Bonus	166.4	217.2
Contribution to Provident and Other Funds	8.1	15.0
Gratuity (Refer note 9)	4.5	6.5
Staff Welfare Expenses	0.1	0.0
Staff Training Expenses	-	(2.5)
Total	**179.1**	**236.2**

Note 15: Finance Costs

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Other Finance Charges	24.0	3.3
Total	**24.0**	**3.3**

Note 16: Other Expenses

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Rent (Refer note 24)	18.8	50.2
Repairs and Maintenance	4.6	3.0
Rates and Taxes	0.4	0.0
Travelling Expenses	0.3	0.6
Legal and Professional Charges #(Refer note below "a")	8.4	12.9
Printing, Stationery and Communication Cost	0.0	1.0
Courier Charges	2.4	2.2
Brokerage	0.1	1.3
Provisions for doubtful debts and Advances (net off bad debt w/off)	13.3	14.0
Advertisment Expenses	0.1	(0.4)
Outsourced Staff	55.2	92.0
Miscellaneous Expenses	11.3	5.2
Total	**114.9**	**182.0**

Legal and Professional charges include auditors remuneration

(a): Details of payments to auditors

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Payment to auditors		
As auditor:		
-Statutory Audit	4.6	4.6
-Tax Audit	1.1	1.1
In other capacities		
-Re-imbursement of expenses	-	-
Total payments to auditors	**5.7**	**5.7**

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Note 17: Income Tax Expense

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
Decrease (increase) in deferred tax assets	(32.0)	(53.9)
Total deferred tax credit	**(32.0)**	**(53.9)**
Income tax expense	**(32.0)**	**(53.9)**

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

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Profit from continuing operations before income tax expense	(127.3)	(224.5)
Tax at the Indian tax rate of 25.17% (PY - 25.17%)	**(32.0)**	**(56.5)**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Interest on shortfall of advance tax	-	-
Dividend income	-	-
Sec 14A Disallowance	-	-
On account of rate difference as compared to previous year	-	-
Other items	0.0	2.6
Income tax expense	**(32.0)**	**(53.9)**

TC VISA SERVICES (INDIA) LIMITED

Note 18: Fair value measurements

Financial instruments by category

Particulars	As at 31 March 2022			As at 31 March 2021		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Trade receivable	-	-	150.6	-	-	61.6
Cash and cash equivalents	-	-	517.6	-	-	41.1
Others	-	-	577.3	-	-	-
Total financial assets	-	-	**1,245.5**	-	-	**102.7**
Financial liabilities						
Trade Payable	-	-	313.4	-	-	435.6
Total financial liabilities	-	-	**313.4**	-	-	**435.6**

The carrying amounts of trade receivable, cash and cash equivalents, other financial assets, trade payables, other financial liabilities are considered to be the same as their fair values due to their short-term nature.

Note 19: 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:

Particulars	As at March 31, 2022	As at March 31, 2021
Past due 1–90 days	6.7	62.4
Past due 91–180 days	51.9	(3.1)
Past due 180–365 days	41.0	(19.0)
Past due > 365 days	75.0	66.5
	174.6	**106.8**

Reconciliation of loss allowance provision – Trade receivables

Reconciliation of loss allowance	Amount
Loss allowance on March 31, 2020	**31.2**
Changes in loss allowance	14.0
Loss allowance on March 31, 2021	**45.2**
Changes in loss allowance	(21.2)
Loss allowance on March 31, 2022	**24.0**

Expected credit loss assessment for customers as at March 31, 2022 and March 31, 2021

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 group company and few corporate customers (for whom based on information available in the public domain about their credibility/financial performance no impairment indicator exist) hence impairment of trade receivables do not reflect any significant credit losses.

Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions of Rs 517.6 Lakhs and Rs 41.1 Lakhs as at March 31, 2022 and March 31, 2021 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 848.3 Lacs as at March 31, 2022 and INR 971.7 Lacs as at March 31, 2021.

(iv) Market risk

(a) Foreign currency risk

The Company does not deal in foreign currency and hence there is no foreign currency risk exposure.

(b) Cash flow and interest rate risk

The entity does not have any borrowings with fluctuating interest rates and hence it is not exposed to interest rate risk.

(c) Price risk

The entity does not have investsment which are exposed to market fluctuations and hence it is not exposed to price risk.

Note 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.

TC VISA SERVICES (INDIA) LIMITED

(All amounts in INR Lakhs, unless otherwise stated)

Note 21: 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, 2022	As at March 31, 2021
Thomas Cook (India) Limited, India ("TCIL")	Holding Company	India	100%	100%
Fairbridge Capital (Mauritius) Limited, Mauritius ("FCML") holds 70.58% of Equity Shares of TCIL. FCML is a stepdown subsidiary of Fairfax Financial Holding Limited, Canada the ultimate Holding Company.	Ultimate Holding Company	Canada		

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

Name	Place of Business/ country of incorporation	Relationship
SOTC Travel Limited	India	Fellow Subsidiary
TC Tours Limited	India	Fellow Subsidiary
Desert Adventures Tourism LLC	UAE	Fellow Subsidiary
Quess Corp Limited	India	Fellow Associate

(c) Key Management personnel

Particulars
R.R. Kenkare
Rajeev Kale
Abraham Alapatt

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

Nature of transaction	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of services		
Thomas Cook (India) Limited	1,139.8	687.8
SOTC Travel Limited	88.2	41.9
Services Availed		
Desert Adventures Tourism LLC	-	79.0
Facilities and Support Services Availed		
Thomas Cook (India) Limited -Rent	20.2	50.2
Loan Given		
Thomas Cook (India) Limited	800.0	1,000.0
TC Tours Limited	-	350.0
Loan repaid		
Thomas Cook (India) Limited	1,750.0	50.0
TC Tours Limited	350.0	-
Interest income on Loans to Related Parties		
Thomas Cook (India) Limited	40.5	51.5
TC Tours Limited	11.5	3.7
Other professional charges (Outsourced staff)		
Quess Corp Limited	54.2	94.5

Balances as at the year end	For the year ended 31 March 2022	For the year ended 31 March 2021
Outstanding Receivable		
Thomas Cook (India) Limited	74.7	89.5
SOTC Travel Limited	28.0	30.1
Loan to Related Parties		
Thomas Cook (India) Limited	-	950.0
TC Tours Limited	-	350.0
Other Receivables from Related Parties		
Thomas Cook (India) Limited	-	21.8
TC Tours Limited	(2.3)	3.7
Desert Adventures Tourism LLC	152.2	-
Quess Corp Limited	1.3	0.3
Outstanding payables		
Thomas Cook (India) Limited	-	0.6
Desert Adventures Tourism LLC	-	(13.5)

TC VISA SERVICES (INDIA) LIMITED

TC VISA SERVICES (INDIA) LIMITED
Notes to Financial Statements for the Year Ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Note 22: Earnings Per Share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit attributable to equity shareholders	(95.3)	(170.6)
Weighted average number of outstanding shares	0.5	0.5
(a) Basic earnings per share		
Attributable to the equity holder of the company	(190.5)	(341.2)
(b) Diluted earnings per share		
Attributable to the equity holder of the company	(190.5)	(341.2)

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

Particulars	March 31, 2022	March 31, 2021
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	(95.3)	(170.6)
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	**(95.3)**	**(170.6)**

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

Particulars	March 31, 2022	March 31, 2021
Weighted average number of equity shares used as the denominator in calculating basic earning per share	0.5	0.5
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earning per share	0.5	0.5

TC VISA SERVICES (INDIA) LIMITED

(All amounts in INR Lakhs, unless otherwise stated)

Note 23: Operating Leases
Disclosures in respect of cancellable agreements for office premises taken on lease

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Lease payments recognised in the Statement of Profit and Loss	18.8	50.2

Significant leasing arrangements
-The lease agreements are for a period of eleven months to nine years.
-The lease agreements are cancellable at the option of either party by giving one month to six months' notice.
-Certain agreements provide for increase in rent.

Note 24: Segment Information
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has only one operating segment, which is 'Visa related services'. The

Company earns it's entire revenue from its operations in India. There is no single customer which contributes more than 10% of the Company's total revenues.

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, 2022. 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 - IND AS 115 'Revenue from Contracts with Customers
As per Ind AS 115 'Revenue from Contracts with Customers' 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's revenue was primarily comprised of Revenue from render consultancy and / or advisory services in connection with obtaining / arranging visas.

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, 2022	For the Year Ended March 31, 2021
Visa and Related Services	103.3	74.2
	103.3	74.2

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, 2022	For the Year Ended March 31, 2021
India	103.3	74.2
Overseas	-	-
	103.3	74.2

Revenue based on product and services

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Visa and Related Services	103.3	74.2
	103.3	74.2

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, 2022	As at March 31, 2021
Advance received from Customers	122.1	58.1
	122.1	58.1

Note 27: Impact of COVID-19 (Global pandemic)
On 11 March 2020, the World Health Organization declared COVID-19 outbreak as a pandemic. Responding to the potentially serious threat of the pandemic, the Indian Government had taken a series of measures to contain the outbreak, which included imposing 'lock-downs' across the country. The lockdowns and restrictions imposed on various activities due to COVID–19 pandemic have posed challenges to all the businesses of TC Visa Services (India) Limited. Lockdown guidelines issued by Central/State governments mandated cessation of air traffic and other forms of public transport as well as closure of hotel operations. With the lifting of the lockdown restrictions, the Company has started re-opening it's branches and other establishments. The Company expects all the operations becoming normal in a phased manner.The Company expects the demand for its services to pick up albeit at a slower pace once lockdown is lifted. The Company has assessed the impact of COVID-19 on the carrying amount of its assets and revenue recognition. In developing the assumptions relating to the possible future uncertainties, the Company, as on date of approval of these standalone financial results has used internal and external sources of information to the extent available. The Company, based on current estimates and information, expects the carrying amount of these assets to be recovered. The Company has assessed the impact for existing and anticipated effects of COVID-19 on the future cash flow projections on the basis of significant assumptions as per the available information. The Company has comfortable liquidity position to meet its commitments and in addition the funds are expected to be generated from the operating activities. The Company has undertaken various cost saving initiatives and is in the process of bringing synergies of operations to maximise operating cash flows and conserve cash position in the given situation. Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern. The Company continues to monitor any material changes to its COVID-19 impact assessment, resulting from the future economic conditions and future uncertainty, if any.

TC VISA SERVICES (INDIA) LIMITED

Note 28: Ratio Working

Ratio Analysis	Numerator	Denominator	For the year ended 31 March 2022	For the year ended 31 March 2021	Variance	Remark
Current Ratio	Total Current Assets	Total Current Liabilities	2.75	2.85	-3%	
Return on Equity Ratio	Profit after Tax	Closing Shareholder's Equity	-0.10	-0.17	39%	There is an improvement in ROE due to reduction in losses compare to last year. COVID restrictions have been lifted resulting in to business improvement.
Trade Receivables turnover ratio	Revenue from Operations	Average current trade receivable	0.97	0.10	848%	There was no business in Last year because of COVID, current year sales have gone up effectively resulting in to increase in receivables.
Trade payables turnover ratio	Cost of Goods Sold (Expenses)	Average trade payable	0.31	0.48	-36%	After business have started after COVD,company have managed the funds to repay the dues of vendors.
Net capital turnover ratio	Revenue from Operations	Closing working capital	0.12	0.08	59%	Turnover is increased as compare to last year due to restarting of the business after COVID.
Net profit ratio	Profit after Tax	Revenue from Operations	-0.92	-2.30	60%	Turnover is increased as compare to last year due to restarting of the business after COVID.
Return on Capital employed	Profit before interest and tax	Closing Capital Employed	-0.11	-0.22	49%	Losses are reduced,as business have started after Lockdown resulted in to improvement in ROCE.

Note 29 : No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 30: Additional Regulatory Information detailed in clause 6Y of General Instructions given in Part I of Division I of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the company.

Note 31: Previous year's figures has been regrouped/rearranged wherever necessary to confirm with current year's figure.

Signatures to Notes 1 to 31 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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 39569

Date: 16 May 2022
Place: Mumbai

For and on behalf of the Board of Directors

Rajeev Kale
Director
DIN: 6775970

Date: 16 May 2022
Place: Mumbai

Rambhau Kenkare
Director
DIN: 01272743

Date: 16 May 2022
Place: Mumbai

B S R & Co. LLP
Chartered Accountants

KRM Tower, 1st and 2nd Floor
No.1, Harrington Road, Chetpet
Chennai - 600 031, India.

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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, 2022, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and 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, 2022, and profit 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

As more fully described in Note 43 to the financial statements, the extent to which the ongoing COVID-19 pandemic will have impact on the Company's financial performance including the Company's estimates of impairment of assets and future cash flows, are dependent on future developments, the severity and recurrence of the pandemic, which cannot be predicted with certainty. The Company has considered the context of the pandemic in applying assumptions used to determine the future cashflows. The impact assessment of COVID-19 is a continuing process. The Company will continue to monitor any material changes to the future economic conditions.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditors' Report Thereon

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 auditors' report thereon. The Board's report is expected to be made available to us after the date of this auditor's report.

In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

Information Other than the Financial Statements and Auditors' Report Thereon (continued)

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 and Board of Directors' 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 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, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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

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

• 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 in the financial statements made by the Management and Board of Directors.

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

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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, 2020 ("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

Report on Other Legal and Regulatory Requirements (continued)

e) On the basis of the written representations received from the directors as on March 31, 2022 and April 1, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 Auditors' 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:

a) The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its financial statements - Refer notes 45 and 47 to the financial statements.

b) 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 Note 8 and 30 to the financial statements. The Company does not have derivative contracts.

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

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

Report on Other Legal and Regulatory Requirements (continued)

C) With respect to the matter to be included in the Auditors' 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 or 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's Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No: 217042
ICAI UDIN: 22217042AJIMGE4955
Place: Chennai
Date: May 20, 2022

Annexure A to the Independent Auditors' Report to the Members of Sterling Holiday Resorts Limited for the year ended March 31, 2022

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report 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 maintained proper records showing full particulars of intangible assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(d) 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 (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

S No	Description of property	Gross carrying value (Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held indicate range, where appropriate	Reason for not being held in the name of the Company
1	Freehold land	46,685.50	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 50 of the financials
2	Building	22,860.73	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	
3	Freehold land	3,981.30	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 50 & 47 (a) of the financials
4	Building	4,666.62	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	
5	Freehold land	761.70	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer note 47(c) of the financials
6	Freehold land	5,901.00	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 50 & 47 (d (i)) of the financials
7	Building	3,595.57	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	
8	Freehold land	570.00	Manchanda Resorts Private Limited	No	March 20, 1990 onwards	SHRIL had acquired the resort from Manchanda Resorts Pvt Ltd, title deeds yet to be transferred.
9	Building	2,767.63	Manchanda Resorts Private Limited	No	March 20, 1990 onwards	

Annexure A to the Independent Auditors' Report to the Members of Sterling Holiday Resorts Limited for the year ended March 31, 2022

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, revaluation model is followed for recording Property, Plant and Equipment. The Company revalues the Property, Plant and Equipment every three years. During the year, Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both.

(f) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventories has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No material discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

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Annexure A to the Independent Auditors' Report to the Members of Sterling Holiday Resorts Limited for the year ended March 31, 2022

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in companies, firms, limited liability partnership or any other parties. The Company has granted loans to Companies during the year and provided guarantee, in respect of which the requisite information is as below. The Company has not made investments in, provided any security, granted any loans or advances in the nature of loans, secured or unsecured, to limited liability partnership or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans or provided advances in the nature of loans, or stood guarantee as below:

(Amount in lakhs)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year	165	Nil	3,591.12	Nil
Subsidiaries				
Sterling Holidays (Ooty) Limited	-		1,378.97	
Sterling Holiday Resorts (Kodaikanal) Limited	-		1,307.03	
Nature Trails Resorts Private Limited	165		905.12	
Balance outstanding as at balance sheet date	834.57	Nil	3,968.32	Nil
Subsidiaries				
Sterling Holidays (Ooty) Limited	-		624.14	
Sterling Holiday Resorts (Kodaikanal) Limited	-		1,269.20	
Nature Trails Resorts Private Limited	834.57		2,074.98	

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the following cases of loans given, there is no stipulation of schedule of repayment of principal and payment of interest and accordingly we are unable to comment on the regularity of repayment of principal and payment of interest.

Annexure A to the Independent Auditors' Report to the Members of Sterling Holiday Resorts Limited for the year ended March 31, 2022

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(d) According to the information and explanations given to us and on the basis of our examination

Name of the entity	Balance outstanding as at balance sheet date
Sterling Holidays (Ooty) Limited	624.14
Sterling Holiday Resorts (Kodaikanal) Limited	1269.20
Nature Trails Resorts Private Limited	2074.98

of the records of the Company, there is no stipulation of schedule of repayment of principal and payment of interest and there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans			
Repayable on demand (A)	3,968.32	Nil	3,968.32
Agreement does not specify any terms or period of Repayment (B)	Nil	Nil	Nil
Total (A+B)	3,968.32	Nil	3,968.32
Percentage of loans	100%	NA	100%

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

Annexure A to the Independent Auditors' Report to the Members of Sterling Holiday Resorts Limited for the year ended March 31, 2022

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 1, 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of provident fund and Employees' State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of the dues	Amount (Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	527.03	AY 2005-06 to 2006-07	Central Excise and Service tax Appellate Tribunal
The Uttarakhand Value Added Tax Act, 2005	VAT	18.75	AY 2016-17	Deputy Commissioner
Himachal Pradesh GST Act	GST	113.28	AY 2017-28 & 2018-19	The Asst Commissioner, State Taxes & Excise
Himachal Pradesh Luxury Tax Act	Luxury tax	88.53	AY 1999-00 to 2004-05	The Commissioner, Shimla
Kerala Luxury Tax Act	Luxury tax	871.82	AY 2012-13 to 2015-16	The Deputy Commissioner - Appeals
Kerala Luxury Tax Act	Luxury tax	462.69	AY 2012-13 to 2015-16	Kerala High Court

Annexure A to the Independent Auditors' Report to the Members of Sterling Holiday Resorts Limited for the year ended March 31, 2022

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Name of the Statute	Nature of the dues	Amount (Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Kerala Luxury Tax Act	Luxury tax	6.20	AY 2016-17 & 2017-18	Deputy Commissioner
Kerala Luxury Tax Act	Luxury tax	45.80	AY 2016-17 & 2017-18	State tax officer
Tamil Nadu Luxury Tax Act	Luxury tax	6,050.13	AY 1998-99 to 2017-18	Madras High Court
Tamil Nadu Luxury tax Act	Luxury tax	137.33	AY 2010-11 to 2014-15	Deputy Commissioner
The Income Tax Act, 1961	Income tax	2,362.58	AY 2015-16	The Commissioner of Income Tax (Appeals), Mumbai
The Income Tax Act, 1961	Income tax	6,660.94	AY 2017-18	The Commissioner of Income Tax (Appeals), Mumbai
The Income Tax Act, 1961	Income tax	723.32	AY 2014-15	Income tax Appellate tribunal, Mumbai
The Income Tax Act, 1961	Income tax	694.35	AY 2001-02 and 2006-07	The Commissioner of Income Tax (Appeals), Mumbai
The Income Tax Act, 1961	Income tax	201.84	AY 2018-19	Assessing Officer

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

Annexure A to the Independent Auditors' Report to the Members of Sterling Holiday Resorts Limited for the year ended March 31, 2022

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

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

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

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

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

(xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

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

Annexure A to the Independent Auditors' Report to the Members of Sterling Holiday Resorts Limited for the year ended March 31, 2022

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No: 217042
ICAI UDIN: 22217042AJIMGE4955
Place: Chennai
Date: May 20, 2022

Annexure B to the Independent Auditors' report to the members of Sterling Holiday Resorts Limited for the year ended March 31, 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of **Sterling Holiday Resorts Limited** ("the Company") as of March 31, 2022 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, 2022, 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 or 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").

Auditors' 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 financial statements, whether due to fraud or error.

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

Annexure B to the Independent Auditors' report to the members of Sterling Holiday Resorts Limited for the year ended March 31, 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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's Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No: 217042
ICAI UDIN: 22217042AJIMGE4955
Place: Chennai
Date: May 20, 2022.

Sterling Holiday Resorts Limited
Balance Sheet as at March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

	Note	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, Plant and Equipment	3	93,601.02	93,132.90
Right of Use assets	54	7,076.06	10,133.97
Capital work-in-progress	4	240.41	283.83
Intangible assets	5	534.59	816.73
Intangible assets under development	6	-	24.71
Financial assets			
i. Investments	7(a)	1,975.82	2,256.88
ii. Trade receivables	8(a)	226.22	292.20
iii. Other financial assets	10	584.10	648.54
Other tax assets (net)	11	1,636.40	1,407.81
Deferred acquisition costs	12	8,438.09	8,962.89
Other non-current assets	13	780.83	825.73
Total non-current assets		**1,15,093.54**	**1,18,786.19**
Current assets			
Inventories	14	71.72	66.14
Financial assets			
i. Investments	7(b)	2,704.52	1,644.43
ii. Trade receivables	8(b)	3,129.19	3,471.58
iii. Cash and cash equivalents	15	646.77	190.58
iv. Other bank balances	16	1,072.12	567.53
v. Loans	9	4,691.12	4,009.66
vi. Other financial assets	10	90.43	84.97
Deferred acquisition costs	12	649.34	533.31
Other current assets	17	670.39	539.06
Total current assets		**13,725.60**	**11,107.26**
Total assets		**1,28,819.14**	**1,29,893.45**
Equity and liabilities			
Equity			
Equity share capital	18	2,905.00	2,905.00
Other equity			
Reserves and surplus	19	(16,605.37)	(20,538.46)
Other reserves	20	54,079.93	52,996.77
Total equity		**40,379.56**	**35,363.31**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	21(a)	2,300.56	3,144.91
ii. Other financial liabilities	22(a)	13.49	10.43
iii. Lease liabilities	54	5,078.31	5,969.57
Provision for employee benefit obligations	23	380.04	366.13
Other non-current liabilities			
Contract liability - Deferred revenue	25	66,921.34	70,973.36
Total non-current liabilities		**74,693.74**	**80,464.40**
Current liabilities			
Financial liabilities			
i. Borrowings	21(b)	2,613.79	2,456.87
ii. Trade payables			
Dues to micro enterprises and small enterprises	26	87.88	80.80
Dues to creditors other than micro enterprises and small enterprises	26	2,181.70	2,415.08
iii. Other financial liabilities	22(b)	364.01	475.39
iv. Lease liabilities	54	1,097.32	1,246.34
Provisions			
i. Provision for employee benefit obligations	23	219.53	285.01
ii. Other provisions	27	1,000.00	1,072.94
Other current liabilities			
Contract liability - Deferred revenue	28	4,978.92	4,963.67
Others	29	1,202.69	1,069.64
Total current liabilities		**13,745.84**	**14,065.74**
Total liabilities		**88,439.58**	**94,530.14**
Total equity and liabilities		**1,28,819.14**	**1,29,893.45**
Significant accounting policies	1.3		

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

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No : 217042
Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors of
Sterling Holiday Resorts Limited
CIN: U63040TN1989PLC114064

Ramesh Ramanathan
Chairman & Whole time Director
DIN No.: 00174550
Place: Chennai
Date: May 04, 2022

Vikram Dayal Lalvani
Managing Director
DIN No.: 07115464
Place: Chennai
Date: May 04, 2022

R. Anand
Director
DIN No.: 00243485
Place: Chennai
Date: May 04, 2022

Krishna Kumar L
Chief Financial Officer
Place: Chennai
Date: May 04, 2022

Muthukumaran A
Company Secretary
Place: Chennai
Date: May 04, 2022

Sterling Holiday Resorts Limited
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

	Note	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	30	24,548.75	15,951.61
Other income	31	1,909.11	3,352.18
Total income		**26,457.86**	**19,303.79**
Expenses			
Cost of materials consumed	32	1,068.04	545.71
Employee benefits expense	33	7,470.43	6,284.85
Finance costs	34	1,149.28	1,320.98
Depreciation and amortisation expense	35	3,763.91	4,326.64
Other expenses	36	8,166.20	6,310.79
Total expenses		**21,617.86**	**18,788.97**
Profit before tax		**4,840.00**	**514.82**
Tax expense	37		
Current tax		-	-
Deferred tax		(896.15)	1,912.58
Fringe benefit tax related to prior years		72.94	-
Profit after tax		**4,016.79**	**2,427.40**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit (asset)/liability		(83.70)	8.23
Revaluation gain relating to property, plant and equipment (Refer Note 53)		-	9,217.12
Income tax effect on revaluation of property, plant & equipment		896.15	(1,912.58)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**812.45**	**7,312.77**
Total comprehensive income for the year		**4,829.24**	**9,740.17**
Earnings per share (Face value of INR 10 each)			
Basic and anti-diluted earnings per share	57	13.83	8.36
Significant accounting policies	1.3		

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

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Sterling Holiday Resorts Limited
Statement of Changes in Equity for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

I) Equity share capital

	Note	Amount
Balance as at April 1, 2020		2,905.00
Changes in equity share capital during the year	18	-
Balance as at March 31, 2021		**2,905.00**
Changes in equity share capital during the year	18	-
Balance as at March 31, 2022		**2,905.00**

II) Other equity

	Note	Reserves and surplus				Other reserves			
		Securities premium	**General reserve**	**Retained earnings**	**Total**	**ESOP reserve**	**Revaluation reserve**	**Total**	**Grand total**
Balance as at April 1, 2020		**32,057.94**	**4.70**	**(55,036.73)**	**(22,974.09)**	**1,232.06**	**44,099.34**	**45,331.40**	**22,357.31**
Profit for the year	19	-	-	2,427.40	2,427.40	-	-	-	**2,427.40**
Stock compensation expense	52	-	-	-	-	360.83	-	360.83	**360.83**
Other comprehensive income	20	-	-	8.23	8.23	-	(1,912.58)	(1,912.58)	**(1,904.35)**
Revaluation gain for the year	20	-	-	-	-	-	9,217.12	9,217.12	**9,217.12**
Balance as at March 31, 2021		**32,057.94**	**4.70**	**(52,601.10)**	**(20,538.46)**	**1,592.89**	**51,403.88**	**52,996.77**	**32,458.31**
Profit for the year	19	-	-	4,016.79	4,016.79	-	-	-	**4,016.79**
Stock compensation expense	52	-	-	-	-	187.01	-	187.01	**187.01**
Other comprehensive income	20	-	-	(83.70)	(83.70)	-	896.15	896.15	**812.45**
Balance as at March 31, 2022		**32,057.94**	**4.70**	**(48,668.01)**	**(16,605.37)**	**1,779.90**	**52,300.03**	**54,079.93**	**37,474.56**
Significant accounting policies	1.3								

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

for **B S R & Co. LLP**
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Firm Registration Number: 101248W/W-100022

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Company Secretary
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Date: May 04, 2022

Sterling Holiday Resorts Limited
Cash flow statement for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

	Note	Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from operating activities			
Profit before tax		4,840.00	514.82
Adjustments for:			
Depreciation and amortisation	35	3,763.91	4,326.64
Finance costs	34	1,149.28	1,320.98
Income from termination of memberships	30	(4,023.64)	(2,509.02)
Interest income	31	(471.24)	(412.44)
Loss on sale of assets	36	16.45	49.61
Employee share based payments	52	187.01	360.83
Change in fair value of financials assets at fair value through profit or loss	31	(63.53)	(23.10)
Impact of effective interest amortisation	21	-	36.83
Capital work in progress written off	36	6.99	431.42
Provision for impairment of investment in subsidiaries	36	281.08	-
Liabilities no longer required written back	31	(87.35)	(1,355.65)
Provision for doubtful advances	36	29.47	52.21
Income from termination of lease contracts	31	3.12	25.12
Working capital adjustments:			
Decrease in trade receivables		408.37	4,660.39
(Increase)/Decrease in inventories		(5.58)	24.79
(Increase)/Decrease in other financial assets		118.15	279.47
(Increase)/Decrease in other assets		(664.70)	172.92
Increase/(Decrease) in trade payables		(136.48)	989.65
Increase/(Decrease) in other liabilities		999.20	(3,329.27)
Increase/(Decrease) in employee benefit obligations		(135.27)	64.20
(Decrease) in other financial liabilities		(65.88)	(962.10)
Cash generated from operations		**6,149.36**	**4,718.30**
Income tax paid		(169.93)	(97.50)
Net cash generated from operating activities		**5,979.43**	**4,620.80**
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(623.90)	(431.82)
Loans to subsidiaries (net)	9	(551.93)	(980.33)
Investment in fixed deposits		(523.64)	(528.27)
Proceeds from sale of assets		12.53	7.27
Investment in mutual funds		(1,000.00)	(1,300.00)
Interest received		213.20	238.79
Net cash used in investing activities		**(2,473.74)**	**(2,994.36)**
Cash flows from financing activities			
Interest paid		(474.68)	(496.75)
Repayment of borrowings		(1,496.03)	(563.65)
Payment of lease liabilities		(1,850.79)	(2,173.75)
Proceeds from borrowings		772.00	2,424.65
Net cash used in financing activities		**(3,049.50)**	**(809.50)**
Net increase in cash and cash equivalents		456.19	816.94
Cash and cash equivalents at the beginning of the year		190.58	(626.36)
Cash and cash equivalents at end of the year (Refer note 15)	15	**646.77**	**190.58**
Significant accounting policies	1.3		

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

for **B S R & Co. LLP**
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Chief Financial Officer
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Date: May 04, 2022

Muthukumaran A
Company Secretary
Place: Chennai
Date: May 04, 2022

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 authorised for issue by the Company's Board of Directors on May 4, 2022

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 50); and
- free-hold and leasehold land measured at fair value (Refer Note 3 and 51).

All amounts have been rounded off to the nearest lakhs, unless stated otherwise.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.

B S R & Co. LLP Chartered Accountants

Sterling Holiday Resorts Limited Chennai

1.2. Basis of preparation (contd.)

Going Concern

The financial statements for the year ended March 31, 2022 reflect that the Company has accumulated losses of Rs. 48,668.01 lakhs (which have significantly eroded the net worth of the Company) as at the balance sheet date. The above accumulated loss includes a one-time impact of Rs. 30,260 lakhs on change in accounting for contracts with customers, pursuant to transition to Ind AS 115 Revenue from Contracts with Customers. The Company has considered various internal and external sources of information, up to the date of approval of the financial statements, in determining the potential impact on the financial position and business operations of the Company including those arising from the COVID-19 pandemic.

Based on the approved cash flow projections for the next 12 months, availability of assets (land, buildings, trade receivables etc.) for securitization/monetization for additional funds, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying values of assets/liabilities. Accordingly, these financial statements are prepared on a going concern basis.

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 Chairman -Whole Time Director (WTD) 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. 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 realisation 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.

1.2.4. 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.

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STERLING HOLIDAY RESORTS LIMITED ★ CHENNAI

1.3. Significant accounting policies (contd.)

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.

Under Ind AS 115, an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. 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 recognising 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 recognised over the tenure of membership as the performance obligation is fulfilled over the tenure of membership ranging from 10 to 99 Years or any other tenure applicable to the respective member). The revenue to be recognised in future periods is classified as contract liability under the head 'other non-current'/ 'other current liabilities'. Revenue from consumer offers and other benefits provided on membership are recognised as and when such benefits are provided to customers at its respective fair value.

Discounts and other incentives provided to the customer's are reduced from the overall contract value.

b) **Revenue from annual subscription fees**
Income in respect of annual subscription fee or annual amenity charges dues from members is recognised 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.

d) Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the Company. Revenue with respect to instalments/contracts where there is an uncertainty about collectability, is deferred (even though the membership is not cancelled). The estimation of such revenues where there is uncertainty in collection has been made by the Company based on past trends of year-wise cancellation of memberships and considering factors impacting future collections. Unbilled revenue instalments that are due more than 12 months and consider overdue are adjusted against credits available under deferred revenue.

B S R & Co. LLP * Chartered Accountants *

STERLING HOLIDAY RESORTS LIMITED * CHENNAI

1.3. Significant accounting policies (contd.)

1.3.1. Revenue recognition (contd.)

e) **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 recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

(i) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;

(ii) 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

(iii) The costs are expected to be recovered.

The above costs to obtain and fulfill a contract are amortised over the effective membership period.

f) **Revenue from resorts**

Income from resorts comprising of sale of food and beverages, room rentals and other services are recognised when these are sold and as services are rendered.

g) **Contract balances**

(i) Contract assets (Deferred Acquisition cost)

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company renders 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. Deferred acquisition cost 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.

(ii) Contract liabilities (Deferred Revenue)

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration has received consideration, or for which an amount of consideration is due from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

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. Income tax for the period comprises of current tax and deferred tax.

B S R & Co. LLP Chartered Accountants

STERLING HOLIDAY RESORTS LIMITED CHENNAI

1.3. Significant accounting policies (contd.)

1.3.2 Income taxes (contd.)

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 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, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognized 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 realized.

1.3.3. Leases

The Company has adopted Ind AS 116 Leases with effect from April 1, 2019 and the Company has elected to measure right-of-use asset for all leases at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. At inception of a contract, the Company assesses whether a 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 of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116.

Premium paid for acquiring leasehold land is amortised over the period of lease.

B S R & Co. LLP * Chartered Accountants *

Sterling Holiday Resorts Limited * Chennai

1.3. Significant accounting policies (contd.)

1.3.3 Leases (contd.)

As a lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right of use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

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

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

The Company presents lease liabilities in 'loans and borrowings' in the statement of financial position. With respect to leasehold land refer 1.3.9 for accounting policy.

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1.3. Significant accounting policies (contd.)

1.3.3 Leases (contd.)

Short-term leases and leases of low value assets
The Company has elected not to recognise right of use assets and lease liabilities for leases of low value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1.3.4. Inventories

Inventories comprising of provisions, perishables, beverages and operating supplies are stated at lower of cost and net realisable value. Cost is determined using the first-in-first out (FIFO) method. The cost comprises 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.

1.3.5. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.
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 recognized immediately in statement of profit and loss.

Interest income from other financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. 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.
Dividend income from investments is recognized when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Effective interest method
The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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1.3. Significant accounting policies (contd.)

1.3.6. Financial assets

A financial asset is any asset that is:

(a) cash;

(b) an equity instrument of another entity;

(c) a contractual right:
- to receive cash or another financial asset from another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the Company.

(d) a contract that will or may be settled in the Company's own equity instruments and is:
- a non-derivative for which the Company is or may be obliged to receive a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.
All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

I. Classification of financial assets:

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.

II. Measurement of financial asset:

A. 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:

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.

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1.3. Significant accounting policies (contd.)

1.3.6 Financial assets (contd.)

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.

B. 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.

III. Impairment of financial assets
The Company assesses on a forward-looking basis the expected credit loss 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.

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.

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1.3. Significant accounting policies (contd.)

1.3.6 Financial assets (contd.)

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.

IV. 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.

1.3.7. Financial liabilities

A financial liability is any liability that is:

(a) a contractual obligation :
- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or
-

(b) a contract that will or may be settled in the Company's own equity instruments and is:
- a non-derivative for which the Company is or may be obliged to deliver a variable number of the Company's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the Company offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Apart from the aforesaid, the equity conversion option embedded in a convertible bond denominated in foreign currency to acquire a fixed number of the Company's own equity instruments is an equity instrument if the exercise price is fixed in any currency.

I. Measurement of financial liabilities:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included under 'Finance costs'.

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1.3. Significant accounting policies (contd.)

1.3.1. Financial liabilities (contd.)

II. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in statement of profit and loss.

1.3.8. 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.

1.3.9. 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.

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.

The Company follows revaluation model for measurement of freehold and leasehold land. Freehold and leasehold land will be recognised 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 recognised, 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 51.

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1.3. Significant accounting policies (contd.)

1.3.9 Property plant and equipment (contd.)

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

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).

1.3.10. Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation 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.
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.

1.3.11. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash- generating units for which a reasonable and consistent allocation basis can be identified.

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1.3. Significant accounting policies (contd.)

Recoverable amount is the higher of 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in statement of profit and loss.

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

1.3.12. Provisions (other than for employee benefits)

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.

1.3.13. 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.

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1.3. Significant accounting policies (contd.)

1.3.13 Employee benefits (contd.)

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).

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.

1.3.14. 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

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2A. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework
The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use
The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)
The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)
The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

2B. 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 22 - Provision for employee benefit obligations
Note 29 - Recognition of revenue including provision for cancellation of contracts
Note 41 and 1.2.1 – Going concern and impact of COVID-19
Note 43 and 45 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
Note 51 – Valuation of freehold and leasehold land
Note 52 - Leases

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Sterling Holiday Resorts Limited
Notes forming part of financial statements as at and for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

3 Property, Plant and Equipment

Reconciliation of carrying amount for the year ended March 31, 2021:

Asset description	Land - freehold	Buildings	Computer equipment	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Electrical installations	Total
I. Gross Block									
Balance as at April 1, 2020	49,324.48	34,256.14	568.70	2,448.17	3,893.82	161.50	132.00	5,052.81	95,837.62
Additions / Adjustments	-	28.12	4.82	29.73	44.29	0.07	37.91	26.60	171.54
Revaluation recognised in OCI	8,575.04	-	-	-	-	-	-	-	8,575.04
Disposals / Transfer	-	103.16	35.46	75.82	163.18	11.66	12.93	97.57	499.78
Balance as at March 31, 2021	57,899.52	34,181.10	538.06	2,402.08	3,774.93	149.91	156.98	4,981.84	104,084.42
II. Accumulated depreciation									
Balance as at April 1, 2020	-	3,502.36	439.48	824.85	2,120.87	144.48	77.94	2,139.46	9,249.44
Depreciation for the year	-	814.45	50.94	194.99	501.77	8.34	17.41	557.08	2,144.98
Disposals / Adjustments	-	87.62	35.31	58.64	153.63	11.52	12.93	83.25	442.90
Balance as at March 31, 2021	-	4,229.19	455.11	961.20	2,469.01	141.30	82.42	2,613.29	10,951.52
Net block (I-II)									
Balance as at 31st March, 2021	57,899.52	29,951.91	82.95	1,440.88	1,305.92	8.61	74.56	2,368.55	93,132.90
Balance as at 31st March, 2020	49,324.48	30,753.78	129.22	1,623.32	1,772.95	17.02	54.06	2,913.35	86,588.18

Reconciliation of carrying amount for the year ended March 31, 2022:

Asset description	Land - freehold	Buildings	Computer equipment	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Electrical installations	Total
I. Gross Block									
Balance as at April 1, 2021	57,899.52	34,181.10	538.06	2,402.08	3,774.93	149.91	156.98	4,981.84	104,084.42
Additions / Adjustments	1,965.87	305.03	10.76	22.62	47.72	1.15	49.64	62.19	2,464.98
Revaluation recognised in OCI	-	-	-	-	-	-	-	-	-
Disposals / Transfer	-	-	38.84	109.41	179.30	69.19	1.21	55.54	453.49
Balance as at March 31, 2022	59,865.39	34,486.13	509.98	2,315.29	3,643.35	81.87	205.41	4,988.49	106,095.92
II. Accumulated depreciation									
Balance as at April 1, 2021	-	4,229.19	455.11	961.20	2,469.01	141.30	82.42	2,613.29	10,951.52
Depreciation for the year	-	806.36	37.18	159.40	417.34	4.93	19.76	522.92	1,967.89
Disposals / Adjustments	-	-	38.83	94.65	176.68	69.08	0.95	44.32	424.51
Balance as at March 31, 2022	-	5,035.55	453.46	1,025.95	2,709.67	77.15	101.23	3,091.89	12,494.90
Net block (I-II)									
Balance as at 31st March, 2022	59,865.39	29,450.58	56.52	1,289.34	933.68	4.72	104.18	1,896.60	93,601.02
Balance as at 31st March, 2021	57,899.52	29,951.91	82.95	1,440.88	1,305.92	8.61	74.56	2,368.55	93,132.90

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4 Property, Plant and Equipment (contd.)

Revaluation of land

The revalued land consists of both freehold and leasehold (Refer note 54).

Fair value of the properties was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property. As at the date of revaluation on 31 March 2021, the properties' fair values are based on valuations performed by Knight Frank (I) Pvt Ltd., an accredited independent valuer who has relevant valuation experience for similar properties in India and is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. If land and building were measured using the cost model. The carrying amounts would be as follows:

Nature	Revaluation model		Cost model	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Freehold land	59,865.39	57,899.52	5,248.59	3,623.04
Leasehold land	1,561.98	3,351.09	117.91	1,526.89
Total	**61,427.37**	**61,250.61**	**5,366.50**	**5,149.93**

(a) Consequent to the Scheme referred in Note 50 becoming effective, the Company is in the process of transferring the title of land and buildings in the name of Company.

(b) Refer Note 46 for capital commitments.

(c) Refer Note 47 for certain property related matters.

(d) The Company has written off assets with net carrying amount of Rs. 8.83 lakhs based on physical verification conducted (Previous year: Rs. 75.56 lakhs).

(e) During the year, the Company has registered the leasehold land located at Peermedu in its own name. Accordingly, the land has been reclassified from Right of use assets to Property, plant and equipment.

(f) During the financial year 2018-19, 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 51. The Company has conducted valuation of freehold and leasehold lands during the financial year 2020-21 and the increase in valuation is duly considered as part of adjustments in the above schedule. The carrying amounts as at March 31, 2022 & March 31, 2021 under revaluation and cost models are given above.

(g) Due to outbreak of COVID-19 the management has performed impairment assessment of all its property, plant & equipment as at March 31, 2022 and concluded that non-usage for a short term will not have any material impact on useful life of such property, plant & equipment.

Details of title deeds of immovable properties not held in the name of the Company

Relevant line item in the Balance Sheet	Description of property	Gross carrying value(lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held indicate range, where appropriate	Reason for not being held in the name of the Company
Property, Plant and Equipment	Freehold land	46,685.50	Sterling Holiday Resorts (India) Limited	No	August 18, 2015 onwards	Refer Note 50
Property, Plant and Equipment	Building	22,860.73	Sterling Holiday Resorts (India) Limited		August 18, 2015 onwards	Refer Note 50
Property, Plant and Equipment	Freehold land	3,981.30	Sterling Holiday Resorts (India) Limited		August 18, 2015 onwards	Refer Note 50 & 47 (a)
Property, Plant and Equipment	Building	4,666.62	Sterling Holiday Resorts (India) Limited		August 18, 2015 onwards	Refer Note 50 & 47 (a)
Property, Plant and Equipment	Freehold land	761.70	Sterling Holiday Resorts (India) Limited		August 18, 2015 onwards	Refer Note 47 (c)
Property, Plant and Equipment	Freehold land	5,901.00	Sterling Holiday Resorts (India) Limited		August 18, 2015 onwards	Refer Note 50 & 47 (d (i))
Property, Plant and Equipment	Building	3,595.57	Sterling Holiday Resorts (India) Limited		August 18, 2015 onwards	Refer Note 50 & 47 (d (i))
Property, Plant and Equipment	Freehold land	570.00	Manchanda Resorts Private Limited		March 20, 1990 onwards	SHRIL has Acquired Manchanda Resorts Pvt Ltd, title deeds yet to be transferred.
Property, Plant and Equipment	Building	2,767.63	Manchanda Resorts Private Limited		March 20, 1990 onwards	

4 Capital work-in-progress

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	283.83	703.21
Additions	276.57	60.71
Capitalisation / Deletions	319.99	480.09
Balance at the end of the year	**240.41**	**283.83**

Capital work-in-progress mainly comprises of resort properties under construction/ renovation.

During the previous year 2021-22, the Company has written off assets amounting to Rs. 6.99 lakhs (March 31, 2021: 431.42 lakhs) as these are not recoverable. Refer note 36.

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(All amounts in INR lakhs, unless otherwise stated)

5 Capital work-in-progress (contd.)
Ageing schedule:

As at March 31, 2021:

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Amount in CWIP for a period of				
Projects in progress	44.68	135.95	99.60	-	280.23
Projects temporarily suspended	-	-	-	3.60	3.60
Total	**44.68**	**235.55**	**103.20**	**287.43**	**670.86**

As at March 31, 2022:

CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Amount in CWIP for a period of				
Projects in progress	130.43	-	-	-	130.43
Projects temporarily suspended	-	10.38	-	99.60	109.98
Total	**130.43**	**10.38**	**-**	**99.60**	**240.41**

5 Intangible assets

Other intangible assets

Reconciliation of carrying amount for the year ended March 31, 2021:

	Gross carrying amount				Accumulated amortisation				Net carrying amount	
Asset description	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	Amortisation for the year	Disposals	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021
Computer software	1,967.38	62.28	44.24	1,985.42	900.27	311.21	42.79	1,168.69	1,067.11	816.73
Total	**1,967.38**	**62.28**	**44.24**	**1,985.42**	**900.27**	**311.21**	**42.79**	**1,168.69**	**1,067.11**	**816.73**

Reconciliation of carrying amount for the year ended March 31, 2022:

	Gross carrying amount				Accumulated amortisation				Net carrying amount	
Asset description	As at April 1, 2021	Additions	Disposals	As at Mar 31, 2022	As at April 1, 2021	Amortisation for the year	Disposals	As at Mar 31, 2022	As at March 31, 2021	As at Mar 31, 2022
Computer software	1,985.42	22.08	14.46	1,993.04	1,168.69	304.22	14.46	1,458.45	816.73	534.59
Total	**1,985.42**	**22.08**	**14.46**	**1,993.04**	**1,168.69**	**304.22**	**14.46**	**1,458.45**	**816.73**	**534.59**

6 Intangible assets under development

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Balance at the beginning of the year	24.71	60.05
Additions	6.28	29.20
Capitalisation / Deletions	30.99	64.54
Balance at the end of the year	-	**24.71**

Intangible assets under development comprise the Company's software and website which is under development.

Ageing schedule:

As at March 31, 2021:

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Amount in intangible assets under development for a period of				
Projects in progress*	9.69	1.97	13.05	-	24.71
Projects temporarily suspended	-	-	-	-	-
Total	**9.69**	**1.97**	**13.05**	**-**	**24.71**

*Capitalised during the year 2021-22

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Sterling Holiday Resorts Limited
Notes forming part of financial statements as at and for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

		As at March 31, 2022	As at March 31, 2021
7(a)	**Non-current investments**		
	Unquoted Equity investments at Cost (fully paid)		
	In Equity Investment of subsidiaries:		
	49,000 (March 31, 2021: 49,000) equity shares of INR 10 each in Sterling Holidays (Ooty) Limited	73.48	73.48
	49,000 (March 31, 2021: 49,000) equity shares of INR 10 each in Sterling Holiday Resorts (Kodaikanal) Limited	116.68	116.68
	147,578 (March 31, 2021: 147,578) equity shares of INR 100 each in Nature Trails Resorts Private Limited	1,785.01	2,066.09
	Unquoted Equity investments at FVTPL (fully paid)		
	In Equity Investment of other entities:		
	100,000 (March 31, 2021: 100,000) equity shares of Sterling Holiday Finvest Limited	-	-
	100,000 (March 31, 2021: 100,000) equity shares of Sterling Securities & Futures Limited	-	-
	520,000 (March 31, 2021: 520,000) equity shares of Sterling Resorts Home Finance Limited	-	-
	700,000 (March 31, 2021: 700,000) equity shares of Sterling Holiday Financial Services Limited	-	-
	Investment in no. of teak units:		
	28,765 (March 31, 2021: 28,765) equity shares of Sterling Tree-Magnum (India) Limited	-	-
	Quoted Equity investments at FVTPL (fully paid)		
	1,100 (March 31, 2021: 1,100) equity shares of INR 10 each in Tourism Finance Corporation of India Limited	0.65	0.63
	Total	**1,975.82**	**2,256.88**
	Aggregate amount of quoted investments and market value thereof	0.65	0.63
	Aggregate value of unquoted investments	1,975.17	2,256.25
	Aggregate amount of impairment in the value of investments	1,426.08	1,145.00

Note: As a result of the impact due to COVID-19, the Company performed an impairment analysis on its non-current investments as at March 31, 2022. Basis the approved business plan, projected cashflows from operations of the subsidiaries, the Company has identified an impairment of Rs. 281.08 lakhs (March 31, 2021: Nil) towards investment in Nature Trails Resorts Private Limited. The impairment loss is recognised in statement of profit and loss.

		As at March 31, 2022	As at March 31, 2021
7(b)	**Current investments**		
	Quoted investments at FVTPL		
	Investements in Mutual funds		
	10,985 (March 31, 2021: 10,985) units of TATA Floater Fund - Growth	351.16	338.00
	Nil (March 31, 2021: 10,985) units of TATA Floater Fund - Growth- Segregated portfolio 1	-	3.42
	1,658,099 (March 31, 2021: 1,658,099) units of IDFC Low Duration Fund - Reg - Growth	519.94	501.48
	140,650 (March 31, 2021: 140,650) units of ABSL Money Manager Fund - Reg - Growth	416.71	400.80
	11,559 (March 31, 2021: 11,559) units of Kotak Money Market - Reg - Growth	416.17	400.73
	783,690 (March 31, 2021: Nil) units of ABSL Short Term Fund - Reg - Growth	300.15	-
	822,293 (March 31, 2021: Nil) units of Kotak Bond Fund - Reg - Growth	350.19	-
	1,340,082 (March 31, 2021: Nil) units of HDFC Corporate Bond Fund - Reg - Growth	350.20	-
	Total	**2,704.52**	**1,644.43**
	Aggregate amount of quoted investments and market value thereof	2,704.52	1,644.43

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(All amounts in INR lakhs, unless otherwise stated)

		As at March 31, 2022	As at March 31, 2021
8(a)	**Trade receivables non-current**		
	Considered good	226.22	292.20
8(b)	**Trade receivables - current**		
	Considered good	3,129.19	3,471.58
	Considered doubtful	109.28	433.33
		3,238.47	**3,904.91**
	Less: Loss allowance on receivables (refer note 39)	(109.28)	(433.33)
	Total	**3,129.19**	**3,471.58**
	Current portion	3,129.19	3,471.58
	Non-current portion	226.22	292.20
	Of the above, trade receivables from related parties are as below:		
	Total trade receivables from related parties (Refer note 44)	8.45	17.46
	Less:Loss allowance	-	-
	Net trade receivables	**8.45**	**17.46**

For receivables secured against borrowings, see Note 51.

The Company has performed an impairment analysis on its trade receivables as a result of the impact of COVID-19. Management believes that the provision recorded is sufficient and adequate and the carrying amount of receivables reflects its recoverable value. The Company's exposure to credit and loss allowances related to trade receivables are disclosed in Note 39.

From an accounting perspective, revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the Company. If a member is considered as a overdue member, he is not allowed to use the benefits of membership until the overdue amount is regularised or fully paid in that relevant period. The company proceeds to evaluate cancellation of such contracts and adjusts such overdue customer's unbilled receivables against deferred income.

8(b) Trade receivables - current (contd.)

Ageing schedule
As at March 31, 2021

	Unbilled dues	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade receivables							
Considered good	2,147.12	703.11	455.34	315.73	103.77	38.72	3,763.77
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	8.58	5.96	12.98	125.61	136.70	143.51	433.34
Disputed Trade receivables							
Considered good	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	2,155.70	**709.07**	**468.32**	**441.34**	**240.47**	**182.23**	**4,197.11**

As at March 31, 2022

	Unbilled dues	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade receivables							
Considered good	1,889.79	668.30	304.21	300.95	82.25	109.90	3,355.40
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	0.50	3.28	4.88	35.74	7.82	57.07	109.29
Disputed Trade receivables							
Considered good	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	1,890.29	**671.58**	**309.09**	**336.69**	**90.07**	**166.97**	**3,464.69**

		As at March 31, 2022 Current	As at March 31, 2022 Non current	As at March 31, 2021 Current	As at March 31, 2021 Non current
9	**Loans**				
	Loans to subsidiaries				
	Unsecured, considered good (Refer note 44)	3,968.32	-	3,416.39	-
	Interest accrued on loans to subsidiaries (Refer note 44)	716.20	-	589.31	-
	Employee advances	6.60	-	3.96	-
	Total	**4,691.12**	-	**4,009.66**	-

* Refer note 42 for loans and advances to related parties

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(All amounts in INR lakhs, unless otherwise stated)

9 Loans (contd.)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount of loans outstanding*	%	Amount of loans outstanding*	%
Related parties	4,684.52	100%	4,005.70	100%
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
	4,684.52	100%	4,005.70	100%

*Agreement does not specify any repayment schedule, however based on parent company instructions, it is repayable on demand.

10 Other financial assets

	As at March 31, 2022		As at March 31, 2021	
	Current	Non current	Current	Non current
Security deposits	-	584.10	-	648.54
Other receivables	71.38	-	84.97	-
Bank deposits with more than 12 months maturity	19.05	-	-	-
Total	90.43	584.10	84.97	648.54

	As at March 31, 2022	As at March 31, 2021
11 Other tax assets (net)		
TDS receivable net of provision for tax	1,636.40	1,407.81

	As at March 31, 2022		As at March 31, 2021	
	Current	Non current	Current	Non current
12 Deferred acquisition cost*	649.34	8,438.09	533.31	8,962.89

*Deferred acquisition cost 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. Also Refer note 55.

	As at March 31, 2022	As at March 31, 2021
13 Other non-current assets		
Prepaid expenses	148.06	96.67
Receivable on sale of fixed assets (Refer note 47(b))	597.59	597.59
Capital advances		
- Considered good	35.18	131.47
- Considered doubtful	2.30	63.42
	37.48	194.89
- Less: Provision for doubtful advances	(2.30)	(63.42)
	35.18	131.47
Total	780.83	825.73
14 Inventories		
Food and beverages	36.53	39.57
Operating supplies	35.19	26.57
Total	71.72	66.14
For inventories secured against borrowings, Refer note 51.		
15 Cash and cash equivalents		
Balances with banks	634.07	168.89
Cash on hand	12.70	21.69
Total	646.77	190.58

	As at March 31, 2022	As at March 31, 2021
16 Other bank balances		
Deposits with maturity of more than 3 months but less than 12 months	1,072.12	567.53
17 Other current assets		
Prepaid expenses	200.04	138.90
Advances to vendors		
Considered good	96.52	167.36
Considered doubtful	38.12	10.95
	134.64	178.31
Less: Provision for doubtful advances	(38.12)	(10.95)
	96.52	167.36
Balances with government authorities	373.83	232.80
Total	670.39	539.06

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18 Equity share capital

Authorised	**March 31, 2022**	**March 31, 2021**
400 lakhs (March 31, 2021: 400 lakhs) equity shares of Rs.10 each	4,000.00	4,000.00
Issued, subscribed and paid-up		
290.50 lakhs (March 31, 2021: 290.50 lakhs) equity shares of Rs.10 each	2,905.00	2,905.00
As at March 31, 2022	**2,905.00**	**2,905.00**

Reconciliation of shares outstanding at the beginning and at the end of the year

	March 31, 2022		**March 31, 2021**	
	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, 2022		**March 31, 2021**	
	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, 2022		**March 31, 2021**	
	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 INR lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
19 Reserves and surplus		
Securities premium	32,057.94	32,057.94
General reserve	4.70	4.70
Retained earnings	(48,668.01)	(52,601.10)
Total	**(16,605.37)**	**(20,538.46)**

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	(52,601.10)	(55,036.73)
Profit for the year	4,016.79	2,427.40
Items of other comprehensive income recognised directly in retained earnings		
Actuarial gain/ (loss)	(83.70)	8.23
Closing balance	**(48,668.01)**	**(52,601.10)**

20 Other reserves

		Other comprehensive income		
	ESOP reserve	Remeasurement of defined benefit plans	Revaluation Reserve	Total
As at April 1, 2020	**1,232.06**	-	**44,099.34**	**45,331.40**
Additions during the year	360.83	8.23	9,217.12	9,586.18
Income tax effect on revaluation of property, plant & equipment	-	-	(1,912.58) -	1,912.58
Transferred to retained earnings	-	(8.23)	- -	8.23
As at March 31, 2021	**1,592.89**	-	**51,403.88**	**52,996.77**
Additions during the year	187.01	(83.70)	-	103.31
Income tax effect on revaluation of property, plant & equipment	-	-	896.15	896.15
Transferred to retained earnings	-	83.70	-	83.70
As at March 31, 2022	**1,779.90**	-	**52,300.03**	**54,079.93**

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.

Revaluation reserve
The Company had changed its accounting policy on measurement of land from cost model to revaluation model w.e.f. April 1, 2018. Land was recognized at fair value based on valuations by external independent valuers performed on April 01, 2018 and subsequently remeasured on March 31, 2021. Consequently, any increase in the carrying amount arising on revaluation of land are recognized, net of tax, in other comprehensive income and accumulated in other reserves in shareholders' equity. Refer Note 53.

Movement in revaluation reserve	Amount
As at March 31, 2020	**44,099.34**
Revaluation surplus during the year	9,217.12
Income tax effect	(1,912.58)
As at March 31, 2021	**51,403.88**
Revaluation surplus during the year	-
Income tax effect	896.15
As at March 31, 2022	**52,300.03**

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Sterling Holiday Resorts Limited
Notes forming part of financial statements as at and for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

		March 31, 2022	March 31, 2021
21(a)	**Non-current borrowings**		
	Term loan		
	- From banks		
	Secured bank loans (Refer note (i) below)	2,270.26	3,114.61
	Optionally convertible cumulative redeemable preference shares (OCCRPS) (Refer note (ii) below)	30.30	30.30
	Total	**2,300.56**	**3,144.91**
21(b)	**Current borrowings**		
	Loans from banks		
	Current portion of secured bank loans	1,653.19	1,425.10
	Interest accrued but not due on borrowings	26.60	31.77
	Secured short-term working capital loan (Refer note (iii) below)	934.00	1,000.00
	Total	**2,613.79**	**2,456.87**

Notes:

(i) **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. The loan is repayable in 24 equal quarterly instalments including a moratorium of 12 months from the date of loan (January 4, 2016) along with interest rate of 11% p.a. During Covid-19, the company also obtained an addtional moratorium of 12 months in FY 20-21.. The loan amount outstanding as at year end is Rs. 1,355.69 lakhs (March 31, 2021: Rs. 2,164.61 lakhs). Out of this, Rs. 833.33 lakhs (March 31, 2021: Rs. 625.00 lakhs) is repayable within 1 year and the balance amount of Rs. 522.36 lakhs (March 31, 2021: 1,539.61 lakhs) is repayable after 1 year from the balance sheet date.

b Loan amounting to Rs 350 lakhs from HDFC Bank Limited is repayable in 20 quarterly instalments commencing from February 25, 2018 along with an interest rate of 8.95% p.a. 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. 95.00 lakhs (March 31, 2021: Rs. 164.83 lakhs). Out of this loan, Rs.70.00 lakhs (March 31, 2021: Rs. 70.00 lakhs) is repayable within 1 year and the balance amount of Rs. 25.00 lakhs (March 31, 2021: Rs. 94.83 lakhs) is repayable after 1 year from the balance sheet date.

c Loan amounting to Rs. 16.77 lakhs from HDFC Bank Limited is secured by way of hypothecation of underlying vehicle is repayable in 36 equated monthly instalments including a moratorium of 3 months commencing from July 1, 2020 along with an interest rate of 10.00% p.a.. The loan amount outstanding as at year end is Rs. 8.87 lakhs (March 31, 2021: Rs. 15.54 lakhs). Out of this loan, Rs.3.04 lakhs (March 31, 2021: Rs. 3.04 lakhs) is repayable within 1 year and the balance amount of Rs.5.83 lakhs (March 31, 2021: Rs. 12.50 lakhs) is repayable after 1 year from the balance sheet date.

d Loan amounting to Rs. 15.00 lakhs from HDFC Bank Limited availed in January 2021 is secured by way of hypothecation of underlying vehicle is repayable in 48 equated monthly instalments commencing from March 5, 2021 along with an interest rate of 9.65% p.a.. The loan amount outstanding as at year end is Rs. 11.52 lakhs (March 31, 2021: 14.73 lakhs). Out of this loan, Rs.3.63 lakhs (March 31, 2021: Rs. 3.75 lakhs) is repayable within 1 year and the balance amount of Rs.7.89 lakhs (March 31, 2021: Rs. 10.98 lakhs) is repayable after 1 year from the balance sheet date.

e Loan amounting to Rs. 738 lakhs from HDFC Bank Limited availed in October 2020 is repayable in 48 quarterly instalments including a moratorium of 12 months from the date of loan along with an interest rate of 8.25% p.a.. 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 Mussorie and negative lien of the perperty at Yercaud. The loan amount outstanding as at year end is Rs. 635.50 lakhs (March 31, 2021: Rs. 738 lakhs). Out of this loan, Rs. 246.00 lakhs (March 31, 2021: Rs. 41.00 lakhs) is repayable within 1 year and the balance amount of Rs. 389.50 lakhs (March 31, 2021: Rs. 697 lakhs) is repayable after 1 year from the balance sheet date.

f Loan amounting to Rs. 155 lakhs from HDFC Bank Limited availed in December 2020 is repayable in 48 quarterly instalments including a moratorium of 12 months from the date of loan along with an interest rate of 8.25% p.a.. 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 Mussorie and negative lien of the perperty at Yercaud. The loan amount outstanding as at year end is Rs. 142.08 lakhs (March 31, 2021: Rs. 155 lakhs). Out of this loan, Rs. 51.67 lakhs (March 31, 2021: Nil) is repayable within 1 year and the balance amount of Rs. 90.41 lakhs (March 31, 2021: Rs. 155 lakhs) is repayable after 1 year from the balance sheet date.

g Loan amounting to Rs. 1,287 lakhs (net of processing fees) from HDFC Limited availed in March 2021 is repayable in 36 quarterly instalments from the date of loan along with an interest rate of 11% p.a.: The loan is secured by way of resort properties situated at Kodai Lake View. The loan amount outstanding as at year end is Rs. 906.72 lakhs (March 31, 2021: 1,287 lakhs). Out of this loan, Rs. 431.61 lakhs (March 31, 2021: 386.85 lakhs) is repayable within 1 year and the balance amount of Rs. 475.11 lakhs (March 31, 2021: Rs. 900.15 lakhs) repayable after 1 year from the balance sheet date.

h Loan amounting to Rs. 737 lakhs from HDFC Bank Limited availed in May 2021 is repayable in 48 quarterly instalments including a moratorium of 24 months from the date of loan along with an interest rate of 7.50% p.a.. 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 Mussorie and negative lien of the perperty at Yercaud. The entire loan amount is outstanding as at year end and repayable after 1 year from the balance sheet date.

i Loan amounting to Rs. 35.00 lakhs from HDFC Bank Limited availed in October 2021 is secured by way of hypothecation of underlying vehicle is repayable in 36 equated monthly instalments commencing from December 5, 2021 along with an interest rate of 9.65% p.a.. The loan amount outstanding as at year end is Rs. 31.36 lakhs (March 31, 2021: Nil). Out of this loan, Rs.10.88 lakhs (March 31, 2021: Nil) is repayable within 1 year and the balance amount of Rs.20.48 lakhs (March 31, 2021: Nil) is repayable after 1 year from the balance sheet date.

(ii) **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.

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21 Borrowings (continued)

(iii) Short-term working capital loan
Short-term borrowing of Rs. 934 lakhs (March 31, 2021: Rs. 1,000 lakhs) from HDFC Bank with an interest rate of 10.00% 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.

(iv) The carrying amounts of certain financial and non-financial assets pledged as security for non-current borrowings are disclosed in Note 51.

(v) During the year, owing to its losses in the past years, the Company has not complied on certain financial covenants with respect to loans availed from HDFC Bank in the previous years and in the current year. However, based on the review of periodic filings made by the Company to the Bank, the Bank has continued with the facilities, has not placed any demand on the loans and the facility was renewed during the year. Accordingly, the Company continues to classify these loans as current and non-current based on the original maturity.

21(c) Reconciliation of movement of liabilities to cash flows arising from financing activities

Particulars	March 31, 2022	March 31, 2021
Non-current borrowings	3,953.75	4,570.01
Current borrowings	934.00	1,000.00
Total	**4,887.75**	**5,570.01**

Particulars	Cash and cash equivalents	Current borrowings	Non-current borrowings	Total
Balance as at April 1, 2020	**1,459.36**	**1,000.00**	**2,672.18**	**5,131.54**
Proceeds from loans and borrowings	-	-	2,424.65	2,424.65
Repayment of borrowings	-	-	(563.65)	(563.65)
Change in bank overdraft and working capital loan	(1,459.36)	-	-	(1,459.36)
Non-cash changes				
- Impact of effective interest amortisation	-	-	36.83	36.83
Balance as at March 31, 2021	-	**1,000.00**	**4,570.01**	**5,570.01**
Proceeds from loans and borrowings	-	-	772.00	772.00
Repayment of borrowings	-	(66.00)	(1,424.86)	(1,490.86)
Non-cash changes				
- Impact of effective interest amortisation	-	-	36.60	36.60
Balance as at March 31, 2022	-	**934.00**	**3,953.75**	**4,887.75**

	As at March 31, 2022	As at March 31, 2021
22 Other financial liabilities		
22(a) Non-current		
Creditors for capital expenditure	4.91	8.85
Retention payable	8.58	1.58
Total	**13.49**	**10.43**
22(b) Current		
Dividend payable on optionally convertible cumulative redeemable preference shares	10.23	7.65
Creditors for capital expenditure	26.78	66.40
Retention payable	45.03	98.85
Security deposits	75.13	130.69
Interest payable to micro enterprises and small enterprises (Refer note 49)	27.53	23.82
Other liabilities	179.31	147.98
Total	**364.01**	**475.39**

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Sterling Holiday Resorts Limited Chennai

As at **As at**

(All amounts in INR lakhs, unless otherwise stated)

23 Provision for employee benefit obligations

	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Compensated absences	74.55	57.56	132.11	137.24	109.30	246.54
Gratuity	144.98	322.48	467.46	147.77	256.83	404.60
Total	**219.53**	**380.04**	**599.57**	**285.01**	**366.13**	**651.14**

(i) Compensated absences

	March 31, 2022	March 31, 2021
Current compensated absences expected to be settled within the next 12 months	74.55	137.24

(ii) Post employment obligations

a) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days 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, 2021	456.94	52.34	**404.60**
Current service cost	47.16	-	**47.16**
Past service cost	-	-	-
Interest expense/(income)	25.98	3.34	**22.64**
Total amount recognised in profit or loss	**73.14**	**3.34**	**69.80**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(6.24)	**6.24**
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(5.52)	-	**(5.52)**
Experience (gains)/losses	82.97	-	**82.97**
Changes in asset ceiling excluding amounts included in interest expense	-	-	-
Total amount recognised in other comprehensive income	**77.45**	**(6.24)**	**83.69**
Employer contributions	(71.67)	46.88	**(118.55)**
Benefit payments	(43.76)	(71.67)	**27.91**
March 31, 2022	**492.10**	**24.65**	**467.45**

	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2020	452.18	97.81	**354.38**
Current service cost	62.03	-	**62.03**
Past service cost	-	-	-
Interest expense/(income)	25.39	6.02	**19.37**
Total amount recognised in profit or loss	**87.42**	**6.02**	**81.40**
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(10.64)	**10.64**
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	10.03	-	**10.03**
Experience (gains)/losses	(28.90)	-	**(28.90)**
Changes in asset ceiling excluding amounts included in	-	-	-
Total amount recognised in other comprehensive	**(18.87)**	**(10.64)**	**(8.23)**
Employer contributions	(49.01)	8.16	**(57.17)**
Benefit payments	(14.78)	(49.01)	**34.23**
March 31, 2021	**456.94**	**52.34**	**404.60**

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23 **Provision for employee benefit obligations (contd.)**

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

	March 31, 2022	March 31, 2021
Present value of funded obligations	492.10	456.94
Fair value of plan assets	24.65	52.34
Deficit of funded plan	**467.45**	**404.60**
Current benefit obligation	144.98	147.77
Non-current benefit obligation	322.47	256.83
Unfunded plans	-	-
Deficit of gratuity plan	**467.45**	**404.60**

(iii) Defined contribution plans

The Company has also certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs. 299.24 lakhs (March 31, 2021: Rs. 276.83 lakhs).

(iv) Principal actuarial assumptions used in valuation of Gratuity

	March 31, 2022	March 31, 2021
Discount rate	6.81%	6.39%
Expected rate of return on plan assets	6.81%	6.39%
Salary growth rate	5.00%	5.00%
Attrition rate	30.00%	30.00%

Estimates of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market

(v) Sensitivity Analysis

a) Gratuity

	March 31, 2022	March 31, 2021
Discount rate:		
+ 100 basis points	(12.58)	(10.50)
- 100 basis points	13.37	13.13
Salary escalation rate:		
+ 100 basis points	15.44	13.02
- 100 basis points	(14.80)	(11.93)

b) Compensated absences

	March 31, 2022	March 31, 2021
Discount rate:		
+ 100 basis points	(2.66)	(4.97)
- 100 basis points	3.11	5.80
Salary escalation rate:		
+ 100 basis points	3.39	6.33
- 100 basis points	(3.06)	(5.71)

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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Sterling Holiday Resorts Limited
Notes forming part of financial statements as at and for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

24 Deferred tax

The balance comprises temporary differences attributable to:

	As at March 31, 2022	As at March 31, 2021
Property, plant and equipment	3,654.99	3,911.14
On account of land revaluation	3,442.64	4,338.79
Total deferred tax liabilities	**7,097.63**	**8,249.93**
Set-off of deferred tax liabilities pursuant to set-off provisions	7,097.63	8,249.93
Deferred tax liability as per the balance sheet	-	-
Net unrecognised deferred tax liabilities	-	-
Unabsorbed depreciation allowance and business loss carried forward	9,783.36	8,935.24
Provision for employee benefits	150.90	219.62
Provision for doubtful debts	27.50	459.47
Total deferred tax assets	**9,961.76**	**9,614.33**
Set-off of deferred tax liabilities pursuant to set-off provisions	7,097.63	8,249.93
Deferred tax asset as per the balance sheet	-	-
Net unrecognised deferred tax assets	**2,864.13**	**1,364.40**

Movement in deferred tax liabilities:

	Property, plant and equipment	On account of land revaluation	Unabsorbed depreciation allowance and business loss carried forward	Provision for employee benefits	Provision for doubtful debts	Total
At April 1, 2020	(3,923.20)	(2,761.15)	8,096.03	277.44	365.24	2,054.36
charged/(credited):						
- to profit or loss	-	-	1,912.58	-	-	1,912.58
- unrecognised deferred tax assets for the year	12.06	334.94	(1,073.37)	(57.82)	94.23	(689.96)
- to other comprehensive income	-	(1,912.58)	-	-	-	(1,912.58)
At March 31, 2021	**(3,911.14)**	**(4,338.79)**	**8,935.24**	**219.62**	**459.47**	**1,364.40**
Charged/(Credited):						
- to profit or loss	-	-	(896.15)	-	-	(896.15)
- unrecognised deferred tax assets for the year	256.15	-	1,744.26	(68.72)	(431.97)	1,499.72
- to other comprehensive income	-	896.15	-	-	-	896.15
At March 31, 2022	**(3,654.99)**	**(3,442.64)**	**9,783.35**	**150.90**	**27.50**	**2,864.12**

The Company had recognized deferred tax asset on carried forward losses only to the extent of deferred tax liabilities.Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

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STERLING HOLIDAY RESORTS LIMITED ★ CHENNAI

(All amounts in INR lakhs, unless otherwise stated)

		March 31, 2022	March 31, 2021
25	**Other non-current liabilities - Deferred revenue**		
	Contract liability - Deferred income (Refer note 55)	66,675.50	70,657.59
	Contract liability - Advance received from customers (Refer note 55)	245.84	315.77
	Total	**66,921.34**	**70,973.36**
26	**Trade payables**		
	Dues to micro enterprises and small enterprises (Refer note 49)	87.88	80.80
	Dues to creditors other than micro enterprises and small enterprises	2,181.70	2,415.08
	Total	**2,269.58**	**2,495.88**
	Of the above, trade payables to related parties is (Refer note 44(h))	4.95	166.43

Micro and small enterprises have been identified by the Company on the basis of the information available with the Company.
The Company's exposure to liquidity risks related to trade payables is disclosed in note 39.

Ageing schedule
As at March 31, 2021

	Unbilled	Outstanding for following periods from due date of payment: Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	80.80	-	-	-	80.80
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,387.86	955.92	62.66	8.55	0.09	2,415.08
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	1,387.86	**1,036.72**	**62.66**	**8.55**	**0.09**	**2,495.88**

As at March 31, 2022

	Unbilled	Outstanding for following periods from due date of payment: Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	87.88	-	-	-	87.88
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,430.15	744.23	-	-	7.32	2,181.70
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	1,430.15	**832.11**	-	-	**7.32**	**2,269.58**

		March 31, 2022	March 31, 2021
27	**Other provisions**		
	Provision for fringe benefit tax	-	72.94
	Provision for stamp duty (Refer note below)	1,000.00	1,000.00
	Total	**1,000.00**	**1,072.94**

Note:
Pursuant to the Composite scheme of arrangement and amalgamation referred in note 48, the immovable properties of the demerged undertaking (Timeshare & Resorts business) are 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 properties.The Company has assessed provision based on independent legal advice.

		March 31, 2022	March 31, 2021
28	**Other current liabilities - Deferred revenue**		
	Contract liability - Deferred income (Refer note 55)	3,287.71	3,599.95
	Contract liability - Advance received from customers (Refer note 55)	1,691.21	1,363.72
	Total	**4,978.92**	**4,963.67**
29	**Other current liabilities - Others**		
	Salaries, wages, bonus and employee payables	613.85	739.25
	Statutory liabilities	588.84	330.39
		1,202.69	**1,069.64**

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		Year ended March 31, 2022	Year ended March 31, 2021
30	**Revenue from operations**		
	Revenue from contract with customers		
	Income from sale of membership:		
	- Membership fee/Admission fees (net of provision for cancellation) (refer notes below)	9,152.97	6,437.35
	- Annual subscription fees/ Annual amenity charges	3,993.99	3,457.06
	Income from resorts:		
	- Room rentals	7,528.39	3,927.50
	- Others	794.18	363.35
	- Management contract income	236.75	64.15
	-Food and beverages	2,597.98	1,469.20
	Other operating revenues		
	Service charges	155.38	84.38
	Interest income on installment sales	89.11	148.62
	Total	24,548.75	15,951.61

Disaggregation of revenue from contracts with customers

The Company derives income from sale of membership fee over a period of time and income from resorts at a point in time.

At a point in time	11,312.68	5,908.58
Over a period of time	13,236.07	10,043.03
Total Revenue from contract with customers	24,548.75	15,951.61

Notes:

a) The Company uses the historical trends/yield precentage 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 uncertainty in collection. Based on this estimate, the Company has made a provision of Rs. 100.34 lakhs (March 31, 2021: charge of Rs. 418.19 lakhs).

b) During the year, the Company has cancelled certain membership contracts of members who have defaulted in payment of certain EMIs and / or Annual amenity charges (AAC) / Annual subscription fees (ASF) for past periods. The Company has assessed the contractual terms and on the basis of legal advice has established their bona fide to cancel these membership contracts. Consequentially, there has been a write-back of deferred income (net of receivables) Rs. 4,914.40 lakhs (March 31, 2021: Rs. 2,509.02 lakhs) and write-off of the related unamortised cost Rs. 890.37 lakhs (March 31, 2021: Rs. 998.72 lakhs). (also refer note 55).

31	**Other income**		
	Interest income on:		
	- Loans and advances to related parties	340.09	345.89
	- Deposits with bank	21.95	12.28
	- Income tax refund	58.66	-
	- Others	50.54	54.27
	Net gain on financial assets measured at fair value through profit or loss	63.53	23.10
	Rental income	214.65	89.70
	Management fees	757.83	471.16
	Income from skill development training	131.25	-
	Provision/Liabilities no longer required written back (Refer note 26)	87.35	1,355.65
	Gain on variable lease payments	173.42	933.94
	Income from termination of lease contracts	3.12	59.04
	Miscellaneous income	6.72	7.15
	Total	1,909.11	3,352.18
32	**Cost of materials consumed**		
	Inventory at the beginning of the year	39.57	51.91
	Add: Purchases	1,065.00	533.37
	Less: Inventory at the end of the year	36.53	39.57
	Cost of materials consumed	1,068.04	545.71

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

(All amounts in INR lakhs, unless otherwise stated)

		Year ended March 31, 2022	Year ended March 31, 2021
33	**Employee benefits expense**		
	Salaries, wages and bonus	6,397.29	5,272.75
	Contribution to provident and other funds	426.60	415.75
	Employee share-based payment expense	121.24	221.49
	Compensated absences	82.67	45.72
	Staff welfare expenses	442.63	329.14
	Total	**7,470.43**	**6,284.85**
34	**Finance costs**		
	Interest and finance charges on financial liabilities measured at amortized cost	516.24	554.72
	Interest on lease liabilities	630.46	763.68
	Dividend on OCCRPS	2.58	2.58
	Total	**1,149.28**	**1,320.98**
35	**Depreciation and amortisation expenses**		
	Depreciation of property, plant and equipment	1,967.90	2,144.99
	Amortisation of intangible assets	304.22	311.21
	Depreciation of right of use assets	1,491.79	1,870.44
	Total	**3,763.91**	**4,326.64**
36	**Other expenses**		
	Consumption of stores and spares	240.33	151.49
	Power and fuel	1,217.83	831.22
	Rent	292.01	210.90
	Repairs and maintenance:		
	-Buildings	146.84	92.92
	-Plant and machinery	260.43	198.46
	-Others	358.47	243.82
	Insurance	83.61	105.85
	Rates and taxes	186.03	197.61
	Guest supplies	183.52	88.99
	Laundry expenses	153.12	86.83
	Communication	195.14	135.40
	Recruitment and training	58.33	45.78
	Travel and tours	236.88	97.66
	Legal and professional	548.85	535.47
	Directors' sitting fees	23.34	16.54
	Payment to statutory auditors:		
	As Auditor:		
	- Statutory audit	12.00	12.00
	- Limited review	22.00	16.50
	-Reimbursement of expenses	1.69	3.67
	Travel and conveyance	225.32	117.06
	Security charges	248.16	210.80
	Water charges	85.71	67.70
	Sales commission	1,862.97	1,514.57
	Sales promotion	525.02	132.25
	Bank charges	265.81	202.27
	Provision for doubtful advances	29.47	52.21
	Loss on sale of assets (net)	16.45	49.61
	Impairment of investment in subsidiary	281.08	-
	Captial work in progress written off	6.99	431.42
	Printing and stationery	33.22	19.73
	Miscellaneous expenses	365.58	442.06
	Total	**8,166.20**	**6,310.79**

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Sterling Holiday Resorts Limited CHENNAI

(All amounts in INR lakhs, unless otherwise stated)

	Year ended March 31, 2022	Year ended March 31, 2021
37 Income tax expenses		
a) Amount recognised in profit or loss		
Current tax		
Current tax for the year	-	-
Fringe benefit tax related to prior years	(72.94)	
Total	**(72.94)**	-
Deferred tax expense		
(Increase)/Decrease in deferred tax assets	896.15	(1,577.64)
Increase/(Decrease) in deferred tax liabilities	-	(334.94)
Total	**896.15**	**(1,912.58)**
Total tax expense/(benefit)	**823.21**	**(1,912.58)**
b) Reconciliation of tax expense and the accounting profit multiplied by Company's domestic Tax Rate:		
Profit before income tax expense	4,840.00	514.82
Tax expense computed at Indian Tax rate of 25.168% (Previous year: 25.168%)	1,218.13	133.85
Net Tax effects of amount which are deductible in calculating taxable income - other than temporary differences	(1,218.13)	(133.85)
	-	-
Unrecognised deferred tax assets for the year	-	-
Deferred tax asset recognised / (derecognised) on brought forward losses	896.15	(1,577.64)
Decrease in deferred tax liability on account of indexation of land	-	(334.94)
Tax income	896.15	(1,912.58)
Tax losses		
Unused tax losses for which no deferred tax assets have been recognised	11,380.00	5,260.56
Potential tax benefit at 25.168% (Previous year: 25.168%)	2,864.12	1,364.40

Tax losses on account of unrecognised deferred tax assets

Date of expiry to carry forward	As at March 31, 2022	As at March 31, 2021
31-Mar-30	183.41	-
31-Mar-29	4,912.93	4,054.86
31-Mar-28	1,449.31	1,205.70
31-Mar-27	4,355.75	-
31-Mar-24	478.60	-
Total	11,380.00	5,260.56

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STERLING HOLIDAY RESORTS LIMITED ★ CHENNAI

38 Fair value measurements

Financial instruments by category

	As at March 31, 2022			As at March 31, 2021		
	FVTPL	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**	**Amortised cost**
Financial assets						
Investments	2,705.17	-	-	1,645.06	-	-
Trade receivables	-	-	3,355.41	-	-	3,763.78
Loans	-	-	3,968.32	-	-	3,416.39
Interest accrued on loans and advances to related parties	-	-	716.20	-	-	589.31
Employee advances	-	-	6.60	-	-	3.96
Cash and cash equivalents	-	-	646.77	-	-	190.58
Other bank balances	-	-	1,072.12	-	-	567.53
Bank deposits with more than 12 months maturity	-	-	19.05	-	-	-
Security deposits	-	-	584.10	-	-	648.54
Other receivables	-	-	71.38	-	-	84.97
Total financial assets	**2,705.17**	-	**10,439.95**	**1,645.06**	-	**9,265.06**
Financial liabilities						
Borrowings	-	-	4,914.35	-	-	5,601.78
Trade payables	-	-	2,269.58	-	-	2,495.88
Capital creditors	-	-	40.27	-	-	75.25
Security deposits	-	-	75.13	-	-	130.69
Other liabilities	-	-	206.84	-	-	171.80
Lease liabilities	-	-	-	-	-	-
Total financial liabilities	-	-	**7,506.17**	-	-	**8,475.40**

The summary of financial instruments above does not include investments held by the Company in its subsidiaries/associates amounting to Rs. 1975.17 lakhs as on March 31, 2022 (March 31, 2021: 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

As at March 31, 2022	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Investments at FVTPL:					
Equity instruments	7(a)	0.65	-	-	0.65
Mutual funds	7(b)	2,704.52	-	-	2,704.52
Total financial assets		**2,705.17**	-	-	**2,705.17**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed same as carrying value

As at March 31, 2022	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Loans to subsidiaries	9	-	-	3,968.32	3,968.32
Interest accrued on loans and advances to related parties	9	-	-	716.20	716.20
Employee advances	9	-	-	6.60	6.60
Security deposits	10	-	-	584.10	584.10
Total financial assets		-	-	**5,275.22**	**5,275.22**
Financial liabilities					
Borrowings	21(a)	-	-	4,914.35	4,914.35
Total financial liabilities		-	-	**4,914.35**	**4,914.35**

Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2021	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Financial investments at FVTPL:					
Equity instruments	7(a)	0.63	-	-	0.63
Mutual funds	7(b)	1,644.43	-	-	1,644.43
Total financial assets		**1,645.06**	-	-	**1,645.06**

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(All amounts in INR lakhs, unless otherwise stated)

38 Fair value measurements (contd.)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed same as carrying value

As at March 31, 2021	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Loans to subsidiaries	9	-	-	3,416.39	3,416.39
Interest accrued on loans and advances to related parties	9	-	-	589.31	589.31
Employee advances	9	-	-	3.96	3.96
Security deposits	10	-	-	648.54	648.54
Total financial assets		-	-	**4,658.20**	**4,658.20**
Financial Liabilities					
Borrowings	21(a)	-	-	5,601.78	5,601.78
Total financial liabilities		-	-	**5,601.78**	**5,601.78**

There are no transfers between levels 1 and 2 during the year.

(ii) Valuation technique used to determine fair value:

Level 1 : Fair value is determined using NAV for mutual funds and market value listed equity shares

Level 3 : Fair value is determined using discounted cash flow method

(iii) Fair value of financial assets and liabilities measured at amortised cost

	As at March 31, 2022		**As at March 31, 2021**	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial assets				
Loans				
Loans to subsidiaries	3,968.32	3,968.32	3,416.39	3,416.39
Interest accrued on loans and advances to related parties	716.20	716.20	589.31	589.31
Employee advances	6.60	6.60	3.96	3.96
Security deposits	584.10	584.10	648.54	648.54
Total financial assets	**5,275.22**	**5,275.22**	**4,658.20**	**4,658.20**
Financial liabilities				
Borrowings	4,914.35	4,914.35	5,601.78	5,601.78
Total financial liabilities	**4,914.35**	**4,914.35**	**5,601.78**	**5,601.78**

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 market interest rates. 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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STERLING HOLIDAY RESORTS LIMITED ★ CHENNAI

39 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	Trade receivables, investments, financial assets measured at amortised cost.	Ageing analysis and credit assessment	Diversification of portfolio and Assessment of customer credit worthiness at inception and through
Liquidity risk	Borrowings, trade payables and other liabilities	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 investments and financial assets carried at amortised cost, as well as credit exposures towards outstanding receivables.

(i) Credit risk management

Credit risk is managed on a Company basis.

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		

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(All amounts in INR lakhs, unless otherwise stated)

39 Financial risk management (contd.)

For the year ended March 31, 2022:

(a) Expected credit loss for loans, security deposits and investments

The estimated gross carrying amount at default is Nil (March 31, 2021: Nil) for investments,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)

A significant portion of the Company's sales of Sterling Memberships are by way of deferred payment schemes where the customer is obligated to pay the membership fee in Equated Monthly Instalments (EMIs) and the ensuing credit risk is managed by the Company in the following manner:

(a) preliminary assessment of customer credit worthiness, ensuring realisation of minimum down payment and adherence to internal KYC norms;

(b) collecting post dated instruments such as cheques, Automated Clearing House (ACH) mandates, standing credit card instructions from the customers at inception to ensure security cover.

From an accounting perspective, revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the Company. The Company also assesses lifetime expected credit loss by using appropriate models, as prescribed by Ind AS 109, using past trends of collections and historical credit loss experience. The categorisation of the receivables into its ageing buckets for the purposes of estimating the expected loss allowance has been profiled based on the payments received from the customers, for example, if a member has not paid any amount or has paid less than Rs. 5,000 in last 12 months, the customer is treated as overdue. (refer note 25 and note 28).

The allowances for credit loss and for revenue deferred at inception referred to above, carried at the end of every reporting period, are tested for adequacy and appropriately dealt with.

The credit loss allowance carried by the Company is as under:

	March 31, 2022	March 31, 2021
Carrying value of receivables (refer note 8)	3,464.69	4,197.11
Credit loss allowance	109.28	433.33
Loss allowance %	3%	10%

The Company defers revenue at inception and provides for cancellation allowance based on historical trend. The amounts so deferred and the credit loss allowance are adjusted from the carrying value of receivables (refer note 8 and 30) in the same proportion, except in cases where the allowance is directly attributable to a particular contract.

(iii) (a) Reconciliation of carrying value of receivables	**Amount**
Receivables as on April 1, 2020	**11,219.26**
Sale made during the year	3,481.86
Collections during the year	(4,744.31)
Write off on account of contracts cancelled during the year	(2,793.21)
Adjustment on account of provision	(2,966.49)
Receivables as on March 31, 2021	**4,197.11**
Sale made during the year	4,523.17
Collections during the year	(5,399.56)
Write off on account of contracts cancelled during the year	(250.35)
Adjustment on account of provision	394.32
Receivables as on March 31, 2022	**3,464.69**

(iii) (b) Reconciliation of loss allowance provision	**Amount**
Loss allowance on April 1, 2020	**1,061.97**
Allowance for credit loss recognised during the year	418.19
Adjustment on account of contracts cancelled during the year	(1,046.83)
Loss allowance on March 31, 2021	**433.33**
Allowance for credit loss recognised during the year	111.07
Adjustment on account of contracts cancelled during the year	(250.35)
Provision no longer required	(31.77)
Amounts written off during the year	(153.00)
Loss allowance on March 31, 2022	**109.28**

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39 Financial risk management (contd.)

(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, 2022	March 31, 2021
Floating rate		
- Expiring within one year	-	-
Marketable securities *(including investments held for sale)*	2,704.52	1,644.43

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.

(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, 2022	Carrying amount	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	4,924.58	1,346.00	415.75	1,142.05	1,630.02	1,399.59	5,933.41
Trade payables	2,269.58	2,185.06	55.63	7.84	4.14	16.91	2,269.58
Other financial liabilities	340.67	308.75	-	-	4.91	-	313.66
Total non-derivative liabilities	**7,534.83**	**3,839.81**	**471.38**	**1,149.89**	**1,639.07**	**1,416.50**	**8,516.65**

March 31, 2021	Carrying amount	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	5,641.20	1,405.99	413.03	964.37	1,830.58	1,544.33	6,158.30
Trade payables	2,495.88	2,168.29	185.74	70.65	62.66	8.55	2,495.88
Other financial liabilities	446.40	469.32	-	-	8.85	-	478.17
Total non-derivative liabilities	**8,583.48**	**4,043.60**	**598.77**	**1,035.02**	**1,902.09**	**1,552.88**	**9,132.35**

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, 2022	March 31, 2021
Variable rate borrowings	934.00	1,000.00
Fixed rate borrowings	3,990.58	4,609.43
	4,924.58	**5,609.43**

	March 31, 2022			March 31, 2021		
	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	9.10%	934.00	18.97%	9.42%	1,000.00	17.83%

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. 8.50 lakhs (March 31, 2021: Rs. Rs. 9.42 lakhs)

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

(All amounts in INR lakhs, unless otherwise stated)

40 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, 2022	As at March 31, 2021
Total debt	4,914.35	5,601.78
Less: Cash and cash equivalents and other bank balances	(1,718.89)	(758.11)
Adjusted net debt	**3,195.46**	**4,843.67**
Total equity	40,379.56	35,363.31
Adjusted net debt to equity ratio	**0.08**	**0.14**

41 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, 2022	March 31, 2021
Sterling Holidays (Ooty) Limited	98%	98%
Sterling Holiday Resorts (Kodaikanal) Limited	98%	98%
Nature Trails Resorts Private Limited	100%	100%

42 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 Chairman-Whole Time Director (CWD) 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.

43 During the current year, the Company had adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption (including temporary closure of its resorts). The Company had resumed normal business operations from June 2021 onwards post second wave. However, the impact of COVID-19 on the economy continues to be uncertain due to which the Company's financial performance including the Company's estimates of future cash flows and impairment of assets etc., is dependent on such future developments, the severity and recurrence of the pandemic, which cannot be predicted with certainty. The Company has considered the context of the pandemic in determining judgements and estimates in applying the assumptions including those used to determine the future cashflows. The impact assessment of COVID-19 is a continuing process. The Company will continue to monitor any material changes to the future economic conditions. Also refer note 1.2.1.

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STERLING HOLIDAY RESORTS LIMITED ★ CHENNAI

(All amounts in INR lakhs, unless otherwise stated)

44 Related party transactions

(a) Nature of related party and related party relationship

Description of related party	**Name of the related party**
Ultimate Holding Company	Fairfax Financial Holdings Limited, Canada
Holding Company	Thomas Cook (India) Limited
Subsidiaries	Sterling Holiday Resorts (Kodaikanal) Limited Sterling Holidays (Ooty) Limited Nature Trails Resorts Private Limited
Key Managerial Personnel	Ramesh Ramanathan (Resigned as Managing Director with effect from March 31, 2022 and appointed as Whole Time Director with effect from April 01, 2022) Vikram Dayal Lalvani (Appointed as Whole Time Director with effect from January 24, 2022 and as Managing Director with effect from April 01, 2022) Anand Raghavan (Director) Madhavan Menon Karunakaran (Director) Sumit Maheshwari (Director) Ravindra Dhariwal (Director) Pravir Kumar Vohra (Director) Latha Ramanathan (Director) Sidharth Shankar (Director till 31 August 2021) L Krishna Kumar (Chief Financial Officer) M. Balasubramaniyan (Company Secretary Resigned with effect from January 24, 2022) A Muthukumaran (Appointed as Company Secretary with effect from January 24, 2022)

(b) Parent entities
The Company is controlled by following entity:

Name of entity	**Type**	**Ownership interest held by the Group**	
		March 31, 2022	**March 31, 2021**
Fairfax Financial Holdings Limited, Canada	Ultimate Holding Company	-	-
Thomas Cook (India) Limited	Holding Company	100%	100%

(c) Subsidiaries

Name of entity	**Principal Activities**	**Ownership interest held by the Group**	
		March 31, 2022	**March 31, 2021**
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%

(d) Fellow subsidiaries with whom transactions have been entered
Travel Corporation (India) Limited (merged with Thomas Cook (India) Limited)
TC Tours Private Limited
SOTC Travel Services Private Limited (merged with TC Tours Private Limited)
Quess Corp Limited
CentreQ Business Services Ltd (merged with Quess Corp Limited)
Coachieve Solutions Pvt Ltd (merged with Quess Corp Limited)
Allsec Technologies Limited

(e) Key management personnel compensation	**March 31, 2022**	**March 31, 2021**
Mr. Ramesh Ramanathan (Chairman-Whole Time Director)*		
Short-term employee benefits	351.07	160.02
Post-employment benefits	14.92	11.43
Total	**365.99**	**171.45**

* Mr. Ramesh Ramanathan has resigned as Managing Director with effect from March 31, 2022 and appointed as Whole Time Director with effect from April 01, 2022.

Mr. Vikram Dayal Lalvani (Managing Director)*		
Short-term employee benefits	23.11	-
Post-employment benefits	0.53	-
Total	**23.64**	-

* Mr. Vikram Dayal Lalvani is appointed as Whole Time Director with effect from January 24, 2022 and then appointed as Managing Director with effect from April 01, 2022.

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(All amounts in INR lakhs, unless otherwise stated)

44 Related party transactions (contd.)

	March 31, 2022	March 31, 2021
(e) Key management personnel compensation (contd.)		
Mr. Gaurav Kant (Chief Financial Officer)*		
Short-term employee benefits	-	10.70
Post-employment benefits	-	2.89
Total	-	**13.59**

*Mr. Gaurav Kant has been appointed as the Chief Financial Officer with effect from April 22, 2020 and ceased with effect from September 04, 2020

	March 31, 2022	March 31, 2021
Mr. Krishna Kumar (Chief Financial Officer)*		
Short-term employee benefits	82.82	41.32
Post-employment benefits	2.14	1.31
Total	84.96	**42.63**

*Mr. Krishna Kumar has been appointed as the Chief Financial Officer with effect from August 03, 2020

	March 31, 2022	March 31, 2021
Mr. M. Balasubramaniyan (Company Secretary)*		
Short-term employee benefits	12.32	13.06

*Resigned with effect from January 24, 2022

	March 31, 2022	March 31, 2021
Mr. Muthukuraman Audikesavan (Company Secretary)*		
Short-term employee benefits	4.61	-
Post-employment benefits	0.15	-
Total	**4.76**	-

*Appointed as Company Secretary with effect from January 24, 2022

(f) Sitting fees paid to directors

	March 31, 2022	March 31, 2021
Latha Ramanathan (Director)	5.60	2.75
Pravir Kumar Vohra (Director)	1.80	-
Anand Raghavan (Director)	4.30	2.26
Ravindra Dhariwal (Director)	5.60	1.76
Sidharth Shankar (Director till 31 August 2021)	1.50	3.25
Total	**18.80**	**10.03**

(g) Transactions with related parties
Transactions with related parties are as follows:

	March 31, 2022	March 31, 2021
Sale of services		
Thomas Cook (India) Limited	-	-
TC Tours Private Limited	22.64	12.21
SOTC Travel Services Private Limited	-	-
Total	22.64	**12.21**
Interest income		
Sterling Holidays (Ooty) Limited	56.06	43.33
Sterling Holiday Resorts (Kodaikanal) Limited	120.94	125.90
Nature Trails Resorts Private Limited	163.09	176.65
Total	**340.09**	**345.88**
Net recovery on account of holiday activities		
Thomas Cook (India) Limited	-	-
Rental income		
Sterling Holidays (Ooty) Limited	122.96	43.13
Sterling Holiday Resorts (Kodaikanal) Limited	94.81	46.57
Nature Trails Resorts Private Limited	5.95	-
Total	223.72	**89.70**
Income from use of brand		
Sterling Holidays (Ooty) Limited	24.04	14.34
Sterling Holiday Resorts (Kodaikanal) Limited	24.04	16.79
Total	**48.08**	**31.13**
Rent expense		
Thomas Cook (India) Limited	-	0.13
Sterling Holidays (Ooty) Limited	46.70	68.17
Sterling Holiday Resorts (Kodaikanal) Limited	29.00	31.91
	75.70	**100.21**
Management fees received		
Sterling Holidays (Ooty) Limited	373.74	222.22
Sterling Holiday Resorts (Kodaikanal) Limited	336.01	217.80
Total	**709.75**	**440.02**
Maintenance expenditure paid		
Sterling Holidays (Ooty) Limited	46.70	68.17
Sterling Holiday Resorts (Kodaikanal) Limited	30.61	31.91
Total	**77.31**	**100.08**

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44 Related party transactions (contd.)

(g) Transactions with related parties (contd.)	March 31, 2022	March 31, 2021
Travel booking & other support services		
Thomas Cook (India) Limited	54.81	13.03
Services availed		
Quess Corp Limited	159.63	1,235.19
Coachieve Solutions Pvt Ltd	0.02	-
Allsec Technologies Limited	26.74	22.72
Terrier Security Services (India) Pvt Ltd	23.71	47.70
Go Digit General Insurance Limited	17.36	9.78
Total	**227.46**	**1,315.39**
Dividend on OCCPRS		
Thomas Cook (India) Limited	2.58	2.58
Employee stock option expense (ESOP)		
Thomas Cook (India) Limited	187.01	360.83
Loans and advances granted		
Sterling Holidays (Ooty) Limited	1,378.97	1,216.28
Sterling Holiday Resorts (Kodaikanal) Limited	1,307.03	1,139.94
Nature Trails Resorts Private Limited	905.12	500.21
Total	**3,591.12**	**2,856.43**
Loans and Advances repaid		
Sterling Holidays (Ooty) Limited	1,240.97	852.77
Sterling Holiday Resorts (Kodaikanal) Limited	1,265.10	860.61
Nature Trails Resorts Private Limited	533.10	-
Total	**3,039.17**	**1,713.38**
(h) Outstanding balances as at the year end		
Trade payables		
Thomas Cook (India) Limited	-	160.24
Quess Corp Limited	-	-
Go Digit General Insurance Limited	1.91	1.91
Coachieve solutions Pvt Ltd	-	-
Allsec Technologies Ltd	3.03	2.93
Terrier Security Services (India) Pvt Ltd	-	1.36
Total	**4.95**	**166.43**
Dividend payable on OCCRPS		
Thomas Cook (India) Limited	10.23	7.65
Advances to suppliers		
Quess Corp Limited	-	17.67
Advances from customers		
SOTC Travel Services Private Limited	-	-
Trade Receivable		
Thomas Cook (India) Limited	-	6.65
TC Tours Private Limited	8.46	10.81
Total	**8.45**	**17.47**
(i) Loans to related parties		
Loans to subsidiaries		
Sterling Holidays (Ooty) Limited	624.14	486.14
Sterling Holiday Resorts (Kodaikanal) Limited	1,269.20	1,227.27
Nature Trails Resorts Private Limited	2,074.98	1,702.98
Total	**3,968.32**	**3,416.39**
Interest accrued on loans given		
Sterling Holidays (Ooty) Limited	5.86	12.38
Sterling Holiday Resorts (Kodaikanal) Limited	19.08	33.00
Nature Trails Resorts Private Limited	691.26	543.93
Total	**716.20**	**589.31**

(j) Terms and conditions

The loans to Ooty, Kodai are given at an interest rate of 9.25% p.a. (March 31, 2021: 10% p.a) and to NT at 9.25% p.a. (March 31, 2021: 10% p.a) and are repayable on demand. The total loans receivable from the subsidiaries (including interest receivable) aggregates to Rs. 4,684.52 lakhs (Previous year Rs. 4,005.70 lakhs). During the year, the Company has paid amounts on behalf of the subsidiaries aggregating to Rs. 3,591.12 lakhs (Previous year Rs. 2,856.43 lakhs) and have recovered amounts aggregating to Rs. 3,039.17 lakhs (Previous year Rs. 1,713.80 lakhs). The accumulated losses as at March 31, 2022 of Ooty, Kodai and NT are Rs. 683.20 lakhs, Rs.1,489.84 lakhs and Rs.1,996.38 lakhs respectively (Previous year Rs. 580.53 lakhs, Rs.1,417.64 lakhs and Rs.1,444.87 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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	As at March 31, 2022	As at March 31, 2021
45 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 decided in favour of Company's accounting treatment of ASCF for Assessment years 2002-03, 2006-07, 2007-08, 2008-09 and 2009-10 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, ITAT, Mumbai has decided in favour of Company's accounting treatment of ASCF/Entitlement fee and in respect of Assessment Years, for which the department is likely to go on appeals. 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 brought forward depreciation loss of the demerged entity Sterling Holiday Resorts India Limited from the AY 1996-97 to AY 2001-02. The Company has obtained the favourable orders from ITAT Mumbai. 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
The Assessing Officer (AO) has issued an income tax demand order for the AY 2017-18. Additions of Rs. 13,805.84 lakhs have been made for the items tabulated below. Consequently, a demand of Rs. 6,660.94 lakhs was determined as payable. Based on the management's assessment and the advice of external consultant, the Company believes the demand is not tenable. The Company is in the process of filing their response for the same.	6,660.94	6,451.04
The Assessing Officer (AO) has issued an income tax demand order for the AY 2001-02 & AY 2006-07. Penalty orders has been issued by the officer for the above years. Based on the management's assessment and the advice of external consultant, the Company believes the demand is not tenable. The Company is in the process of filing their response for the same.	694.35	694.35
During the year, the Assessing officer vide this order has disallowed the usual issue of ESOP expenses and added back the Deferred income. Further he has disallowed the long term capital loss claimed by the company for Rs. 408 lakhs on sale of land at Kodai and arrived at a long term capital gain of Rs 749 lakhs. We are taking the steps to file the appeals with CIT(A) Mumbai.	201.84	201.84
For the A.Y 2014-15 The Pr. Commissioner of Income Tax passed order U/S 263 of the Income Tax Act directing the AO to disallow the brought forward loss claimed U/S 72A in its hands pursuant to merger of Manchanda Resorts Private Limited. The AO passed the order U/S 143(3) w.r.t to Sec 263 and uploaded a demand in the e filing portal. we have not been served with the order. We have filed Appeal against the order U/S 263 of the Pr.CIT with ITAT Mumbai bench and same is pending. The merger is subject matter of A.Y 2013-14 and AO has allowed the brought forward losses for the A.Y 2013-14. The revision order of Pr.CIT for the A.Y 2014-15 of the subject matter of A.Y 2013-14 is erroneous and maintainable before law	723.32	-
(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. 8,642.62 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	7,695.37	2,319.96
VAT related matters	18.75	56.36
GST related matters	113.28	113.28
Customer, vendor, employee and property related disputes under appeal	1,726.81	960.31

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45 Contingent liabilities and contingent assets (contd.)

During the year on 11 March 2022, the Company has received notice of demand from the office of the collector of stamps enforcement, Mumbai. The demand is towards short levy of stamp duty amounting to INR 452.37 lakhs and penalty amounting to INR 732.85 lakhs. The Company based on legal opinion received is in the process of filing an appeal

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, 2018 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 in 2018-19, 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.

46 Commitments	**As at March 31, 2022**	**As at March 31, 2021**
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	211.09	181.73

47 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, 2022 in respect of the said property aggregates to Rs. 8,722.00 lakhs (March 31, 2021: Rs. 8,065.60 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, 2021: Rs. 527.10 lakhs) (included under "Other non-current 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 High Court dismissed the same. The Company expects the trial to start soon.

c During the financial year 2015-16, Company had 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. 723.60 lakhs (March 31, 2021: Rs. 723.60 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, 2022**	**Net carrying amount as on March 31, 2021**	**Remarks**
i)	Kodai Valley View (Revalued - Refer Note 53)	8,932.45	8,331.00	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. Stay has been vacated. The case will be heard before the District Court Kodaikanal.
ii)	Hubli	5.16	5.16	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.

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48 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.

49 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2021-22, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act

		As at March 31, 2022	As at March 31, 2021
i	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	87.88	80.80
ii	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	27.53	23.82
iii	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	234.79	223.78
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	3.53	15.15
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	23.82	8.10

50 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, 2022	As at March 31, 2021
51	**Assets pledged as security**		
	Current		
	Receivables	27.47	51.30
	Inventories	13.69	14.26
	Non-current		
	Freehold land (Revalued - Refer Note 53)	9,756.78	6,594.34
	Buildings	5,657.82	5,732.88
	Movable assets	2,113.47	2,685.53

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

52 Share based payments

(a) Employee option plan

The options outstanding as at March 31, 2022, represent the unvested, vested and exercisable options granted by Thomas Cook India Limited, the holding company, to the employees of the company. This disclosure is based on the information relating to the scheme shared by the holding company.

Sterling Holiday Resorts Limited Employee Stock Options Scheme 2012 - ("SHRL ESOS 2012")

As per clause 15.3.2 of the Composite Scheme of Arrangement and Amalgamation between Sterling Holiday Resorts (India) Ltd. (SHRIL) and Thomas Cook Insurance Services (India) Ltd (TCISIL), and Thomas Cook (India) Ltd. (TCIL) the SHRIL ESOS 2012 became a part of the holding company's schemes and Stock Options which had been granted but not exercised as of the Record Date, by such SHRIL employees shall lapse and in lieu of the Lapsed Options of SHRIL, TCIL shall grant 120 options for every 100 options of SHRIL. The revised Exercise Price for Grant I was INR 80.00 and for Grant II was INR 108.46. Subject to the terms of the Scheme and SEBI ESOP Guidelines, the option holder will have a period of 5 years from the date of which the Options have vested, within which the vested options can be exercised.

Thomas Cook Employees Stock Scheme 2015

Under Employee Share Option Scheme 2015 (ESOP 2015) granted by Thomas Cook India Limited, the holding Company, 33%, 33% and 34% of the options granted vest in a period of 12 months, 24 months and 36 months respectively from the grant date. Once vested the options remain exercisable for a period of 10 years from the date of grant.

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 if 01-Sep-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 :

	March 31, 2022		March 31, 2021	
TCIL ESOP 2018 Execom	**Avg exercise price per share option**	**Number of options**	**Avg exercise price per share option**	**Number of options**
Opening balance	1.00	553,646	1.00	675,633
Granted during the year	1.00	-	1.00	46,196
Exercised during the year	-	-	-	-
Forfeited during the year	1.00	113,646	1.00	168,183
	1.00	**440,000**	**1.00**	**553,646**

	March 31, 2022		March 31, 2021	
TCIL ESOP 2018 Management	**Avg exercise price per share option**	**Number of options**	**Avg exercise price per share option**	**Number of options**
Opening balance	125.10	96,183	125.10	182,573
Granted during the year	-	-	-	-
Exercised during the year	125.10	250	-	-
Forfeited during the year	125.10	35,563	125.10	86,390
	125.10	**60,370**	**125.10**	**96,183**

	March 31, 2022		March 31, 2021	
ESOS 2012 (Grant II)	**Avg exercise price per share option**	**Number of options**	**Avg exercise price per share option**	**Number of options**
Opening balance	108.46	7,050	108.46	23,850
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	108.46	16,800
	108.46	**7,050**	**108.46**	**7,050**

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52 Share based payments (contd.)

ESOP 2015	March 31, 2022		March 31, 2021	
	Avg exercise price per share option	Number of options	Avg exercise price per share option	Number of options
Opening balance	165.92	65,533	165.92	112,541
Granted during the year	-	-	-	-
Exercised during the year	165.92	2,200	-	-
Forfeited during the year	-	-	165.92	47,008
	165.92	**63,333**	**165.92**	**65,533**

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, 2022	Share options March 31, 2021
ESOP 2018 - Execom	October 5, 2018	September 29, 2043	1.00	440,000	553,646
ESOP 2018 - Management	September 1, 2018	August 29, 2031	125.10	60,370	96,183
ESOS 2012 (Grant II)	July 30, 2014	July 27, 2024	108.46	7,050	7,050
ESOP 2015	August 25, 2015	August 24, 2025	165.92	63,333	65,533

iii) Modification of share based payment:

On implementation of Composite Scheme of arrangement and Demerger of Human Resource Business

The Holding company (TCIL) in a composite scheme of arrangement demerged its Human Resources Services Business and transferred it to Quess Corp Limited (Quess). The scheme was approved by the National Company Law Tribunal (NCLT) with the appointed date as April 1, 2019. The effective date of the scheme was November 25, 2019 when both TCIL and Quess filed the certified copies of the order with their respective jurisdictional Registrar of Companies.

As a part of the composite scheme, Group Employees whose ESOPs were outstanding on the effective date will be entitled to the additional shares of Quess on account of the demerger of Human Resource Business. Instead of altering the exercise price, TCIL provided additional award in form of Quess shares.

The group employees are now entitled to shares of Quess along with those of TCIL in the same share entitlement ratio prescribed in the scheme for the other shareholders of TCIL (1889:10,000)

In case of vested ESOPs, the employees will be granted shares of TCIL and Quess only on payment of the exercise price. In case of unvested ESOPs, the employees will be granted shares of TCIL and Quess on completion of the remaining vesting period and payment of the exercise price.

The options, to the extent, which are settled by shares of Quess do not meet the definition of a share-based payment arrangement because the value of shares of Quess is not based on the price or value of TCIL's equity instruments or any of its group entity's equity instruments. The options to the extent which are settled by shares of Quess will be considered as an employee benefit within the scope of Ind AS 19. The options settled by shares of TCIL continue to be considered as share based payments and are accounted as per IND AS 102.

(b) Expense arising from share based payment transaction

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employee option plan expenses	121.24	221.49
Employee stock expenses	65.77	139.34
Total	**187.01**	**360.83**

53 Revaluation of land

During the financial year 2018-19, 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.

During the previous year 2020-21, the Company has recorded revaluation gain of Rs. 9,217.12 lakhs in OCI based on the fair value of freehold and leasehold land as at March 31, 2021 as determined by an external independent valuer. The carrying amounts as at March 31, 2021 and March 31, 2022 under cost and revaluation models are given below:

Block of asset	Revaluation model		Cost model	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Freehold land	59,865.39	57,899.52	5,248.59	3,623.04
Right of use asset land (Refer note 54)	1,561.98	3,351.09	117.91	1,526.89
Total	**61,427.37**	**61,250.61**	**5,366.50**	**5,149.93**

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Sterling Holiday Resorts Limited
Notes forming part of financial statements as at and for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

54 Leases

(a) Movement in right of use assets and lease liabilities as per Ind AS 116 Leases

As a lessee, the company leases many assets including land and building, vehicles and computer equipments

Right of use assets	Land	Building	Vehicles	Computer Equipments	Total
Balance at April 1, 2020	**2,742.57**	**9,539.93**	**44.71**	-	**12,327.21**
Addition to right of use assets	642.19	-	-	-	642.19
Amortisation charge for the year	(33.67)	(1,813.79)	(22.98)	-	(1,870.44)
Derecognition of right of use assets	-	(957.37)	(7.62)	-	(964.99)
Balance at March 31, 2021	**3,351.09**	**6,768.77**	**14.11**	-	**10,133.97**
Addition to right of use assets	-	108.10	-	110.68	218.78
Amortisation charge for the year	(39.82)	(1,414.88)	(9.37)	(27.72)	(1,491.79)
Derecognition of right of use assets	(1,749.30)	(35.59)	-	-	(1,784.89)
Balance at March 31, 2022	**1,561.97**	**5,426.40**	**4.74**	**82.96**	**7,076.06**

Lease Liabilities	Amount
Balance at April 1, 2020	**9,608.48**
Additions	-
Deletions	(982.50)
Finance cost accrued during the period	763.68
Discharge of lease liabilities	(2,173.75)
Balance at March 31, 2021	**7,215.91**
Additions	218.77
Deletions	(38.71)
Finance cost accrued during the period	630.46
Discharge of lease liabilities	(1,850.79)
Balance at March 31, 2022	**6,175.64**
Current	1,097.32
Non-current	5,078.31

(b) Maturity analysis - contractual undiscounted cash flows

	As at March 31, 2022	As at March 31, 2021
Less than one year	1,575.30	1,755.22
1 - 2 Year	1,428.68	1,551.58
2 - 3 Year	1,223.45	1,405.12
3 - 4 Year	1,043.12	1,211.01
4 - 5 Year	1,050.35	1,035.24
More than five years	1,586.61	2,642.95
Total	**7,907.51**	**9,601.12**

(c) Amounts recognised in statement of Profit and Loss

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on lease liabilities	630.46	763.68
Amortisation of ROU	1,491.79	1,870.44
Expenses relating to short term leases	292.01	210.90
Total	**2,414.26**	**2,845.02**

(d) Amounts recognised in Statement of Cash Flows

	As at March 31, 2022	As at March 31, 2021
Total Cash outflow for Leases	1,850.79	2,173.75

The Company has renegotiated with certain lessors on the rent reduction / waiver due to COVID 19 pandemic which is short term in nature. Accordingly, the Company in the statement of profit and loss has recognised an amount of Rs 176.54 lakhs (FY 2020-21: Rs 933.94 Lakhs) as part of Other Income.

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STERLING HOLIDAY RESORTS LIMITED ★ CHENNAI

(All amounts in INR lakhs, unless otherwise stated)

55 Ind AS 115 - Revenue from contracts with customers

Movement in deferred acquisition costs and contract liabilities

(a) Deferred acquisition costs	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance	9,496.20	9,339.30
Additions during the year	1,577.70	2,050.35
Written off due to cancellation of contracts	(890.37)	(998.72)
Amortised during the year	(1,096.10)	(894.73)
Closing balance	**9,087.43**	**9,496.20**

(b) Contract liabilities	Membership fee	AAC / ASF	Other resort revenue	Total
Opening balance as at April 1, 2020	82,042.15	662.51	934.55	83,639.21
Additions during the year (net)	3,437.35	784.98	716.90	4,939.23
Contracts cancelled during the year	(3,964.08)	-	-	(3,964.08)
Income recognized during the year	(4,291.38)	(451.61)	(967.84)	(5,710.83)
Adjustment on account of provision	(2,966.49)	-	-	(2,966.49)
Closing balance as at March 31, 2021	**74,257.54**	**995.88**	**683.61**	**75,937.03**

Contract liabilities	Membership fee	AAC / ASF	Other resort revenue	Total
Opening balance as at April 1, 2021	74,257.54	995.88	683.61	75,937.03
Additions during the year (net)	4,567.68	1,407.62	2,607.54	8,582.84
Contracts cancelled during the year	(5,015.57)	-	-	(5,015.57)
Income recognized during the year	(4,240.76)	(1,453.95)	(2,303.65)	(7,998.36)
Adjustment on account of provision	394.32	-	-	394.32
Closing balance as at March 31, 2022	**69,963.21**	**949.55**	**987.50**	**71,900.26**

For contract liabilities pertaining to membership fee, services will be provided over the effective membership period and revenue is recognised over that period. Other contract liabilities pertain to consideration received in advance and are recognized as revenue in the respective period when the service is rendered.

(c) Revenue expected to be recognised in the future from Deferred Contract Liability	As at March 31, 2022	As at March 31, 2021
AAC / ASF		
< 1 Year	703.71	680.11
1 - 2 Year	245.84	315.77
Membership fee		
< 1 Year	3,288.01	3,599.95
1 - 2 Year	3,047.92	3,192.88
2 - 3 Year	3,045.02	2,848.86
More than 3 Years	60,582.25	64,615.86

The deferred contract liability broken year wise shows summary of Membership and Annual subscription fee recognisible over the time. Annual subscription fee being the annual fees chargeable to the member every year over the life of contract.

(d) Reconciliation of revenue from contract with customer	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from contract with customer as per the contract price	24,537.05	15,479.82
Adjustments made to contract price on account of :-		
(i) Discounts / Rebates / Incentives	(138.31)	(165.03)
(ii) Other adjustments	150.02	636.83
Revenue from contract with customer as per the statement of Profit and Loss	**24,548.75**	**15,951.61**

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STERLING HOLIDAY RESORTS LIMITED CHENNAI

(All amounts in INR lakhs, unless otherwise stated)

56 Ratio analysis and its elements

Ratio*	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	1.00	0.79	26%	Increase in balance of cash and cash equivalents
Debt- Equity Ratio (in times)	Total Debt*	Shareholder's Equity	0.46	0.57	-20%	
Debt Service Coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	2.34	2.65	-11%	
Return on Equity ratio (in %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	11%	8%	3%	Increase in profits made during current year led to higher % as compared to previous year
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	15.49	6.95	123%	The lockdown restrictions imposed in previous year led to lower consumption cost as compared to current year. The average stock levels remain constant across the periods.
Trade Receivable Turnover Ratio (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	7.32	4.24	73%	Higher revenue is current year led to higher turnover ratio.
Trade Payable Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	1.10	0.46	140%	The lockdown restrictions imposed in previous year led to lower purchases of inventory as compared to current year. The average balance of trade payables remain constant across the periods.
Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	5.34	9.63	-45%	Increase in balance of cash and cash equivalents enable better current asset position thereby reducing the capital turnover ratio
Net Profit ratio (in %)	Net Profit	Net sales = Total sales - sales return	16%	15%	1%	
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	79%	16%	63%	Increase in capital employed ratio is represented by higher profits made in current year.
Return on Investment (in %)	Interest (Finance Income)	Investment	3%	2%	1%	

*** Total debt excludes deferred income*

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STERLING HOLIDAY RESORTS LIMITED ★ CHENNAI

Sterling Holiday Resorts Limited
Notes forming part of financial statements as at and for the year ended March 31, 2022
(All amounts in Rs. lakhs, unless otherwise stated)

57 Earnings per share

	As at March 31, 2022	As at March 31, 2021
Profit for the year attributable to the equity holders of the Company	4,016.79	2,427.40
Weighted average number of equity shares outstanding (in lakhs)	290.50	290.50
Basic and diluted earnings per share	**13.83**	**8.36**

58 Subsequent events
There are no significant subsequent events, that have occurred after the reporting period till the date of the signing of these standalone financial statements.

59 Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 1, 2021

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No.: 217042
Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors of
Sterling Holiday Resorts Limited
CIN: U63040TN1989PLC114064

Ramesh Ramanathan
Chairman & Whole time Director
DIN No.: 00174550
Place: Chennai
Date: May 04, 2022

Vikram Dayal Lalvani
Managing Director
DIN No.: 07115464
Place: Chennai
Date: May 04, 2022

R. Anand
Director
DIN No.: 00243485
Place: Chennai
Date: May 04, 2022

Krishna Kumar L
Chief Financial Officer
Place: Chennai
Date: May 04, 2022

Muthukumaran Audikesavan
Company Secretary
Place: Chennai
Date: May 04, 2022

B S R & Co. LLP
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Independent Auditors' Report

To the Members of
Travel Corporation (India) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Travel Corporation (India) Limited ("the Company"), which comprise the balance sheet as at 31 March 2022, 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 31 March 2022, 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 on the financial statements.

Emphasis of matter

We draw attention to Note 45 to the financial statements, which describes the economic and social consequences the entity is facing as a result of COVID 19 which is impacting supply chains / consumer demand.

Our opinion is not modified in respect of this matter.

Independent Auditors' Report ***(Continued)***

Travel Corporation (India) Limited

Key Audit Matters

Key audit matters ("KAM") are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters	How the matter was addressed in our audit
Impact of COVID-19 pandemic on Going Concern Refer Note 45 "Impact of COVID-19 (Global pandemic)" of the financial statements On 11 March 2020, the World Health Organisation declared the Novel Coronavirus (COVID-19) outbreak to be a pandemic. The Indian Government has imposed various lock-downs across the country during the year. These lockdowns and restrictions due to COVID – 19 pandemic have posed significant challenges to the businesses of the Company. This required the Company to assess impact of COVID-19 on its operations. The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has also prepared a range of scenarios to estimate financing requirements. In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.	Our audit procedures included the following: • Obtained an understanding of the key controls relating to the Company's forecasting process. • Compared the forecasted income statement and cash flows with the Company's business plan approved by the board of directors. • Obtained an understanding of key assumptions adopted by the Company in preparing the forecasted income statement and cash flow and assessed the consistency thereof with our expectations based on our understanding of the Company's business. • Assessed the forecasted income statement and cash flow by considering plausible changes to the key assumptions adopted by the Company. • Obtained support letter from the parent Company. • Assessed impact of Government's announcement to lift the lockdown restrictions and Company's plan to re-start business operations in a phased manner. • Assessed disclosures made in the financial statements with regard to the above.

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 Company's directors report, but does not include the financial statements and our auditors' report thereon. The Board report is expected to be made available to us after the date of the 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Independent Auditors' Report ***(Continued)***

Travel Corporation (India) Limited

Management's and Board of Directors' 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 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, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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 but not for the purpose of expressing an opinion on the operating effectiveness of such controls.

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Independent Auditors' Report ***(Continued)***

Travel Corporation (India) Limited

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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.

2. (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.

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Independent Auditors' Report (Continued)

Travel Corporation (India) Limited

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

c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of 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 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) The Company has been exempted from the requirement of its auditor reporting on whether the Company has adequate internal financial controls system in place with reference to the financial statements and the operating effectiveness of such controls under section 143(3)(i) of the Act.

(B) With respect to the other matters to be included in the Auditors' 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:

a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 37 to the financial statements.

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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Independent Auditors' Report (Continued)

Travel Corporation (India) Limited

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

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

(C) With respect to the matter to be included in the Auditors' 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's Registration No.: 101248W/W100022

B. H. Dhupelia

Mumbai
23 May 2022
UDIN: 22042070AJKXTT2506

Bhavesh Dhupelia
Partner
Membership No. 042070

Travel Corporation (India) Limited

Annexure A to the Independent Auditors' report on the standalone financial statements of Travel Corporation (India) Limited for the year ended 31 March 2022

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2022, we report the following:

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Right of Use Assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering travel and travel related services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

Travel Corporation (India) Limited

Annexure A to the Independent Auditors' report on the standalone financial statements of Travel Corporation (India) Limited for the year ended 31 March 2022 ***(Continued)***

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Services Tax ('GST').

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees State Insurance, Income-Tax, Cess and any other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in a few cases of profession tax, Employees State Insurance and Tax collected at source.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, or Cess or other material statutory dues which have not been deposited on account of any dispute except for the following:

Nature of Statute	Nature of Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Service Tax Rules, 1994	Service Tax	146,652	1 October 2007 to 29 February 2008	Assistant Commissioner of Service Tax
Service Tax Rules, 1994	Service Tax	159,782,742	1 April 2005 to 31 March 2010	CESTAT

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Travel Corporation (India) Limited

Annexure A to the Independent Auditors' report on the standalone financial statements of Travel Corporation (India) Limited for the year ended 31 March 2022 *(Continued)*

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as defined under the Act.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

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

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

BSR & Co. LLP
14th Floor, Central B Wing and North C Wing, Nesco IT Park4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400 063
Chartered Accountants

Travel Corporation (India) Limited

Annexure A to the Independent Auditors' report on the standalone financial statements of Travel Corporation (India) Limited for the year ended 31 March 2022 *(Continued)*

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

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

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

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

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.

(xvii) The Company has incurred cash losses of Rs. 4,243.34 lakhs in the current financial year and Rs. 3,300.81 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Travel Corporation (India) Limited
Annexure A to the Independent Auditors' report on the standalone financial statements of Travel Corporation (India) Limited for the year ended 31 March 2022 ***(Continued)***

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No. 042070

Mumbai
23 May 2021
UDIN: 22042070AJKXTT2506

Travel Corporation (India) Limited

Balance sheet

as at 31 March 2022

(Currency : Indian rupees in Lakhs, unless otherwise stated)

		Note	31 March 2022	31 March 2021
I.	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	2	1,074.19	1,473.63
	(b) Right of use Asset	2	413.49	985.77
	(c) Other intangible assets	3	30.29	69.44
	(d) Capital work-in-progress	2	18.43	-
	(e) Intangible asset under development	3	608.66	134.61
	(f) Financial assets :			
	(i) Investments	4	140.52	140.52
	(ii) Other non-current financial assets	5	460.30	377.93
	(g) Deferred tax assets (net)	6	2,925.26	1,619.22
	(h) Income tax assets	7	101.87	106.90
	(i) Other non-current assets	8	2.40	30.89
	Total non-current assets		5,775.41	4,938.91
2	**Current assets**			
	(a) Financial assets :			
	(i) Trade receivables	9	722.87	930.67
	(ii) Cash and cash equivalents	10(a)	336.69	779.11
	(iii) Bank balances other than cash and cash equivalents above	10(b)	1.63	19.78
	(iv) Other current financial assets	11	38.30	99.85
	(b) Other current assets	12	1,906.78	1,556.46
	Total current assets		3,006.27	3,385.87
	TOTAL ASSETS		8,781.68	8,324.78
II.	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	13	1.00	1.00
	(b) Other equity			
	(i) Instruments entirely equity in nature	14	19,901.94	19,901.94
	(ii) Reserves and surplus	14	(21,674.72)	(17,801.03)
	Total equity		(1,771.78)	2,101.91
2	**Non-current liabilities**			
	(a) Financial liabilities:			
	(i) Lease liability	15	179.86	511.42
	(b) Provisions	16	153.25	176.50
	Total non-current liabilities		333.11	687.92
3	**Current liabilities**			
	(a) Financial liabilities :			
	(i) Short-term borrowings	17	6,106.00	975.23
	(ii) Lease liability	18	326.51	611.96
	(iii) Trade payables			
	1.Dues of micro enterprises and small enterprises	32	-	-
	2.Dues of creditors other than micro enterprises and small enterprises	19	1,780.60	2,066.26
	(iv) Other financial liabilities	20	368.08	141.85
	(b) Other current liabilities	21	1,605.45	1,719.31
	(c) Short-term provisions	22	33.71	20.34
	Total current liabilities		10,220.35	5,534.95
	Total liabilities		10,553.46	6,222.87
	TOTAL EQUITY AND LIABILITIES		8,781.68	8,324.78

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

B-H-Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
23-May-22

For and on behalf of the Board of Directors of Travel Corporation (India) Limited

Dipak Deva	**Madhavan Menon**
Managing Director	*Director*
[DIN:02030005]	[DIN No: 00008542]
New Delhi	Mumbai
Sanjay Shroff	**Abhijeet Sawant**
Chief Financial Officer	*Company Secretary*
Gurugram	Mumbai
18-May-22	18-May-22

TRAVEL CORPORATION (INDIA) LTD. Tower B, Delta Square, M.G. Road, Sector-25 GURGAON-122001

Travel Corporation (India) Limited

Statement of profit and loss

for the year ended 31 March 2022

(Currency : Indian rupees in Lakhs, unless otherwise stated)

		Note	For the year ended 31 March 2022	For the year ended 31 March 2021
(1)	**Revenue**			
	(a) Revenue from operations	23	1,668.17	1,816.36
	(b) Other income	24	460.68	388.15
	Total income		2,128.85	2,204.51
(2)	**Expenses**			
	(a) Cost of tours	25	1,054.84	276.82
	(b) Employee benefits expense	26	3,673.95	3,907.87
	(c) Finance costs	27	416.70	227.40
	(d) Depreciation and amortisation expenses	2.3	972.40	1,156.65
	(e) Impairment loss	28	-	180.90
	(f) Other expenses	29	1,309.64	1,466.60
	Total expenses		7,427.53	7,216.24
(3)	**Loss before tax**		(5,298.68)	(5,011.73)
(4)	**Tax expense:**			
	(a) Current tax	6	-	-
	(b) (Excess) tax provisions net for earlier years	6		(26.23)
	(c) Deferred tax	6	(1,326.77)	(1,184.71)
(5)	**Loss after tax (A)**		(3,971.91)	(3,800.79)
(6)	**Other comprehensive income (OCI)**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of defined benefit plan		82.37	90.04
	(ii) Income tax expense on remeasurement benefit of defined benefit plans		(20.73)	(22.66)
	Other comprehensive Income (net of tax) (B)		61.64	67.38
(7)	**Total comprehensive loss for the year (A+B)**		(3,910.27)	(3,733.41)
(8)	**Earnings per equity share**			
	(i) Basic	30	(39,719.10)	(38,007.89)
	(ii) Diluted	30	(39,719.10)	(38,007.89)

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

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
23-May-22

For and on behalf of the Board of Directors of Travel Corporation (India) Limited

Dipak Deva
Managing Director
[DIN:02030005]
New Delhi

Madhavan Menon
Director
[DIN No: 00008542]
Mumbai

Sanjay Shroff
Chief Financial Officer
Gurugram

18-May-22

Abhijeet Sawant
Company Secretary
Mumbai

18-May-22

TRAVEL CORPORATION (INDIA) LTD. Tower B, Datta Square, M.G. Road, Sector-25, GURGAON-122001

Travel Corporation (India) Limited

Statement of cash flows

for the year ended 31 March 2022

(Currency : Indian rupees in Lakhs, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flows from operating activities:		
Loss before tax	**(5,298.68)**	(5,011.73)
Adjustments for:		
Impairment loss	-	180.90
Depreciation and Amortisation	**972.40**	1,156.65
(Gain)/loss on sale of property, plant and equipment and ROU asset	**(24.00)**	(17.91)
Unclaimed credit balances no longer required, written back	**(9.59)**	(17.91)
Excess provision no longer requried, written back	**(199.29)**	(1,526.11)
Operational lease rentals	**30.46**	32.63
Bad debts and Provision for doubtful debts and advances	**61.56**	-
Net unrealised foreign exchange differences	**53.06**	58.12
Expenses on employees stock options schemes (net)	**36.08**	328.47
Interest expense on ROU lease liability including finance lease	**78.16**	136.46
Interest income	**(5.27)**	(225.60)
Interest income - others	**(34.19)**	(33.53)
Interest expense	**338.54**	-
	(4,000.76)	(4,939.57)
Working capital Changes		
Decrease in trade and other receivables	**156.71**	3,697.70
(Increase)/ Decrease in other assets	**(337.28)**	1,602.91
(Increase)/ Decrease in Other Financial assets	**(19.06)**	23.44
(Decrease) in trade & other payables, other financial liabilities and current liabilities	**(248.07)**	(8,515.88)
Increase in provisions and employee benefits	**72.49**	56.16
Net cash flow from operations after working capiat adjustments	**(4,375.97)**	(8,075.24)
Income tax paid	**5.02**	(187.85)
Net cash flows (used in)/from operating activities	**(4,370.95)**	(8,263.09)
Cash flows from investing activities:		
Acquisition of property, plant and equipment and intangible assets	**(499.02)**	(186.83)
Acquisition of investment in fixed deposit	-	(351.14)
Proceeds from disposal/redemption of investment in fixed deposit	**18.15**	7,850.00
Proceeds from sale of property, plant and equipment	**81.92**	27.02
Interest received	**5.26**	280.55
Net cash flows from/(used in) investing activities	**(393.69)**	7,619.60
Cash flows from financing activities:		
Proceeds from loans and borrowings	**6,106.00**	-
Dividend Paid (including dividend distribution tax)	-	(2,000.00)
Repayment of lease liability	**(611.99)**	(566.50)
Repayment of interest on lease liability	**(78.16)**	(136.46)
Finance charges paid	**(36.88)**	-
Net cash flow (used in) financing activities	**5,378.97**	(2,702.96)

Chartered Accountants Goregaon (East), Mumbai - 400 063

TRAVEL CORPORATION (INDIA) LTD. Tower B, Delta Square, M.G. Road, Sector-25, GURGAON-122001

Travel Corporation (India) Limited

Statement of cash flows

for the year ended 31 March 2022

(Currency : Indian rupees in Lakhs, unless otherwise stated)

	For the year ended 31 March 2022	For the year ended 31 March 2021
Net increase/(decrease) in cash and cash equivalents	**614.33**	(3,346.45)
Cash and cash equivalents at the beginning of the period	**(196.12)**	3,298.61
Exchange difference on translation of foreign currency cash and cash equivalents	**(81.53)**	(148.28)
Cash and cash equivalents at the end of the year	**336.68**	(196.12)

Note:

(a) Components of cash and cash equivalents :

Cash on hand	**9.84**	14.22
Balances with scheduled banks		
-- Current Account	**112.41**	601.51
-- EEFC Account	**144.43**	63.38
-- Deposit Account (with original maturity of 3 months or less)	**70.00**	100.00
Less: Bank overdraft	-	(975.23)
	336.68	(196.12)

(b) 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".

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

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
23-May-22

Dipak Deva
Managing Director
[DIN:02030005]
New Delhi

Madhavan Menon
Director
[DIN No: 00008542]
Mumbai

Sanjay Shroff
Chief Financial Officer

Gurugram
18-May-22

Abhijeet Sawant
Company Secretary

Mumbai
18-May-22

TRAVEL CORPORATION INDIA LTD. Tower B, Delta Square, M.G Road Sector-25 GURGAON-122001

Travel Corporation (India) Limited
Statement of Changes in Equity (SOCIE)
for the year ended 31 March 2022

(Currency : Indian rupees in Lakhs, unless otherwise stated)

(a) Equity share capital

	31 March 2022 No. of Shares	31 March 2022 Amount	31 March 2021 No. of Shares	31 March 2021 Amount
At the commencement of the year	10,000	1.00	10,000	1.00
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the end of the year	10,000	1.00	10,000	1.00
Changes in equity share capital during the year [refer Note 14]	-	-	-	-
At the end of the year	**10,000**	**1.00**	**10,000**	**1.00**

(b) Other equity

Particulars	Instruments entirely equity in nature	Reserves and surplus			Total other equity
	Preference shares	Retained earning	Employee share option outstanding	Capital Reserve	
Balance at 1 April 2020	19,901.94	3,603.00	334.30	(16,332.89)	7,506.35
Loss for the year	-	(3,800.79)	-	-	(3,800.79)
Other comprehensive income, net of tax	-	67.38	-	-	67.38
Share-based payments [Note 39]	-	-	328.47	-	328.47
Dividend paid out of Profits (including dividend distribution tax)	-	(2,000.00)	-	-	(2,000.00)
Balance at 31 March 2021	19,901.94	(2,130.41)	662.77	(16,332.89)	2,101.41

Particulars	Instruments entirely Equity in nature	Reserves and surplus			Total other equity
	Preference shares	Retained earning	Employee share option outstanding	Capital Reserve	
Balance at 1 April 2021	19,901.94	(2,130.41)	662.77	(16,332.89)	2,101.41
Loss for the year	-	(3,971.91)	-	-	(3,971.91)
Other comprehensive income, net of tax	-	61.64	-	-	61.64
Share-based payments [Note 39]	-	-	36.08	-	36.08
Balance at 31 March 2022	19,901.94	(6,040.68)	698.85	(16,332.89)	(1,772.78)

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

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
23-May-22

For and on behalf of the Board of Directors of
Travel Corporation (India) Limited
[CIN: U63040MH2001PLC131691]

Dipak Deva
Managing Director
[DIN:02030005]
New Delhi

Madhavan Menon
Director
[DIN No: 00008342]
Mumbai

Sanjay Shenoy
Chief Financial Officer
Gurugram
18-May-22

Abhijeet Sawant
Company Secretary
Mumbai
18-May-22

TRAVEL CORPORATION (INDIA) LTD. Tower B, Delta Square, M.G. Road, Sector-25, GURGAON

(Currency : Indian rupees in Lakhs, unless otherwise stated)

General Information

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 wholly owned by Thomas Cook (India) Limited (100 %).

1 (A) Significant Accounting Policies

1.1 Basis of preparation

(a) Statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time that are notified and effective as at 31 March 2022.

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.

(b) Historical cost convention

Standalone financial statements have been prepared on a historical cost basis, except for the following:
• certain financial assets and liabilities - measured at fair value,
• defined benefit plans – defined benefit obligations less plan assets measured at fair value, and
• share based payment - measured at fair value

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

(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 in the statement of profit and 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.

1 (A) Significant Accounting Policies *(Continued)*

1.3 Revenue recognition *(Continued)*

(a) Income from operations

The Company earns revenue from travel and related services.

Travel and related services

The Company earns revenue primarily from Travel and Tourism business and working as Travel agent and Tour operator in In-bound tours. Revenue from inbound tour packages are recognized on the completion of the performance obligation which is on the date of arrival 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 are recognized as and when the performance obligations under the schemes are achieved.

Commission income (net) from 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.

Income from Services Exports from India Scheme (SEIS)
Export entitlements from government authorities are recognized in Statement of Profit and Loss, when the right to receive credit as per the terms of the scheme is established. Revenue is recognised when credit scrips received from Government on compliance of the condition laid down under the new foreign trade policy and the same is classified as other operating revenue.

(b) Contract balances

(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 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.

1 (A) Significant Accounting Policies *(Continued)*

1.4 Taxes on income *(Continued)*

(b) Deferred tax: *(Continued)*

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.

1.5 Leases

The company as a lessee

The company's lease asset classes primarily consist of leases for buildings and vehicles. The company assesses whether a contract contains a lease, at inception of a contract. 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.

To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:
(1) the contract involves the use of an identified asset
(2) the company has substantially all of the economic benefits from use of the asset through the period of the lease and
(3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the company recognizes a "Right of Use" ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses if any and adjusted for any remeasurement of the lease liability.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

1.6 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.

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

1 (A) Significant Accounting Policies *(Continued)*

1.6 Impairment of assets *(Continued)*

(a) Financial assets *(Continued)*

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.

(b) Non financial assets

Goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other 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 groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Total impairment loss of a cash generating unit (CGU) is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in the statement of profit and loss and is not reversed in the subsequent period.

1.7 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 financial liabilities in the balance sheet.

1.8 Financial instruments

(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.

Travel Corporation (India) Limited

Notes to the Standalone Financial Statements *(Continued)*
for the year ended March 31, 2022

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

1 (A) Significant Accounting Policies *(Continued)*

1.8 Financial instruments *(Continued)*

(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.

(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) Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. The accounting policy on impairment of non-financial assets is disclosed in Note 1.6. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss. Dividend from such investments are recognised in the Statement of profit and loss as other income when the Company's right to receive payment is established.

(iv) 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

(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.

1 (A) Significant Accounting Policies *(Continued)*

1.8 Financial instruments *(Continued)*

(b) Financial liabilities *(Continued)*

(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.

(c) Derivative financial instruments

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

1.9 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.

1.10 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 & 6 years
Computer servers and networks	6 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	4 & 8 years

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

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

1 (A) Significant Accounting Policies *(Continued)*

1.10 Property, plant and equipment

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.

1.11 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.
The carrying value of these intangible assets is reviewed at least annually for impairment and adjusted to the recoverable amount if required.

(i) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs those are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised 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.

Computer software
Amortisation methods and periods

Asset	Useful Life
Software (including software - internally generated / developed)	3 & 4 years

Amortization is calculated using the straight-line method to allocate their cost over their estimated useful lives.

1.12 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.

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

1 (A) Significant Accounting Policies *(Continued)*

1.12 Borrowings *(Continued)*

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.

1.13 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.
Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.
Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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.
Contingent assets are neither recognised nor disclosed in the financial statements.

1.14 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.
Facility support income, Group resource income, royalty income and management fees are recognized on accrual basis over the period of the agreement.

Government grant:
Government grants / subsidies received received towards revenue expenses have been recognized when there is reasonable assurance that:
(i) the entity will comply with the conditions attached to them; and
(ii) the grant will be received.
Subsidies received during the year towards revenue expenses have been reduced from respective expenses.

1.15 Employees share-based payments

Share-based compensation benefits are provided to employees via the following plans:
a) TCIL ESOP 2018 Management
b) TCIL ESOP 2018 Execom
c) TCIL ESOP Scheme 2013

The fair value of options granted under each plan 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).

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 statement of profit and loss, with a corresponding adjustment to equity.

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

1 (A) Significant Accounting Policies *(Continued)*

1.16 Employee benefits

(a) Post employment benefits:

(i) Defined contribution plans

The Company has defined contribution plan for post-employment benefit in the form of Superannuation scheme. Contributions to Superannuation scheme are charged to the statement of profit and loss as incurred. The contributions to Superannuation scheme are based on the premium contribution called for by Life Insurance Corporation of India (LIC) with whom the Company has entered into an arrangement.

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.

Contribution to Gratuity is based on the premium contribution called for by the Life Insurance Corporation of India (LIC) with whom the Company has entered into an arrangement. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited in the statement of profit and loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the statement of profit and loss.

In respect of certain employees, the Company has Defined Benefit Plan for Other Long-term Employee Benefit in the form of Provident Fund. Provident Fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

(b) Short-term employee benefit

As per the leave Policy of the Company, employees are entitled to avail 30 days of leave during a calendar year. Any carry forward or encashment of the same is not allowed and all unutilised leaves necessarily lapse at the end of the calendar year. At reporting date liability pertaining to compensated absences is calculate based on the total leave balances of each employee.

1.17 Earnings per share

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

1.18 Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary nature. The costs of the company are broadly categorised in employee benefit expenses, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses majorly include sub-contractor charges, rent, recruitment and training expenses, travelling and conveyance, legal and professional fees and communication expenses.

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

1 (B) 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:
Going Concern and impact of COVID-19 - Note 45
Useful life of property, plant & equipment - Note 2
Estimated useful life of intangible asset- Note 3
Leases – Note 36
Impairment of investment - Note 4
Estimation of Defined Benefit Obligation - Note 35
Recognition of deferred tax assets for carried forward unabsorbed depreciation/ loss - Note 6
Recognition and measurement of provision and contingencies - Note 37
Fair value of financial instruments - Note 31
Impairment of trade receivables - Note 31
Estimation of inputs for fair value of Share based payment instrument - Note 39

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.

1 (C) 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.

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.

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

1 (D) Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in statement of profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Provisions, Contingent liabilities and Contingent assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

On 18 June 2021, MCA through a notification has notified Companies (Indian Accounting Standards) Amendment Rules, 2021. The notification has made amendments to various Ind AS. The Company does not expect the amendments to have any significant impact in its financial statements.

Recent indan accounting standards (Ind AS)

The MCA notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2021.

1 (E) Going concern and impact of COVID-19

The lockdowns and restrictions imposed from time to time on various activities due to COVID-19 pandemic have posed challenges to all the businesses of the Company. The company expects operations to normalize in a phased manner once the confidence of corporates / travellers is fully restored. The company has assessed the impact of COVID-19 on the carrying amount of its assets and revenue recognition. In developing the assumptions relating to the possible future uncertainties, company, as on date of approval of these standalone financial results has used internal and external sources of information to the extent available. The company, based on current estimates and information, expects the carrying amount of these assets to be recovered.

The Company has also assessed the impact for existing and anticipated effects of COVID-19 on the future cash flow projections on the basis of significant assumptions as per the available information. The Company has undertaken various cost saving initiatives to maximize operating cash flows and conserve cash position in the given situation. The Company has raised funds by way of borrowings from the Holding Company.
the Company is significantly dependent on its holding Company for its financial support. The Company has obtained support letter from its holding company indicating that the holding company will continue to provide financial support as is necessary to maintain the Company as a going concern for the foreseeable future and to meet its liabilities as and when they fall due for the for a period of minimum twelve months from the balance sheet date.

As at 31 March 2022, the Company's net worth is Rs. (1,771.78 lakhs) (2021: Rs 2,101.91 lakhs). The Company during the year has made a net loss of Rs 3,971.91 lakhs (2021: loss of Rs. 3800.79 lakhs).

Management believes that the future business plan and continued support from holding company will enable the Company to settle liabilities as they fall due. Based on the above, the Company is confident of its ability to meet the funds requirement and to continue its business as a going concern and accordingly the financial statements have been prepared on that basis. The Company continues to monitor any material changes to its COVID-19 impact assessment, resulting from the future economic conditions and future uncertainty, if any.

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Travel Corporation (India) Limited
Notes to the financial statements (Continued)
as at 31 March 2022

(Currency : Indian rupees in Lakhs, unless otherwise stated)

2 Property, plant and equipment

Particulars	Computer hardware	Furniture and fixtures	Vehicles	Office equipment	Total
Gross carrying value as at 31 Mar 2020	483.09	846.29	1,791.57	313.35	3,434.30
Add:Additions during the year	1.25	45.08	0.40	10.69	57.42
Less:Deletion during the year	11.54	27.93	62.14	10.76	112.37
Gross carrying value as at 31 Mar 2021	**472.80**	**863.44**	**1,729.83**	**313.28**	**3,379.35**
Add:Additions during the year	9.03	-	-	12.64	21.67
Less:Deletion during the year	69.72	13.15	201.27	6.53	290.67
Gross carrying value as at 31 Mar 2022	**412.11**	**850.29**	**1,528.56**	**319.39**	**3,110.35**
Accumulated depreciation as at 31 March 2020	362.96	651.41	239.74	234.48	1,488.59
Add:Depreciation charge during the year	74.22	153.02	255.30	25.53	508.07
Less:Depreciation on Deletion during the year	11.18	27.49	47.34	4.93	90.94
Accumulated depreciation as at 31 March 2021	**426.00**	**776.94**	**447.70**	**255.08**	**1,905.72**
Add:Depreciation charge during the year	38.54	60.72	239.54	24.39	363.19
Less:Depreciation on Deletion during the year	69.72	12.99	143.80	6.23	232.75
Accumulated depreciation as at 31 March 2022	**394.82**	**824.67**	**543.44**	**273.24**	**2,036.16**
Carrying value as at 31 March 2021	46.80	86.50	1,282.13	58.20	1,473.63
Carrying value as at 31 March 2022	**17.29**	**25.62**	**985.12**	**46.15**	**1,074.19**

2 Capital work in progress

As at 31 March 2021	-
Add:Additions during the year	**18.43**
Less:Assets capitalised during the year	-
As at 31 March 2022	**18.43**

Ageing of capital work in progress

Particulars	Amount in Capital work in progress for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022					
(i) Projects in progress					
Project 1- Fabrication of vasant kunj office	**18.43**	-	-	-	**18.43**
(ii) Projects temporarily suspended	-	-	-	-	-
As at 31 March 2021					
(i) Projects in progress	-	-	-	-	
(ii) Projects temporarily suspended	-	-	-	-	-

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2 Right of use Asset

Particulars	ROU Assets - Building	ROU Assets - Vehicles	Total
Gross carrying amount:			
Closing gross carrying amount as at 31 March 2020	1,942.08	79.14	2,021.22
Add:Additions during the year	**256.44**	**-**	**256.44**
Less:Deletion during the year	**202.21**	**-**	**202.21**
Closing gross carrying amount as at 31 March 2021	**1,996.31**	**79.14**	**2,075.45**
Add:Additions during the year	3.66	11.32	**14.98**
Less:Deletion during the year	32.05		**32.05**
Closing gross carrying amount as at 31 March 2022	**1,967.92**	**90.46**	**2,058.38**
Gross Accumulated Depreciation :			
Closing accumulated depreciation as at 31 March 2020	553.83	26.10	579.93
Add:Depreciation charge during the year	**589.49**	**18.62**	608.11
Less:Depreciation on Deletion during the year	**98.36**	**-**	98.36
Closing accumulated depreciation as at 31 March 2021	**1,044.96**	**44.72**	**1,089.68**
Add:Depreciation charge during the year	544.61	25.12	569.73
Less:Depreciation on Deletion during the year	14.52	-	14.52
Closing accumulated depreciation as at 31 March 2022	**1,575.05**	**69.84**	**1,644.89**
Net carrying amount as at 31 March 2021	951.35	34.42	985.77
Net carrying amount as at 31 March 2022	**392.87**	**20.62**	**413.49**

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3 Other intangible assets

Particulars	Computer Software
Gross carrying value as at 31 Mar 2020	269.53
Add:Additions during the year	21.85
Less:Deletion during the year	-
Gross carrying value as at 31 Mar 2021	291.38
Add:Additions during the year	**0.32**
Less:Deletion during the year	**30.27**
Gross carrying value as at 31 Mar 2022	**261.43**
Accumulated depreciation as at 31 March 2020	181.48
Add:Amortisation charge during the year	40.46
Less:Amortisation on Deletion during the year	-
Accumulated depreciation as at 31 March 2021	221.94
Add:Amortisation charge during the year	**39.48**
Less:Amortisation on Deletion during the year	**30.28**
Accumulated depreciation as at 31 March 2022	**231.14**
Carrying value as at 31 March 2021	69.44
Carrying value as at 31 March 2022	**30.29**

3 Intangible Asset under development

As at 31 March 2020	-
Add:Additions during the year	**151.73**
Less:Assets capitalised during the year	**17.12**
As at 31 March 2021	**134.61**
Add:Additions during the year	**474.05**
Less:Assets capitalised during the year	-
As at 31 March 2022	**608.66**

Ageing of Intangible Assets under development

Particulars	Amount in Intangible Assets under development for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022					
(i) Projects in progress					
Project 1- Xplor	**472.65**	**134.61**	-	-	**607.26**
Project 2- HRIS	**1.40**	-	-	-	**1.40**
(ii) Projects temporarily suspended	-	-	-	-	-
As at 31 March 2021					
(i) Projects in progress					
Project 1- Xplor	134.61	-	-	-	134.61
(ii) Projects temporarily suspended	-	-	-	-	-

Note: There is no delay in commissioning of the Intangible asset under development, nor the project has exceeded its original budget.

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		31 March 2022	31 March 2021
4	**Investments**		
I.	**Investments in Equity instruments**		
	Unquoted investments *		
	Investment in subsidiaries:		
	14,248 (31 March 2021: 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)	**42.52**	42.52
	190,000 (31 March 2021: 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**	9.17
	Less: Impairment loss	**(9.17)**	(9.17)
	Investment in Joint Venture:		
	980,000 (31 March 2021: 980,000) Equity shares of Rs. 10 each,fully paid up, of TCI Go Vacation india Private Limited.	**98.00**	98.00
II.	**Investments in Preference Shares**		
	Investment in subsidiary:		
	43,09,894 (31 March 2021:Nil) Optionally Convertible Redeemable Preference share of Sri Lankan Rs 10 each, fully paid up, of SITA World Travel Lanka (Pvt.) Limited allotted for consideration other than cash	**171.73**	171.73
	Less: Impairment loss	**(171.73)**	(171.73)
	*** Carried at cost**		
		140.52	140.52
	Aggregate amount of unquoted investments	**140.52**	140.52
	Aggregate amount of impairment in the value of investments	**180.90**	180.90

		31 March 2022	31 March 2021
5	**Other Non current Financial Assets**		
	Security deposits- (Unsecured, Considered Good)	**460.30**	377.93
		460.30	377.93

* Financial asset carried at amortised cost

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6 Income taxes

	For the year ended 31 March 2022	For the year ended 31 March 2021
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	-	(26.23)
Deferred tax		
In respect of current year	**(1,326.77)**	(1,184.71)
Income Tax expense recognised in Statement of profit and loss	**(1,326.77)**	(1,210.94)
B. Reconciliation of tax expense and the accounting profit for the year is as under :		
Loss before tax	**(5,298.68)**	(5,011.73)
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 25.168%)	**(1,333.57)**	(1,261.35)
Tax effect of:		
Exempt Income - Dividend from Subsidiary	-	-
Impairment of Investment in subsidary	-	45.53
Change in Tax Rate	-	-
CSR and Donation	**0.49**	8.38
Others	**6.31**	(3.50)
Tax expense as per Statement of profit and loss	**(1,326.77)**	(1,210.94)

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6 Income taxes *(Continued)*

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

31 March 2022

	Balance 1 April 2021	**Recognised in profit or loss**	**Recognised in OCI**	**Net**	**Deferred tax asset /(liability)**
Deferred tax asset					
Property, plant and equipment	274.28	(25.20)	-	(25.20)	249.08
ROU asset / liability	32.21	(8.83)	-	(8.83)	23.38
Employee benefits	68.77	13.66	(20.73)	(7.07)	61.70
Provisions	(0.01)	14.18	-	14.18	14.17
Disallowances under IT Act	13.99	(1.64)	-	(1.64)	12.35
Carry forward losses	1,203.52	1,340.02	-	1,340.02	2,543.54
Allowances under IT Act	26.46	(5.42)	-	(5.42)	21.04
Deferred tax assets / (liabilities)	1,619.22	1,326.77	(20.73)	1,306.04	2,925.26
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-
Deferred tax assets / (liabilities)	1,619.22	1,326.77	(20.73)	1,306.04	2,925.26

31 March 2021

	Balance 1 April 2020	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax asset /(liability)
Deferred tax asset					
Property, plant and equipment	333.93	(59.65)	-	(59.65)	274.28
ROU asset / liability	40.61	(8.40)	-	(8.40)	32.21
Employee benefits	80.33	11.10	(22.66)	(11.56)	68.77
Provisions	9.87	(9.88)	-	(9.88)	(0.01)
Disallowances under IT Act	(7.57)	21.56	-	21.56	13.99
Carry forward losses	-	1,203.52	-	1,203.52	1,203.52
Allowances under IT Act	-	26.46	-	26.46	26.46
Deferred tax assets / (liabilities)	457.17	1,184.71	(22.66)	1,162.05	1,619.22
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-
Deferred tax assets / (liabilities)	457.17	1,184.71	(22.66)	1,162.05	1,619.22

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		31 March 2022	31 March 2021
7	**Income tax assets**		
	Advance tax [31 March 2022 Net of Provision for income tax Rs 1211.22 lakh] {31 March 2021 Net of Provision for income tax Rs 1211.22 lakh}	**101.87**	106.90
		101.87	106.90
8	**Other non-current assets**		
	Prepaid expenses	**2.40**	15.44
	Capital advances	**-**	15.45
		2.40	30.89
9	**Trade receivables**		
	Trade receivables - (Unsecured, Considered Good)	**722.87**	930.67
	Trade receivables - credit impaired	**56.34**	-
		779.21	930.67
	Less: Allowance for doubtful trade receivable	**(56.34)**	-
		722.87	930.67
	Trade receivables includes :		
	Dues from related party	**239.80**	229.71
	For terms and conditions relating to related party receivables, refer Note 41		

Ageing schedule

Particulars	**Outstanding for following periods from due date of payment**					
	Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
31 March 2022						
(i) Undisputed Trade receivable						
(a) considered good	**102.49**	**7.61**	**4.68**	**492.42**	**115.67**	**722.87**
(b) Significant increase in credit risk	-	-	-	**56.34**	-	**56.34**
(c) Credit impaired	-	-	-	-	-	-
(ii) Disputed Trade receivable						
(a) considered good	-	-	-	-	-	-
(b) Significant increase in credit risk	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	-
31 March 2021						
(i) Undisputed Trade receivable						
(a) considered good	20.88	7.99	786.13	76.13	39.54	930.67
(b) Significant increase in credit risk	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	-
(ii) Disputed Trade receivable						
(a) considered good	-	-	-	-	-	-
(b) Significant increase in credit risk	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	-

		31 March 2022	31 March 2021
10(a)	**Cash & Cash Equivalents**		
	Balances with banks :		
	-In current Accounts	**112.41**	601.51
	-In EEFC Accounts	**144.43**	63.38
	-Deposit Accounts (with original maturity of 3 months or less)	**70.01**	100.00
	Cash on hand	**9.84**	14.22
		336.69	779.11
10(b)	**Bank balances other than cash and cash equivalents above**		
	Bank deposit (with original maturity of more than 3 months but less than 12 months)	**1.63**	19.78
		1.63	19.78

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		31 March 2022	31 March 2021
11	**Other current financial assets**		
	Security deposits - (Unsecured, Considered Good)	**13.16**	75.72
	Interest accrued but not due on fixed deposits with banks	**0.06**	0.05
	Other receivable - (Unsecured, Considered Good)	**25.08**	24.08
		38.30	99.85
12	**Other current assets**		
	Export benefits receivable	**438.77**	-
	Prepaid expenses	**140.33**	124.42
	Balances with Government Authorities	**391.68**	183.03
	Advance to vendors - (Unsecured, Considered Good)	**920.76**	1,226.43
	Advance expenses	**12.71**	0.64
	Staff advances- (Unsecured, Considered Good)	**2.53**	6.19
	Other assets	**-**	15.75
		1,906.78	1,556.46
	Staff Advances includes :		
	Dues from related party (refer Note 41).	**2.31**	6.19

For terms and conditions relating to related party receivables, refer Note 41

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	31 March 2022	31 March 2021
13 Share capital		
(a) Equity share capital		
Authorised :		
10,000 (31 March 2021: 10,000) equity Shares of Rs. 10 each	**1.00**	1.00
Issued, subscribed and paid up:		
10,000 (31 March 2021: 10,000) equity Shares of Rs. 10 each	**1.00**	1.00
	1.00	1.00

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

Equity share :

	31 March 2022		31 March 2021	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
At the commencement of the year	10,000	1.00	10,000	1.00
Less: Changes during the year	-	-	-	-
Outstanding at the end of the year	10,000	1.00	10,000	1.00

ii 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.

iii *Equity Shares held by holding company*

Equity share	31 March 2022		31 March 2021	
	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')	10,000	1.00	10,000	1.00
	10,000	1.00	10,000	1.00

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

Equity share	31 March 2022		31 March 2021	
	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')	10,000	100.00%	10,000	100.00%

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14 Other equity

(a) Instruments entirely equity in nature

Preference shares :

	31 March 2022	31 March 2021
i Authorised :		
300,000,000 (31 March 2021: 300,000,0000) 0.01% Non-Cumulative, Optionally Convertible Redeemable Preference shares of Rs 10 each	**30,000.00**	30,000.00
Issued and subscribed and paid up:		
199,019,396 (31 March 2021 : 199,019,396) 0.01% Non-Cumulative, Optionally Convertible Redeemable Preference shares of Rs 10 each, fully paid up	**19,901.94**	19,901.94
	19,901.94	19,901.94

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

	31 March 2022		31 March 2021	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
At the commencement of the year	19,90,19,396	19,901.94	19,90,19,396	19,901.94
Add: Changes made during the year	-	-	-	-
Outstanding at the end of the year	19,90,19,396	19,901.94	19,90,19,396	19,901.94

iii 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 one 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 11-12-2039. The holders of these shares are entitled to non-cumulative dividend of 0.01%. Preference shares carry a preferential right as to dividend over equity shareholders, where dividend is not declared in respect of a financial year in the case of non-cumulative preference shares, the entitlement for that year lapses. In the event of winding up, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares. The Company has an option to convert the Preference shares or redeem the preference shares at any time after the end of 1 year from the date of allotment.

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

iv Preference Shares held by holding company

	31 March 2022		31 March 2021	
	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')	19,90,19,396	19,901.94	19,90,19,396	19,901.94
	19,90,19,396	19,901.94	19,90,19,396	19,901.94

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

	31 March 2022		31 March 2021	
	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')	19,90,19,396	100.00%	19,90,19,396	100.00%

vi Aggregate Number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash:

	31 March 2022		31 March 2021	
	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')	19,90,19,396	100.00%	19,90,19,396	100.00%

vii Movement of instruments entirely equity in nature

	31 March 2022		31 March 2021	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
Balance at the beginning of the year	19,90,19,396	19,901.94	19,90,19,396	19,901.94
Add: Issued during the year	-	-		
Less: Redeemed during the year	-	-	-	-
Closing Balance	19,90,19,396	19,901.94	19,90,19,396	19,901.94

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14 Other equity

(ii) Reserves and surplus:

	31 March 2022	31 March 2021
Retained earnings		
At the commencement of the year	**(2,140.42)**	3,660.37
Add: Loss for the year	**(3,971.91)**	(3,800.79)
Less: Dividend paid out of Profits (Including dividend distribution tax of Rs. 1,50,00,000)	**-**	(2,000.00)
At the end of the year	**(6,112.33)**	(2,140.42)
Other comprehensive income:		
At the commencement of the year	**10.01**	(57.37)
Add: Other comprehensive income for the year	**61.64**	67.38
At the end of the year	**71.65**	10.01
Employee share option outstanding		
At the commencement of the year	**662.77**	334.30
Add: share based payments	**36.08**	328.47
At the end of the year	**698.85**	662.77
Capital reserve		
At the commencement and end of the year	**(16,332.89)**	(16,332.89)
At the end of the year	**(16,332.89)**	(16,332.89)
Total Reserve & Surplus	**(21,674.72)**	(17,801.03)

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

i. Retained earnings

Retained earnings are the profits of the Company earned till date net of appropriations.

ii.Employee share option outstanding

The share option outstanding account is used to recognised the grant date fair value of options issued to employees under the Employee stock option plan. This includes options issued to the employees of the company by Holding Company.

iii. 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.

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		31 March 2022	31 March 2021
15	**Lease liability**		
	Long term maturities of right of use lease liability (including finance lease)	**179.86**	511.42
		179.86	511.42
16	**Provisions**		
	Provision for employee benefits		
	Gratuity [refer Note 35]	**153.25**	176.50
		153.25	176.50
17	**Short-term borrowings**		
	-Loans from related parties	**6,106.00**	-
	Loan availed during FY 21-22 from Thomas cook India Limited, Holding company to meet its general corporate purpose and working capital requirement. Repayable on demand for a further period of 6 months/1 year with mutal consent. Loan carries a fixed interest rate and interest rate calculated as per appropriate arm length analysis.		
	Unsecured		
	-Bank Overdraft*	**-**	975.23
		6,106.00	975.23
	*Bank overdraft facility is backed by corporate guarantee of Thomas cook India Limited.		
18	**Lease liability**		
	Current maturities of right of use lease Liability (including finance lease)	**326.51**	611.96
		326.51	611.96

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	31 March 2022	31 March 2021
19 Trade and other payables		
Due to micro, small and medium enterprises [refer Note 32]	-	-
Due to others	**1,780.60**	2,066.26
	1,780.60	2,066.26
Trade payables includes :		
Dues to related party (refer Note 41).	7,101.99	587.43

	Unbilled	Outstanding for following periods from due date of payment Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
31 March 2022						
(i) MSME	-	-	-	-	-	-
(ii) Others	**195.13**	**683.20**	**489.15**	**404.03**	**9.09**	**1,780.60**
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
31 March 2021						
(i) MSME	-	-	-	-	-	-
(ii) Others	217.18	878.45	917.31	52.33	0.99	2,066.26
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

	31 March 2022	31 March 2021
20 Current - other financial liabilities		
Interest accrued and due on borrowings	**301.66**	-
Accrued salary and benefits	**60.06**	138.75
Other financial liability	**6.36**	3.10
	368.08	141.85
Current - other financial liabilities includes:		
Dues to related party (refer Note 41).	**301.66**	0.13
21 Other current liabilities		
Customers' advances	**1,453.27**	1,630.60
Statutory dues	**152.18**	88.71
	1,605.45	1,719.31
22 Short-term provisions		
Provision for employee benefits:		
Compensated absences	**33.71**	20.34
	33.71	20.34

(Currency : Indian rupees in Lakhs, unless otherwise stated)

			For the year ended 31 March 2022	For the year ended 31 March 2021
23	**Revenue from operations**			
(A)	**Sales and services**			
	Income from tours		**1,018.06**	243.15
		(A)	**1,018.06**	243.15
(B)	**Other operating revenue**			
	Marketing fees and other incentive income		**0.12**	6.11
	Unclaimed credit balances no longer required, written back		**9.59**	17.91
	Excess provision written back		**199.29**	1,526.11
	Export Incentives		**435.00**	-
	Other miscellaneous operating income		**6.11**	23.08
		(B)	**650.11**	1,573.21
		(A+B)	**1,668.17**	1,816.36

(Refer Note 42 for IND AS 115 Disclosure)

24	**Other income**		
	Interest on deposits and investments	**5.27**	225.60
	Interest income - others	**34.19**	33.53
	Bad debts recovered	**-**	1.95
	Profit on sale of fixed assets (net)	**24.00**	17.91
	Management fees income	**0.14**	0.94
	Facility support income	**74.77**	84.62
	Royalty and other income	**10.35**	0.08
	Exchange gain (net)	**-**	23.52
	Group Resource Income	**54.99**	-
	Input tax credit on GST	**256.97**	-
		460.68	388.15

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		For the year ended 31 March 2022	For the year ended 31 March 2021
25	**Cost of tours**	**1,054.84**	276.82
		1,054.84	276.82
26	**Employee benefits expense**		
	Salaries and other allowances	**3,335.56**	3,296.65
	Contribution to provident fund and other funds	**158.89**	178.07
	Compensated absences	**13.37**	(17.24)
	Gratuity	**62.87**	71.33
	Share-based payment to employees	**21.12**	183.77
	Employee stock expense	**14.96**	144.70
	Staff welfare	**67.18**	50.59
		3,673.95	3,907.87
27	**Finance costs**		
	Interest expense	**338.54**	90.94
	Interest expense on ROU lease liability including finance lease	**78.16**	136.46
		416.70	227.40
28	**Impairment of non current assets**		
	Impairment in value of investment	**-**	180.90
		-	180.90

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		For the year ended 31 March 2022	For the year ended 31 March 2021
29	**Other expenses**		
	Legal and professional charges	**510.00**	558.16
	Operational lease rentals	**300.63**	283.70
	Exchange loss (net)	**33.62**	-
	Advertisement and publicity	**12.51**	15.70
	Repairs and maintenance – others	**124.48**	189.36
	Electricity charges	**23.69**	0.86
	Communication	**58.11**	53.35
	Housekeeping charges	**43.96**	51.23
	Rates and taxes	**27.82**	180.77
	Insurance	**40.36**	33.56
	Sales promotion	**8.91**	3.29
	Director commission	**-**	(20.93)
	Auditors' remuneration	**34.53**	37.12
	Security services	**15.60**	16.49
	Printing and stationery	**1.15**	1.77
	Corporate social responsibility expenses	**0.17**	33.31
	Provision for doubtful debts	**56.34**	(39.27)
	Bad debts and advance written off	**5.22**	39.27
	Donation	**1.80**	-
	Bank charges	**5.96**	11.34
	Miscellaneous expenses	**4.78**	17.52
		1,309.64	1,466.60

Auditor's remuneration (excluding taxes)		
As auditor		
- Statutory audit	**29.70**	29.70
- Tax Audit	**2.00**	2.00
In others Capacity		
-Certification	**1.50**	4.00
Out of pocket expenses	**1.33**	1.42
	34.53	37.12

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30 Earnings per share (EPS)

	31 March 2022	31 March 2021
Loss after tax (A)	**(3,971.91)**	(3,800.79)
Number of equity shares		
Weighted average number of equity shares used as denominator in calculating Basic earning per share (B)	**10,000**	10,000
Add: Adjustment on account of Optionally Convertible Redeemable Non-Cumulative Preference shares #	**19,90,19,396**	19,90,19,396
Weighted average number of equity shares used as denominator in calculating diluted earning per share (C)	**19,90,29,396**	19,90,29,396
Basic and diluted earnings per share		
D. Basic earnings per share (A/B)	**(39,719.10)**	(38,007.89)
E. Diluted earnings per share (A/C)*	**(39,719.10)**	(38,007.89)

For the purpose of calculating equity shares outstanding and the weighted average number of equity shares for the year ended 31 March 2022 and 31 March 2021, the equity shares to be issued pursuant to the Scheme have been considered as outstanding from the beginning of the accounting year.

*The effect of conversion of compulsory convertible preference shares and into equity shares has not been considered, being anti-dilutive.

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31 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 2022	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 not measured at fair value									
Trade receivables	-	-	722.87	-	722.87	-	-	-	-
Cash and cash equivalents	-	-	336.69	-	336.69	-	-	-	-
Bank balances other than cash and cash equivalents abo	-	-	1.63	-	1.63	-	-	-	-
Secutity Deposits	-	-		-	-	-	-	-	-
Other financial assets									
- Security Deposits	-	-	473.46	-	473.46	-	473.46	-	473.46
- Others	-	-	25.14	-	25.14	-	-	-	-
	-	-	1,559.79	-	1,559.79	-	473.46	-	473.46
Financial liabilities not measured at fair value									
Trade payables	-	-	1,780.60	-	1,780.60	-	-	-	-
Short Term Borrowing	-	-	6,106.00	-	6,106.00	-	-	-	-
Other financial liabilities									
- Non-current	-	-	179.86	-	179.86	-	-	-	-
- Current	-	-	694.59	-	694.59	-	-	-	-
Total financial liabilities	-	-	8,761.05	-	8,761.05	-	-	-	-

Note: The above excludes investment in subsidiaries and Joint Venture are being carried at cost amounting Rs. 140.52 Lakh
Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at 31 March 2022 approximate the fair value because of their short term nature.

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

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(Currency : Indian rupees in Lakhs, unless otherwise stated)

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

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

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

31 March 2021*	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 not measured at fair value									
Trade receivables	-	-	930.67	-	930.67	-	-	-	-
Cash and cash equivalents	-	-	779.11	-	779.11	-	-	-	-
Bank balances other than cash and cash equivalents abo	-	-	19.78	-	19.78	-	-	-	-
Other financial assets									
- Security Deposits	-	-	453.64	-	453.64	-	453.64	-	453.64
- Others	-	-	24.13	-	24.13	-	-	-	-
	-	-	2,207.34	-	2,207.33	-	453.64	-	453.64
Financial liabilities not measured at fair value									
Trade payables	-	-	2,066.26	-	2,066.26	-	-	-	-
Short Term Borrowing	-	-	975.23	-	975.23	-	-	-	-
Other financial liabilities									
- Non-current	-	-	511.42	-	511.42	-	-	-	-
- Current	-	-	753.81	-	753.81	-	-	-	-
Total financial liabilities	-	-	4,306.72	-	4,306.72	-	-	-	-

Note: The above excludes investment in subsidiaries and Joint Venture are being carried at cost amounting Rs. 140.52 Lakh

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at 31 March 2021 approximate the fair value because of their short term nature.

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

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31 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
Leases & Security Deposit	Discount rates to fair value of financial assets and liabilities at amortised cost is based on general lending rate.
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 Company's board of directors 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 board of directors.

(Currency : Indian rupees in Lakhs, unless otherwise stated)

31 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 Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

The average credit period on sales of services is less than 30 days. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The concentration of credit risk in limited due to the fact that the customer base is large.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

Movement in impairment on trade receivables	31 March 2022	31 March 2021
Balance at the beginning of the year	-	39.27
Changes in loss allowance	61.56	(39.27)
Bad debts written off	(5.22)	-
Balance at the end of the year	56.34	-

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31 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.As of 31 March 2022 company have negative working capital of Rs (7,214.08) lakhs including cash and cash equivalent of Rs 336.69 lakhs ; other bank balance of Rs. 1.63 lakhs and current investment of Rs Nil. As of 31 March 2021 the company have negative working capital of Rs (2,149.08) lakhs including cash and cash equivalents of Rs. 779.11 lakhs; other bank balance of Rs. 19.78 lakhs and current investments of Rs Nil.The Company has obtained support letter from its holding company to meet it's working capital requirement, Hence 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 2022	**Carrying amount**	**Total**	**Less 1 year**	**1-2 years**	**More than 2 years**
Non-derivative financial liabilities					
ROU Lease Obligation (including finance lease)	506.37	554.62	347.28	73.92	133.42
Short Term Borrowing	6,106.00	6,106.00	6,106.00	-	-
Trade and other payables	1,780.60	1,780.60	1,780.60	-	-
Trade payables due to micro, small and medium enterprises	-	-	-	-	-
Other financial liabilities	368.08	368.08	368.08	-	-

		Contractual cash flows			
31 March 2021	Carrying amount	Total	Less 1 year	1-2 years	More than 2 years
Non-derivative financial liabilities					
ROU Lease Obligation (including finance lease)	1,123.38	1,246.21	685.33	354.41	206.47
Short Term Borrowing	975.23	975.23	975.23	-	-
Trade and other payables	2,066.26	2,066.26	2,066.26	-	-
Trade payables due to micro, small and medium enterprises	-	-	-	-	-
Other financial liabilities	141.85	141.85	141.85	-	-

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(Currency : Indian rupees in Lakhs, unless otherwise stated)

31 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 receivable 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 2022 and 31 March 2021 are as below:

(Amount in Rs. lakhs)

	31 March 2022 USD	31 March 2022 EUR	31 March 2022 JPY	31 March 2022 GBP
Financial assets				
Cash and cash equivalents	65.96	67.56	10.90	-
Trade and other receivables	36.45	26.16	-	50.97
	102.41	93.72	10.90	50.97
Financial liabilities				
Trade and other payables	375.33	-	-	-
	375.33	-	-	-
Net exposure in Rs.	(272.92)	93.72	10.90	50.97

(Amount in Rs. lakhs)

	31 March 2021 USD	31 March 2021 EUR	31 March 2021 JPY	31 March 2021 GBP
Financial assets				
Cash and cash equivalents	37.12	17.19	10.75	0.86
Trade and other receivables	42.45	15.26	-	-
	79.57	32.45	10.75	0.86
Financial liabilities				
Trade and other payables	354.15	4.20	-	-
	354.15	4.20	-	-
Net exposure in Rs.	(274.58)	28.25	10.75	0.86

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

C. Financial risk management *(Continued)*

iv. Market risk *(Continued)*

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

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against various currencies as mentioned above at 31 March 2022 and 31 March 2021 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 2022				
1% movement				
USD	**(2.73)**	**2.73**	-	-
EUR	**0.94**	**(0.94)**	-	-
JPY	**0.11**	**(0.11)**	-	-
GBP	**0.51**	**(0.51)**	-	-
	(1.17)	**1.17**	-	-

	Profit or loss		Equity, net of tax	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
31 March 2021				
1% movement				
USD	(2.75)	2.75	-	-
EUR	0.28	(0.28)	-	-
JPY	0.11	(0.11)	-	-
GBP	0.01	(0.01)	-	-
	(2.35)	2.35	-	-

Interest rate risk

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

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32 Micro, Small and Medium Enterprises

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

Particulars	**31 March 2022**	31 March 2021
The amounts remaining unpaid to micro and small suppliers as at the end of the year.		
-- Principal	-	-
-- Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

33 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.

34 Capital Management

The Company considers the following components of its Balance Sheet to be managed capital:
Total equity – retained earnings, 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.

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35 Employee benefits

A. The Company contributes to the following post-employment 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 2022	31 March 2021
Employer's contribution to provident fund	150.02	165.70
Employee's State Insurance Corporation	1.00	1.32
Labour welfare fund	1.39	1.59
NPS Contribution	6.47	9.46
Total	158.89	178.07

(ii) Short Term Employee Benefits:

Leave obligations - compensated absences

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 13.37 lakhs [31 March 2021: Rs. 17.24 lakhs] has been recognised as an expense in the Statement of profit and loss.

(iii) 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.

In respect of certain employees, the Company has defined benefit plan for other long-term employee benefit in the form of provident fund. Provident fund contributions are made to a Trust administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company.

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 2022	31 March 2021
Gratuity		
Net defined benefit asset	488.36	465.36
Net defined benefit liability	641.61	641.86
Net defined benefit (asset) / liability	153.25	176.50

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35 Employee benefits *(Continued)*

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 2022	31 March 2021	**31 March 2022**	31 March 2021	**31 March 2022**	31 March 2021
Opening balance	**641.86**	675.96	**465.36**	480.75	**176.50**	195.21
Included in profit or loss						
Current service cost	**53.66**	61.06	-	-	**53.66**	61.06
Expected return on plan assets	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-
Interest cost (income)	**33.76**	35.83	**24.55**	25.56	**9.21**	10.27
Settlements / benefits paid	-	-	-	-	-	-
	729.28	772.85	**489.91**	506.31	**239.37**	266.54

	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 March 2022	31 March 2021	**31 March 2022**	31 March 2021	**31 March 2022**	31 March 2021
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:						
Amount not recognised due to asset limit	-	-	-	-	-	-
Demographic assumptions	**7.89**	-	-	-	**7.89**	-
Financial assumptions	**(55.45)**	-	-	-	**(55.45)**	-
Experience adjustment	**(27.50)**	(1.57)	-	-	**(27.50)**	(1.57)
Effect of asset ceiling	-	-	-	-	-	-
Return on plan assets excluding interest income	-	-	**7.31**	88.47	**(7.31)**	(88.47)
	(75.06)	(1.57)	**7.31**	88.47	**(82.37)**	(90.04)
Other						
Contributions paid by the employer	-	-	**3.75**	-	**(3.75)**	-
Liabilities assumed / (settled)	-	-	-	-	-	-
Benefits paid	**(12.61)**	(129.42)	**(12.61)**	(129.42)	-	-
Closing balance	**641.61**	641.86	**488.36**	465.36	**153.25**	176.50
Represented by						
Net defined benefit asset					**488.36**	465.36
Net defined benefit liability					**641.61**	641.86
					153.25	176.50

(Currency : Indian rupees in Lakhs, unless otherwise stated)

35 Employee benefits *(Continued)*

C. Plan assets- Gratuity

Plan assets comprise the following:

	31-Mar-22	31-Mar-21
Investment in Gratuity Fund	**488.36**	465.36
	488.36	465.36

The major categories of plans assets for gratuity are as follows:

	March 31, 2022				March 31, 2021			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Insurer (LIC) Managed Funds	-	**488.36**	**488.36**	**100%**	-	465.36	465.36	100%

D. Defined benefit obligations- Gratuity

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date.

	31 March 2022	31 March 2021
Discount rate	**6.85%**	5.70%
Salary escalation rate	**6.00%**	6.00%
Mortality rate	**IALM (2012-14) Ult**	IALM (2012-14) Ult

Employee Attrition Rate	**31 March 2022**	'31 March 2021
Age 21-30	**20.95%**	29.00%
Age 31-40	**12.03%**	23.00%
Age 41-50	**5.58%**	15.00%
Age 50 and above	**4.42%**	10.00%

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 above.

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 March 2022	
	Increase	**Decrease**
Discount rate (0.5% movement)	**(21.81)**	**23.16**
Future salary growth (0.5% movement)	**23.23**	**(22.07)**

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.

iii. 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.

c) Majority of the plan assets consist of Insurer (LIC) managed funds which offers the best return over the long term with an acceptable level of risk. The plan asset mix is in compliance with the requirements of the respective local regulations.

Defined benefit liability and employer contributions for gratuity

Expected contribution to post employment benefit plans for the year ending March 31, 2023 is Rs. 30 lakhs. The weighted average duration of the defined benefit obligation is 7 years (Previous year 5.05 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**
March 31, 2022 - Post Employment Obligations	**72.06**	**55.11**	**255.17**	**758.90**	**1,141.24**
March 31, 2021 - Post Employment Obligations	99.30	108.33	286.74	395.40	889.77

(Currency : Indian rupees in Lakhs, unless otherwise stated)

35 Employee benefits *(Continued)*

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 2022	31 March 2021	**31 March 2022**	31 March 2021	**31 March 2022**	31 March 2021
Opening balance	**304.04**	314.22	304.04	314.22	-	-
Included in profit or loss						
Current service cost	-	-		-	-	-
Adjustment to opening fair value of plan assets		-		-	-	-
Expected return on plan assets		-		-	-	-
Past service cost		-		-	-	-
Interest cost (income)	**16.82**	17.23	**16.82**	17.23	-	-
Settlements / benefits paid					-	-
	320.86	331.45	**320.86**	331.45	-	-
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	**4.52**	(3.41)	**4.52**	(3.41)	-	-
Amount not recognised due to asset limit		-		-	-	-
Demographic assumptions		-		-	-	-
Financial assumptions		-		-	-	-
Experience adjustment		-		-	-	-
Return on plan assets excluding interest income		-		-	-	-
	4.52	(3.41)	4.52	(3.41)	-	-
Other						
Contributions paid by the employees	-	-	-	-	-	-
Contributions paid by the employer	-	-	-	-	-	-
Liabilities settled	-	-	-	-	-	-
Benefits paid	**(17.74)**	(24.00)	**(17.74)**	(24.00)	-	-
Closing balance	**307.64**	304.04	**307.64**	304.04	-	-
Represented by						
Net defined benefit asset					307.64	304.04
Net defined benefit liability					307.64	304.04
					-	-

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35 Employee benefits *(Continued)*

F. Plan assets - Provident Fund

Plan assets comprise the following:

	31 March 2022	31 March 2021
Investment in Provident Fund	307.64	304.04
	307.64	304.04

The major categories of plans assets for provident fund are as follows:

	March 31, 2022				March 31, 2021			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Government of India Securities	39.15		39.15	13%	39.15	-	39.15	13%
Other debt instruments	30.64	199.74	230.38	75%	30.64	199.74	230.38	76%
Others	0.21	37.90	38.11	12%	-	34.50	34.50	11%

G. Defined benefit obligations - Provident Fund

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date.

	31 March 2022	31 March 2021
Discount rate	6.85%	5.70%
Expected rate of return on assets (p.a.)	9.92%	8.94%
Discount rate for remaining term to maturity of investment (p.a.)	5.15%	5.20%
Average historic yield on the investment (p.a.)	8.22%	8.44%
Guaranteed rate of return (p.a.)	8.10%	8.50%

ii. Sensitivity analysis- Provident Fund

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

	31 March 2022	
	Increase	Decrease
Discount rate (1% movement)	Nil	Nil
Future salary growth (1% movement)	Nil	Nil

iii. Risk exposure for Provident Fund

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

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.

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36 Leases

a. ***As Lessee:***

'Property, plant and equipment' comprises owned and leased assets that do not meet the definition of investment property.

i) Right-of-use assets

Particulars	Amount
Gross carrying amount	
Opening as at 1st April 2020	2021.22
Addition during the year	256.44
Disposal/transfer during the year	202.21
Closing as at 31st March 2021	2075.45
Accumulated Amortisation	
Opening as at 1st April 2020	579.93
Amortisation charge during the year	608.11
Disposals	98.36
Closing as at 31st March 2021	1089.68
Net Carrying Amout as at 31st March 2021	985.77
Gross carrying amount	
Opening as at 1st April 2021	2075.45
Addition during the year	14.98
Disposal/transfer during the year	32.05
Closing as at 31st March 2022	**2058.38**
Accumulated Amortisation	
Opening as at 1st April 2021	1089.68
Amortisation charge during the year	569.73
Disposals	14.52
Closing as at 31st March 2022	**1644.89**
Net Carrying Amout as at 31st March 2022	**413.49**

ii) Lease liabilities

The following is the movement in lease liabilities:

Particulars	31 March 2022	31 March 2021
Opening Balance	**1,123.38**	1,549.60
Addition	**14.99**	256.45
Disposal	**(20.00)**	(116.17)
Interest on lease liability	**78.16**	136.46
Payment of lease liability	**(619.21)**	(609.02)
Rent Waiver	**(70.94)**	(93.94)
Closing Balance	**506.37**	1,123.38

Lease liabilities included in the statement of financial position

Particulars	31 March 2022	31 March 2021
Current	**326.51**	611.96
Non Current	**179.86**	511.42
Total	**506.37**	1,123.38

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Maturity analysis - contractual undiscounted cash flows

Particulars	31 March 2022	31 March 2021
Less than one year	**347.28**	685.33
One to two year	**73.92**	354.41
More than two years	**133.42**	206.47
Total undiscounted lease liabilities	**554.62**	1,246.21

Amount recognized in Statement of Cash Flow

Repayment of lease liabilities	**611.99**	566.50
Finance cost paid towards lease liabilities	**78.16**	136.46
Total	**690.15**	702.96

The lease payments have been classified as financing activities in the Statement of Cash Flow under Ind AS 116.The lease payments for operating leases as per Ind AS 17 -Leases, were earlier reported under cash flow from operating activities.

v) Extension options

The lease contracts of the company contain extension/renewal options which are exercisable only by the Company and not by the lessors. The Company includes in its lease term such extension/renewal options that the Company is reasonably certain to exercise. If the lease is extended beyond the renewal term, then the lease rentals will be mutually agreed between the parties based on the fair value of lease rent at the time of extension.

vi) Modification in Leases

During the current financial year the company has surrendered/vacated some lease before completion of tenure as mentioned in lease Agreements. The company has retired the same in books of accounts and difference of Rs. 2.46 lakh between ROU asset (Rs 17.54 lakh) & ROU Liability (Rs 20.00 Lakh) as on date of retirement has been recognised as profit or loss on retirement of lease in the satement for profit and loss.Further, Impact of same has been considered in Lease Laibilities and ROU Assets as on 31 March 2022.

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

	31 March 2022	31 March 2021
Contingent liabilities		
a. 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)	-	-
b. 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.		
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.		

Capital Commitment:
The company has oustanding capital commitments as on 31st march 2022 against Capex purchase orders amounting to Rs. 395.94 Lakhs (31st March 2021 : Rs. 4.82 Lakhs).

Code on social security, 2020
The Indian Parliament has approved the code on social security, 2020 which would impact the contributions by the company towards provident fund and gratuity. The effective date from which the changes are applicabe is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The company is in the process of carrying out the evaluation and will give appropriate impact in standalone finacial statements in the period in which code becomes effective and the related rules to determine the financial impact are published.

38 Corporate social responsibility

Particulars	31 March 2022	31 March 2021
(a) Amount required to be spent during the year	0.17	33.31
(b) Amount of expenditure incurred	0.17	33.31
(c)shortfall at the end of the year	-	-
(d) total of previous years shortfall		
(e) reason for shortfall		
(f) nature of CSR activitiies	**1) promoting health care including preventive health care**	1) promoting health care including preventive health care 2) Promoting educationn
Total	0.17	33.31

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Travel Corporation (India) Limited

Notes to the financial statements *(Continued)*
for the year ended 31 March 2022

(Currency : Indian rupees in Lakhs, unless otherwise stated)

39 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 after completion of vesting period.

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
GT13JUN2018	13-Jun-18	2,18,900	137.93	3 years
GT05OCT2018	5-Oct-18	39,989	1.00	5 years

B. Measurement of fair values

i. Equity-settled share-based payment arrangements

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.

ii. Modification of share based payment schemes:

The Thomas Cook India Limited (TCIL) in a composite scheme of arrangement demerged its Human Resources Services Business and transferred it to Quess Corp Limited (Quess). The scheme was approved by the National Company Law Tribunal (NCLT) with the appointed date as April 1, 2019. The effective date of the scheme was November 25, 2019 when both TCIL and Quess filed the certified copies of the order with their respective jurisdictional Registrar of Companies.
As a part of the composite scheme, Employees whose ESOPs were outstanding on the effective date will be entitled to the additional shares of Quess on account of the demerger of Human Resource Business. Instead of altering the exercise price, TCIL provided additional award in form of Quess shares.
The employees are now entitled to shares of Quess along with those of TCIL in the same share entitlement ratio prescribed in the scheme for the other shareholders of TCIL
In case of vested ESOPs, the employees will be granted shares of TCIL and Quess only on payment of the exercise price. In case of unvested ESOPs, the employees will be granted shares of TCIL and Quess on completion of the remaining vesting period and payment of the exercise price.
The options, to the extent, which are settled by shares of Quess do not meet the definition of a share-based payment arrangement because the value of shares of Quess is not based on the price or value of TCIL's equity instruments or any of its group entity's equity instruments.
The options to the extent which are settled by shares of Quess will be considered as an employee benefit within the scope of Ind AS 19.
The options settled by shares of TCIL continue to be considered as share based payments and are accounted as per IND AS 102.

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

C. Reconciliation of outstanding share options

The number of share options under the share option programmes were as follows.

Thomas Cook ESOP Sch	GT25AUG2015	Number of options	Number of options
		31 Mar 2022	31 Mar 2021
Options outstanding as at the beginning of the year		6,800	6,800
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		6,800	6,800

Thomas Cook ESOP Sch	GT07NOV2016	Number of options	Number of options
		31 Mar 2022	31 Mar 2021
Options outstanding as at the beginning of the year		3,15,594	4,65,594
Add: Options granted during the year		-	-
Less: Options lapsed during the year		-	-
Less: Options exercised during the year		1,69,860	1,50,000
Options outstanding as at the year end		1,45,734	3,15,594

Thomas Cook ESOP Sch	GT13JUN2018	Number of options	Number of options
		31 Mar 2022	31 Mar 2021
Options outstanding as at the beginning of the year		2,08,900	2,08,900
Add: Options granted during the year			
Less: Options lapsed during the year		10,000	-
Less: Options exercised during the year		10,000	-
Options outstanding as at the year end		1,88,900	2,08,900

Thomas Cook ESOP Sch	GT05OCT2018	Number of options	Number of options
		31 Mar 2022	31 Mar 2021
Options outstanding as at the beginning of the year		39,989	39,989
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		39,989	39,989

D. Expenses/shares option outstanding account arising from share based payment transactions

Total expenses arising from share-based payment related transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	March 31, 2022	March 31, 2021
Employee ESOP expenses	21.12	183.77
Employee Stock Expenses	14.96	144.70

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40 Analytical Ratios

Ratio	Numerator	Denominator	31 March 2022	31 March 2021	% change	Reasons
Current Ratios	Current Assets	Current Liabilities	0.29	0.61	-52%	The decrease is on account of loan availed during the year.
Debt - Equity Ratio	Debt consists of borrowings and lease liabilities	Total Equity	NA	NA	NA	Not applicable, due to loss incuured resulting in negative capital.
Debt service coverage ratio (in times)	Profit / (Loss) before interest, after tax and Depreciation and amortisation	Borrowings principal payments, Interest and lease payment	NA	NA	NA	Not applicable, due to losses during the year
Return on Equity Ratio	Profit / (Loss) after tax	Average total equity = (Opening total equity + Closing total equity)/2	NA	NA	NA	Not applicable, due to loss incuured resulting in negative capital.
Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivables = (Opening trade receivable + Closing trade receivable)/2	2.02	0.66	204%	Due to receipts from customers during the year.
Trade Payables turnover ratio	Cost of services and other expenses	Average trade payable = (Opening trade payable + Closing trade payable)/2	1.23	0.26	376%	Due to reduction in Trade payable
Net Capital turnover ratio (in times)	Revenue From operations	Average working capital = (Opening net current assets + Closing net current assets)/2*	(0.36)	2.00	-118%	The Net capital turnover ratio has reduced due to decrease in working capital on account of loan taken from holding compay and decrease in revenue during the year.
Net Profit Ratio	Profit / (Loss) after tax	Revenue from Operations	(2.38)	(2.09)	14%	-
Return on Capital employed	Profit / (Loss) before interest and tax	Closing capital employed = Tangible net worth + Total borrowings + lease liabilities	NA	NA	NA	Not applicable, due to loss incuured resulting in negative capital.
Return on investment	Income Generated from invested funds in market	Average invested funds in market = (Opening funds invested in market + Closing funds invested in market)/2	NA	NA	NA	No applicable, due to no such invenstment.

* Net current assets = Total current assets - Total current liability

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41 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
SITA World Travel Lanka (Pvt) Limited	Subsidiaries of the Company
SITA World Travel Nepal Private Limited	Subsidiaries of the Company

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

Name of the parties	Relationships
SOTC Travel Limited	Fellow subsidiaries of the Company
Sterling Holiday Resorts Limited	Fellow subsidiaries of the Company
Sterling Holidays (Ooty) Limited	Fellow subsidiaries of the Company

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

Name of the parties	Relationships
TCI Go Vacation Private Limited	Associate 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
Quess Corp Limited	Other related party
TC Tours Limited	Other related party
National Collateral Management Services Limited	Other related party
Asian Trail Holdings Ltd [ATH]	Other related party
Asian Trail Ltd	Other related party
Horizon Travel Services LLC	Other related party
Desert Adventures Tourism LLC	Other related party
Private Safaris (East Africa) Ltd	Other related party
Kuoni Private Safaris (Pty.) Ltd	Other related party
Digiphoto Entertainment Imaging 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. Vineet Mahendru
Company Secretary	Ms. Megha Sekharan (last working day 10th December 2021)
	Mr Abhijeet Sawant (w.e.f 18th May 2022)

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Chartered Accountants

Travel Corporation (India) Limited
Notes to the financial statements *(Continued)*
for the year ended 31 March 2022

(Currency : Indian rupees in Lakhs, unless otherwise stated)

41 Related party transactions *(Continued)*

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

Particulars	Year	Holding Company	Subsidiary	Fellow subsidiaries	Associate	Other Related Party	Key Management Personnel	Total
Sale of services	**2022**	**16.52**	-	-	-	**2.44**	-	**18.96**
	2021	54.46	-	-	0.13	-	-	54.59
Purchase of services/ (Reversal of purchase)	**2022**	-	**14.02**	**15.00**	-	**8.65**	-	**37.17**
	2021	-	-	(1.72)	-	7.59	-	5.87
Facility Support Income & Management Fees	**2022**	-	-	-	**88.40**	-	-	**88.40**
	2021	-	-	-	85.56	-	-	85.56
ESOP and Stock Expense Charge	**2022**	**36.08**	-	-	-	-	-	**36.08**
	2021	328.47	-	-	-	-	-	328.47
Rent charges	**2022**	**29.41**	-	-	-	-		**29.41**
	2021	40.08	-	-	-	-		40.08
Corporate guarantee fees /(Income)	**2022**	-	-	-	-	-	-	-
	2021	(0.63)	-	-	-	-	-	(0.63)
Dividend Paid	**2022**	-	-	-	-	-	-	-
	2021	2,000.00	-	-	-	-	-	2,000.00
Royalty Income	**2022**	-	**10.35**	-	-	-	-	**10.35**
	2021	-	-	-	-	-	-	-
Expenses reimbursed	**2022**	**69.29**	-	**13.83**	-	-	-	**83.12**
	2021	499.31	-	15.51	0.90	-	-	515.72
Management Consultancy Service Income	**2022**	**36.09**	-	**4.14**	-	**24.51**	-	**64.74**
	2021	17.38	-	2.82	-	2.21	-	22.41
Management Consultancy Service Expense	**2022**	**286.98**	-	-	-	-	-	286.98
	2021	-	-	-	-	-	-	-
Salaries and other employee benefits to KMP's	**2022**	-	-	-	-	-	**715.88**	**715.88**
	2021	-	-	-	-	-	567.69	567.69
Commission and other benefits to non-executive/independent directors	**2022**	-	-	-	-	-	**14.16**	**14.16**
	2021	-	-	-	-	-	13.23	13.23

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(Currency : Indian rupees in Lakhs, unless otherwise stated)

41 Related party transactions *(Continued)*

(H) Related party transactions

Particulars	Year	Holding Company	Subsidiary	Fellow Subsidiaries	Associate	Other Related Party	Key Management Personnel	Total
Balance as at 31 March								
Receivable	**2022**	**-**	**217.84**	**-**	**4.18**	**15.97**	**2.31**	**239.80**
	2021	1.71	207.49	-	9.62	5.20	6.19	229.71
Payables	**2022**	**6,730.59**	**356.08**	**15.82**	**-**	**-**	**-**	**7,101.99**
	2021	175.01	347.60	60.89	-	3.80	0.13	587.43

(I) Related party transactions:

Particulars	Fellow Subsidiaries	2022	2021
Purchases of services	Sterling Holiday Resorts Limited	**0.25**	-
	Sterling Holidays (Ooty) Limited	**0.90**	-
	SOTC Travel Limited	**13.85**	(1.72)
Reversal of Services	SOTC Travel Limited	**45.07**	-
Expenses reimbursed	SOTC Travel Limited	**13.83**	15.51
Expenses recovered	SOTC Travel Limited	**4.14**	2.82
Payable:			
Trade Payable	Sterling Holiday Resorts Limited	**2.46**	2.46
	SOTC Travel Limited	**13.36**	58.43

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41 Related party transactions *(Continued)*

(J) Related party transactions:

Particulars	Subsidiaries	2022	2021
Purchases of services	SITA World Travel Nepal Private Limited	14.02	-
Royalty Income	SITA World Travel Nepal Private Limited	10.35	-
Receivable:			
Royalty income Receivable	SITA World Travel Nepal Private Limited	217.84	207.49
Payable:			
Trade Payable	SITA World Travel Nepal Private Limited	356.08	347.60

(K) Related party transactions:

Particulars	Holding Company	2022	2021
Sale of Services	Thomas Cook (India) Limited	16.52	54.46
ESOP and Stock Expense Charge	Thomas Cook (India) Limited	36.08	328.47
Rent Charges	Thomas Cook (India) Limited	29.41	40.08
Corporate guarantee fees	Thomas Cook (India) Limited	(0.00)	(0.63)
Expenses reimbursed	Thomas Cook (India) Limited	69.29	499.31
Management consultancy service (income)	Thomas Cook (India) Limited	36.09	17.38
Management consultancy service (expense)	Thomas Cook (India) Limited	286.98	-
Loan taken	Thomas Cook (India) Limited	6,106.00	-
Dividend Paid	Thomas Cook (India) Limited	-	2,000.00
Interest charge on Loan Availed	Thomas Cook (India) Limited	335.18	-
Receivable:			
Trade Receivable	Thomas Cook (India) Limited	-	1.71
Payables:			
Loan Payable	Thomas Cook (India) Limited	6,106.00	-
Interest Payable	Thomas Cook (India) Limited	301.66	
Rent Payable	Thomas Cook (India) Limited	-	41.07
Trade Payable	Thomas Cook (India) Limited	322.93	133.94

(Currency : Indian rupees in Lakhs, unless otherwise stated)

41 Related party transactions *(Continued)*

(L) Related party transactions

Particulars	Associate/Joint venture	2022	2021
Sale of Services	TCI Go Vacation Private Limited	-	0.13
Facility Support Income & Management Fees	TCI Go Vacation Private Limited	88.40	85.56
Expenses reimbursed	TCI Go Vacation Private Limited	-	0.90
Receivables:			
Trade Receivable	TCI Go Vacation Private Limited	4.18	9.62

(M) Related party transactions

Particulars	Other related party	2022	2021
Purchases of services	Luxe Asia Private Limited	5.32	-
	Quess Corp Limited	3.33	7.59
Sale of Services	TC Tours Limited	2.44	-
Expenses recovered	TC Tours Limited	8.92	-
	Asian Trail Holdings Ltd [ATH]	0.47	-
	Asian Trail Ltd	6.89	-
	Horizon Travel Services LLC	0.47	-
	Desert Adventures Tourism LLC	0.47	-
	Private Safaris (East Africa) Ltd	0.47	-
	Kuoni Private Safaris (Pty.) Ltd	6.82	-
	Digiphoto Entertainment Imaging LLC	-	2.21
Receivables:			
Trade Receivable	TC Tours Limited	0.38	-
	Asian Trail Holdings Ltd [ATH]	0.47	-
	Asian Trail Ltd	6.89	-
	Horizon Travel Services LLC	0.47	-
	Desert Adventures Tourism LLC	0.47	-
	Private Safaris (East Africa) Ltd	0.47	-
	Kuoni Private Safaris (Pty.) Ltd	6.82	-
	Luxe Asia Private Limited	-	2.99
	Digiphoto Entertainment Imaging LLC	-	2.21
Payables:			
Trade Payable	Quess Corp Limited	-	3.80

(N) Transactions with key management personnel

Particulars	2022	2021
Salaries and other employee benefits to KMP's	715.88	567.69
Commission and other benefits to non-executive/independent directors	14.16	13.23
Receivables:		
Employee Advance Receivable	2.31	6.19
Payables:		
Employee Payable	-	0.13

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42 Ind AS 115 'Revenue from Contracts with Customers'

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 Mar 2022	31 Mar 2021
-Travel and tour related services	1,459.29	272.34
	1,459.29	272.34

ii) Disaggregate Revenue

The following table presents Company revenue disaggregated by reportable segment:

Revenue based on product and services:
Revenue from contract with customers

Particulars	31 Mar 2022	31 Mar 2021
-Travel and tour related services	1,459.29	272.34
	1,459.29	272.34

iii) Contract balance

(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.

The contract liabilities primarily relate to the unbilled revenue from customers for which revenue has been recognized based on the performance obligation / services delivered, however billing of same is yet to be done.

Changes in contract assets are as follows

Particulars	31 Mar 2022	31 Mar 2021
Balance at the beginning of the year	-	-
Revenue recognised during the year	1,018.06	243.15
Invoices raised during the year	(1,018.06)	(243.15)
Balance at the end of the year	-	-

(b)Contract liabilities :

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. This includes advances received from the customer towards In-bound tour packages. Revenue from inbound tour packages are recognized on the completion of the performance obligation which is on the date of arrival of the tour.

Advance from contract with customers

Particulars	31 Mar 2022	31 Mar 2021
-Advance collected from customers	1,453.27	1,630.60
	1,453.27	1,630.60

Travel Corporation (India) Limited

Notes to the financial statements *(Continued)*

for the year ended 31 March 2022

(Currency : Indian rupees in Lakhs, unless otherwise stated)

43 Government Grants and Assistance

During the year company has received following government grants in the nature of salary subsidy:

a) Employment Adjustment Subsidy Program.

Government of Japan has extended Employment Adjutment Subsidy Program (EAS) w.e.f. 01-Apr-2020 to include "Decline in demand due to COVID-19 infections" as a qualifying reason for the subsidy program. The coverage of EAS was expanded to all companies which were affected by the Covid-19 pandemic as a special measure. The subsidy rates were raised to 67 per cent for large and 80 per cent for small and medium-sized companies. Subsequently, in mid-June 2020, the government announced an increase of the subsidy from ¥8,330 to ¥15,000 per person per day. Subsidy rates were increased to 75 per cent for large and 100 per cent for small and medium-sized companies.Company has received grant of Rs 107.46 lakh (31 March 2021: Rs. 107.80 lakhs)under the scheme. The subsidy received by the company are netted off against the expenses.

b) ALPD Scheme

APLD (activité partielle de longue durée) Scheme was announced by Government of France. This is a long term partial activity to help companies cope with the impact of the COVID-19 with the aim of preserving jobs and safeguarding the skills of employees. Employers can reduce the amount of compensation they pay their employees for 'non-working days', with the government stepping in to make up the difference and effectively ensuring that employees continue to receive their full pay. Employers accessing the APLD may not reduce their employees' work hours by more than 40% for the duration of their partial unemployment status. Company has received grant of Rs 41.24 lakh (31 March 2021 Rs. 39.23 Lakhs) under the scheme. The subsidy received by the company are netted off against the expenses.

44 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or is pending against the Company, for holding any Benami property.

(ii) The Company does not have any charges or satisfaction of such charges which are yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vi) The Company has not undertaken any transaction with strike off companies during the year.

(vii) The Company does not have any transaction which is not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey) or any other relevant provisions of the Income-tax Act, 1961

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45 Impact of COVID-19 (Global pandemic)

On 11 March 2020, the World Health Organization declared COVID-19 outbreak as a pandemic. Responding to the potentially serious threat of the pandemic, the Indian Government took a series of measures to contain the outbreak, which included prohibition on international travel of passengers to India and imposing 'lock-downs' across the country. The lockdowns and restrictions imposed on various activities due to COVID–19 pandemic have posed challenges to the businesses of the company. Lockdown guidelines issued by Central/State governments mandated cessation of air traffic and other forms of public transport as well as closure of hotel operations.

With the lifting of the lockdown restrictions, the Company started re-opening its branches and other establishments. However, the operations of the Company are still severally affected as prohibition on international travel of passengers for tourism to India still continues. As a result of which the company has not had substantial business in the curreny year.

The Company expects that the operations shall be becoming normal in a phased manner after the prohibition on international travel of passengers to India (by the Indian government and governments of other global countries) ceases and the confidence of travellers is restored globally. The Company expects the demand for its services to pick up albeit at a slower pace once the above travel restriction is lifted. The Company has assessed the impact of COVID-19 on the carrying amount of its assets / liabilities and revenue recognition. In developing the assumptions relating to the possible future uncertainties, the Company, as on date of approval of these financial statements has used internal and external sources of information to the extent available. The Company has undertaken various cost saving initiatives to maximise operating cash flows and conserve cash position in the given situation.

The Company continues to monitor any material changes to its COVID-19 impact assessment, resulting from the future economic conditions and future uncertainty, if any.

46 Regrouping

The figures for the previous periods have been regrouped/ rearranged wherever necessary to confirm to the current period classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

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47 Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international as well as specified domestic transactions (if applicable) entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the end of the stipulated timeline, as required by law. The Management is of the opinion that its international as well as specified domestic transactions (if any) are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

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

B. H. Dhupelia

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
23-May-22

For and on behalf of the Board of Directors of
Travel Corporation (India) Limited
[CIN: U63040MH2001PLC131693]

Dipak Deva
Managing Director
[DIN:02030005]
New Delhi

Madhavan Menon
Director
[DIN No: 00008542]
Mumbai

Sanjay Shroff
Chief Financial Officer

Gurugram
18-May-22

Abhijeet Sawant
Company Secretary

Mumbai
18-May-22

TRAVEL CORPORATION (INDIA) LTD
Tower B, Delta Square, M.G. Road, Sector-25
GURGAON-122001

B S R & Co. LLP
Chartered Accountants

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Chennai - 600 031, India.

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INDEPENDENT AUDITOR'S REPORT

To the Members of Sterling Holiday Resorts (Kodaikanal) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sterling Holiday Resorts (Kodaikanal) Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, 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, 2022, 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

As more fully described in Note 36 to the financial statements, the extent to which the ongoing COVID-19 pandemic will have impact on the Company's financial performance including the Company's estimates of impairment of assets and future cash flows, are dependent on future developments, the severity and recurrence of the pandemic, which cannot be predicted with certainty. The Company has considered the context of the pandemic in applying assumptions used to determine the future cashflows. The impact assessment of COVID-19 is a continuing process. The Company will continue to monitor any material changes to the future economic conditions.
Our opinion 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.

Information Other than the Financial Statements and Auditors' Report Thereon (continued)

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 and Board of Directors' 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, the 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 and Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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.

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

- 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

Report on Other Legal and Regulatory Requirements (continued)

c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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:

a) The Company did not have any pending litigations as at March 31, 2022 on its financial position in its financial statements.

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable loss.

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

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

Report on Other Legal and Regulatory Requirements (continued)

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

(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 Company has not paid/ provided for any managerial remuneration during the year. 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

Satish Vaidyanathan
Partner
Membership No: 217042
ICAI UDIN: 22217042AJINHS6866
Place: Chennai
Date: May 20, 2022

Annexure A to the Independent Auditor's Report to the Members of Sterling Holiday Resorts (Kodaikanal) Limited for the year ended March 31, 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held in the name of the Company.

(c) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified on a yearly basis. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noted on such verification.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held in the name of the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment during the year.

(f) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) 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.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) In The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 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.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 1, 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of provident fund and Employees' State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) In According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended March 31, 2022. Accordingly, clause 3(ix)(e) is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

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

Annexure A to the Independent Auditor's Report to the Members of Sterling Holiday Resorts (Kodaikanal) Limited for the year ended March 31, 2022

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As the provisions of section 177 of the Act are not applicable to the company, clause 3(xi)(c) of the Order is not applicable.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(a)(b) and (c) 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 section 188 of the Act where applicable. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. The provisions of section 177 of the Act are not applicable to the Company.

(xiv) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

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

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable

(xvii) The Company has incurred cash losses of Rs.61.20 lakhs in the current financial year and Rs.208.45 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company.

Annexure A to the Independent Auditor's Report to the Members of Sterling Holiday Resorts (Kodaikanal) Limited for the year ended March 31, 2022

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No: 217042
ICAI UDIN: 22217042AJINHS6866
Place: Chennai
Date: May 20, 2022

Annexure B to the Independent Auditor's Report to the Members of Sterling Holiday Resorts (Kodaikanal) Limited for the year ended March 31, 2022

(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 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 Holidays Resorts (Kodaikanal) Limited** ("the Company") as of March 31, 2022 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, 2022, 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 financial statements, whether due to fraud or error.

Annexure B to the Independent Auditor's Report to the Members of Sterling Holiday Resorts (Kodaikanal) Limited for the year ended March 31, 2022

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 the 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 the 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

Satish Vaidyanathan
Partner
Membership No: 217042
ICAI UDIN: 22217042AJINHS6866
Place: Chennai
Date: May 20, 2022

Sterling Holiday Resorts (Kodaikanal) Limited
Balance Sheet as at March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

	Note	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	3	36.83	39.83
Financial assets			
i. Other financial assets	4	11.69	14.09
Other tax assets	5	5.99	7.88
Other non-current assets	9	28.05	14.47
Total non-current assets		**82.56**	**76.27**
Current assets			
Inventories	6	6.08	5.42
Financial assets			
i. Trade receivables	7	21.35	10.49
ii. Cash and cash equivalents	8	6.70	1.72
Other current assets	9	7.60	27.42
Total current assets		**41.73**	**45.05**
Total assets		**124.29**	**121.32**
Equity and liabilities			
Equity			
Equity share capital	10	5.00	5.00
Other equity			
Reserves and surplus	11	(1,489.84)	(1,417.64)
Other reserves	12	111.78	111.78
Total equity		**(1,373.06)**	**(1,300.86)**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Provision for employee benefit obligations	15	20.10	15.34
Total non-current liabilities		**20.10**	**15.34**
Current liabilities			
Financial liabilities			
i. Borrowings	13	1,288.28	1,260.28
ii. Trade payables			
Dues to micro and small enterprises	16	7.93	6.03
Dues to creditors other than micro and small enterprises	16	62.99	37.69
iii. Other financial liabilities	17	36.68	36.49
Provisions			
i. Provision for employee benefit obligations	15	6.96	9.17
ii. Other provisions	18	-	1.11
Other current liabilities	19	74.41	56.07
Total current liabilities		**1,477.25**	**1,406.84**
Total liabilities		**1,497.35**	**1,422.18**
Total equity and liabilities		**124.29**	**121.32**

Significant accounting policies 1.3

The accompanying notes are an integral part of these financial statements

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No.: 217042

Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors of
Sterling Holiday Resorts (Kodaikanal) Limited
(CIN U92490TN1987PLC014215)

M. Balasubramaniyan

Ramesh Shanmugam
Director
DIN No.: 06646158

Place: Chennai
Date: May 4, 2022

M Balasubramaniyan
Director
DIN No.: 03088801

Place: Chennai
Date: May 4, 2022

Sterling Holiday Resorts (Kodaikanal) Limited
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	20	1,129.19	569.40
Other income	21	32.16	33.19
Total income		**1,161.35**	**602.59**
Expenses			
Cost of materials consumed	22	91.26	48.46
Employee benefits expense	23	209.31	158.81
Finance costs	24	120.94	127.65
Depreciation and amortisation expense	25	4.35	6.96
Other expenses	26	801.03	475.36
Total expenses		**1,226.89**	**817.24**
Loss before tax		**(65.54)**	**(214.65)**
Income tax expense	27		
Current tax		-	-
Deferred tax		-	-
Loss for the year		**(65.54)**	**(214.65)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post employment benefit obligations	15	(6.66)	5.96
Income tax relating to this item		-	-
Other comprehensive loss for the year, net of income tax		**(6.66)**	**5.96**
Total comprehensive loss for the year		**(72.20)**	**(208.69)**
Earnings per share (Face value of Rs. 10 each)			
Basic and anti-diluted earnings per share (in Rs.)	39	(131.08)	(429.30)
Significant accounting policies	1.3		

The accompanying notes are an integral part of these financial statements

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No.: 217042

Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors of
Sterling Holiday Resorts (Kodaikanal) Limited
(CIN U92490TN1987PLC014215)

Ramesh Shanmugam
Director
DIN No.: 06646158

Place: Chennai
Date: May 4, 2022

M Balasubramaniyan

M Balasubramaniyan
Director
DIN No.: 03088801

Place: Chennai
Date: May 4, 2022

Sterling Holiday Resorts (Kodaikanal) Limited
Statement of changes in equity for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

I) Equity share capital

	Note	Amount
Balance as at April 1, 2020		5.00
Changes in equity share capital during the year	10	-
Balance as at March 31, 2021		**5.00**
Changes in equity share capital during the year	10	-
Balance as at March 31, 2022		**5.00**

II) Other equity

	Note	Reserves and surplus	Other reserves	
		Retained earnings	Contribution from holding company	Total
Balance as at April 1, 2020		**(1,208.95)**	**111.78**	**(1,097.17)**
Loss for the year	11 & 12	(214.65)	-	(214.65)
Other comprehensive loss	11 & 12	5.96	-	5.96
Balance as at March 31, 2021		**(1,417.64)**	**111.78**	**(1,305.86)**
Loss for the year	11 & 12	(65.54)	-	(65.54)
Other comprehensive loss	11 & 12	(6.66)	-	(6.66)
Balance as at March 31, 2022		**(1,489.84)**	**111.78**	**(1,378.06)**

Significant accounting policies 1.3

The accompanying notes are an integral part of these financial statements

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No.: 217042

Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors of
Sterling Holiday Resorts (Kodaikanal) Limited
(CIN-U92490TN1987PLC014215)

Ramesh Shanmugam
Director
DIN No.: 06646158

Place: Chennai
Date: May 4, 2022

M Balasubramaniyan
Director
DIN No.: 03088801

Place: Chennai
Date: May 4, 2022

Sterling Holiday Resorts (Kodaikanal) Limited
Statement of cash flows for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities			
Loss before income tax		**(65.54)**	**(214.65)**
Adjustments for:			
Depreciation	25	4.35	6.96
Finance cost	24	120.94	127.65
Loss on termination of lease contracts		-	(0.76)
Operating cash flow before working capital changes		**59.75**	**(80.80)**
Change in operating assets and liabilities			
(Increase)/decrease in trade receivables	7	(10.86)	24.75
(Increase)/decrease in inventories	6	(0.66)	2.35
(Increase)/decrease in other financial assets	4	2.40	(0.72)
Increase in other non current assets	9	(13.58)	(2.24)
(Increase)/decrease in other current assets	9	19.82	(3.29)
Increase/(decrease) in trade payables	16	27.20	(115.40)
Increase in other financial liabilities	17	0.19	0.48
Increase/(decrease) in employee benefit obligations	15	(4.11)	2.42
Increase in other current liabilities	19	18.34	8.26
Increase/(decrease) in other provisions	18	(1.11)	-
Cash generated / (used in) from operations		**97.38**	**(164.19)**
Income tax paid		1.89	2.01
Net cash generated / (used in) from operating activities		**99.27**	**(162.18)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(1.35)	(1.19)
Net cash used in investing activities		**(1.35)**	**(1.19)**
Cash flows from financing activities			
Proceeds from loan taken from holding Company		1,307.03	1,139.94
Repayment of loan from holding company		(1,265.10)	(860.61)
Interest paid		(134.87)	(121.50)
Payment of lease liability		(0.00)	(1.49)
Net cash generated (used in) / from financing activities		**(92.94)**	**156.34**
Net (decrease) / increase in cash and cash equivalents		**4.98**	**(7.03)**
Cash and cash equivalents at the beginning of the year	8	1.72	8.75
Cash and cash equivalents at end of the year		**6.70**	**1.72**
Reconciliation of cash and cash equivalents as per the cash flow statement:			
Cash and cash equivalents comprise of the following :			
Cash and cash equivalents	8	6.70	1.72
Balance as per statement of cash flows		6.70	1.72
Significant accounting policies	1.3		

The accompanying notes are an integral part of these financial statements

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Sathu

Satish Vaidyanathan
Membership No.: 217042

Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors
Sterling Holiday Resorts (Kodaikanal) Limited
(CIN U92490TN1987PLC014215)

M. Balasubramaniyan

Ramesh Shanmugam
DIN No.: 06646158

Place: Chennai
Date: May 4, 2022

M Balasubramaniyan
DIN No.: 03088801

Place: Chennai
Date: May 4, 2022

Sterling Holiday Resorts (Kodaikanal) Limited
Notes to the financial statements as at and for the year ended March 31, 2022

1.1. Reporting entity

Sterling Holiday Resorts (Kodaikanal) Limited (the "Company") is engaged in providing resort operations and maintenance services (being leisure hospitality services). Sterling Holiday Resorts Limited ('Parent company') holds 98% of the share capital. 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 authorised for issue by the Company's Board of Directors on May 4, 2022

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 28).
- defined benefit plans — plan assets measured at fair value (Refer Note 15).

As at year ended March 31, 2022 the Company has incurred losses of Rs. 65.54 lakhs and has accumulated losses of Rs. 1,489.84 lakhs (which have fully eroded the net worth of the Company) as at the balance sheet date. The Company has considered various internal and external sources of information, up to the date of approval of the financial statements, in determining the potential impact on the financial position and business operations of the Company including those arising from of the COVID-19 pandemic. Based on the future business plans, approved cash flow projections for the next 12 months and letter of financial support provided by the parent company, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying values of assets/liabilities. Accordingly, these financial statements are prepared on a going concern basis.

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 Chairman-Whole time Director (WTD) of the Parent company has been identified as the chief operating decision maker of the Company who assesses the financial performance and position of the Company and makes strategic decisions. Refer Note 34 for segment information presented.

1.2.3. 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 realisation 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.

BSR & Co. LLP ★ Chartered Accountants ★

Sterling Holiday Resorts (Kodaikanal) Ltd ★ Chennai

1.2. Basis of preparation (contd.)

1.2.4. 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 recognises 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. Ind AS 115 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 recognising revenues when or as the performance obligations are satisfied.

Income from resort operations and maintenance services (being leisure hospitality services) comprising of sale of food and beverages, room rentals and other services are recognised when these are sold and when services are rendered.

Contract balances

(i) Contract assets
A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company renders 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 goods or services to a customer for which the Company has received consideration has received consideration, or for which an amount of consideration is due from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract

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.

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.

B S R & Co. LLP ★ Chartered A

STERLING HOLIDAY RESORTS (KODAIKANAL) LTD ★ CHENNAI

1.3. Significant accounting policies (contd.)

1.3.2. Income taxes (contd.)

(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.

1.3.3. Leases

The Company has adopted Ind AS 116 Leases with effect from April 1, 2019 and the Company has elected to measure right-of-use asset for all leases at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. At inception of a contract, the Company assesses whether a 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 of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116.

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

1.3. Significant accounting policies (contd.)

1.3.3. Leases (contd.)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right of use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.
The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

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

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

The Company presents right of use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low value assets
The Company has elected not to recognise right of use assets and lease liabilities for leases of low value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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1.3. Significant accounting policies (contd.)

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.

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.

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 realisable value. Cost is determined using the first-in-first out (FIFO) method. The cost comprises 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.

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1.3. Significant accounting policies (contd.)

1.3.8. Investments and other financial assets (contd.)

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.

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).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. 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 level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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:

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.

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1.3. Significant accounting policies (contd.)

1.3.8. Investments and other financial assets (contd.)

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 29 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.

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
a. the Company has transferred the rights to receive cash flows from the financial asset or
b. 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.

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1.3. Significant accounting policies (contd.)

1.3.9. Property, plant and equipment

Recognition and measurement

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. 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.

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

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).

1.3.10. 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.

1.3.11. 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).

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1.3. Significant accounting policies (contd.)

1.3.11. Borrowings (contd.)

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.

1.3.12. Provisions (other than for employee benefits)

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.

1.3.13. 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.

1.3.14 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. Re-measurement 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.

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.

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1.3. Significant accounting policies (contd.)

1.3.15. 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 (Note 39).

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.

1.3.16. 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 15 - The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Note 36 and 1.2.1 – Going concern

Note 38 - Leases

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(All amounts in INR lakhs, unless otherwise stated)

3 Property, plant and equipment

Reconciliation of carrying amount for the year ended March 31, 2021:

Asset description	Building	Computer equipment	Plant and machinery	Office equipment	Electrical installations	Vehicles	Furniture and fixtures	Total
I. Gross Block								
Balance as at April 1, 2020	1.31	0.59	35.32	0.22	9.90	7.87	3.34	58.55
Additions	-	0.25	-	-	0.94	-	-	1.19
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	**1.31**	**0.84**	**35.32**	**0.22**	**10.84**	**7.87**	**3.34**	**59.74**
II. Accumulated depreciation								
Balance as at April 1, 2020	0.11	0.39	9.87	0.02	1.96	1.37	0.52	14.24
Depreciation for the year	0.03	0.15	2.92	0.00	1.50	0.66	0.41	5.67
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	**0.14**	**0.54**	**12.79**	**0.02**	**3.46**	**2.03**	**0.93**	**19.91**
Net block (I-II)								
Balance as at March 31, 2021	1.17	0.30	22.53	0.20	7.38	5.84	2.41	39.83
Balance as at March 31, 2020	1.20	0.20	25.45	0.20	7.94	6.50	2.82	44.31

Reconciliation of carrying amount for the year ended March 31, 2022:

Asset description	Building	Computer equipment	Plant and machinery	Office equipment	Electrical installations	Vehicles	Furniture and fixtures	Total
I. Gross Block								
Balance as at April 1, 2021	1.31	0.84	35.32	0.22	10.84	7.87	3.34	59.74
Additions	-	0.24	0.56	0.10	0.44	-	-	1.34
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	**1.31**	**1.08**	**35.88**	**0.32**	**11.28**	**7.87**	**3.34**	**61.08**
II. Accumulated depreciation								
Balance as at April 1, 2021	0.14	0.54	12.79	0.02	3.46	2.03	0.93	19.91
Depreciation for the year	0.02	0.08	2.01	0.01	1.24	0.55	0.43	4.34
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	**0.16**	**0.62**	**14.80**	**0.03**	**4.70**	**2.58**	**1.36**	**24.25**
Net block (I-II)								
Balance as at March 31, 2022	1.15	0.46	21.08	0.29	6.58	5.29	1.98	36.83
Balance as at March 31, 2021	1.17	0.30	22.53	0.20	7.38	5.84	2.41	39.83

Due to the outbreak of COVID-19, Management has performed impairment assessment of all its property, plant & equipment as at March 31, 2022 and concluded that non-usage for a short-term will not have any material impact on useful life or recoverable amount of such property, plant & equipment.

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(All amounts in INR lakhs, unless otherwise stated)

		As at March 31, 2022		As at March 31, 2021	
		Current	Non current	Current	Non current
4	**Other financial assets**				
	Security deposits	-	11.69	-	14.09

		As at March 31, 2022	As at March 31, 2021
5	**Other tax assets**		
	TDS receivable	5.99	7.88
6	**Inventories**		
	Food and beverages	2.40	2.05
	Operating supplies	3.68	3.37
	Total	**6.08**	**5.42**
7	**Trade receivables**		
	Considered good	21.35	10.49
	Total	**21.35**	**10.49**
	Of the above, trade receivables from related parties are as below:		
	Total trade receivables from related parties (Refer Note 31)	1.13	0.13
	Loss allowance	-	-
	Net trade receivables	**1.13**	**0.13**

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 29.

Trade receivables ageing schedule
As at March 31, 2022

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	2.19	18.70	0.46	-	-	-	21.35
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	2.19	**18.70**	**0.46**	-	-	-	**21.35**

As at March 31, 2021

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	0.71	7.63	0.43	0.92	0.80	-	10.49
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	0.71	**7.63**	**0.43**	**0.92**	**0.80**	-	**10.49**

		As at March 31, 2022	As at March 31, 2021
8	**Cash and cash equivalents**		
	Balances with banks	6.09	0.17
	Cash on hand	0.61	1.55
	Total	**6.70**	**1.72**

		As at March 31, 2022		As at March 31, 2021	
9	**Other assets**	Current	Non Current	Current	Non Current
	Prepaid expenses	-	28.05	-	14.47
	Advances to suppliers				-
	Considered good	-	-	0.78	-
	Balances with statutory authorities	7.60	-	26.64	-
	Total	**7.60**	**28.05**	**27.42**	**14.47**

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10 Equity share capital

Authorised equity share capital

Authorised	March 31, 2022	March 31, 2021
0.50 lakhs (March 31, 2021: 0.50 lakhs) equity shares of Rs.10 each	5.00	5.00
Issued, subscribed and paid-up		
0.50 lakhs (March 31, 2021: 0.50 lakhs) equity shares of Rs.10 each	5.00	5.00
As at March 31, 2022	**5.00**	**5.00**

Reconciliation of shares outstanding at the beginning and at the end of the year

	March 31, 2022		March 31, 2021	
	Number *in lakhs*	Amount *in lakhs*	Number *in lakhs*	Amount *in lakhs*
Equity shares				
At the commencement of the year	0.50	5.00	0.50	5.00
Shares issued during the year	-	-	-	-
At the end of the year	**0.50**	**5.00**	**0.50**	**5.00**

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, 2022		March 31, 2021	
	Number *in lakhs*	Amount *in lakhs*	Number *in lakhs*	Amount *in lakhs*
Equity shares of Rs. 10 each held by the Holding Company	0.49	4.90	0.49	4.90

Particulars of shareholders holding more than 5% shares of a class of shares

	March 31, 2022		March 31, 2021	
	Number *in lakhs*	% of total shares in class	Number *in lakhs*	% of total shares in class
Equity shares of Rs. 10 each held by				
Sterling Holiday Resorts Limited (Holding Company)	0.49	98%	0.49	98%

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		As at March 31, 2022	As at March 31, 2021
11	**Reserves and surplus**		
	Retained earnings	(1,489.84)	(1,417.64)
	Total	**(1,489.84)**	**(1,417.64)**

Movement in reserves and surplus balances is as follows :

a) Retained earnings

Opening balance	(1,417.64)	(1,208.95)
Loss for the year	(65.54)	(214.65)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation	(6.66)	5.96
- Income tax relating to this item	-	-
Closing balance	**(1,489.84)**	**(1,417.64)**

12 Other reserves

	Contribution from holding company	
	March 31, 2022	**March 31, 2021**
Opening balance	111.78	111.78
Additions during the year	-	-
Closing balance	**111.78**	**111.78**

The loan received from holding company has been measured at fair value by discounting the expected future cashflows at a discount rate based on the risk and other factors applicable to the Company's cashflows. The difference between the carrying value and the fair value has been considered as capital contribution by the holding company considering the substance of the transaction.

		As at March 31, 2022	As at March 31, 2021
13	**Current borrowings**		
	Unsecured loan from holding company	1,288.28	1,260.28
	Total	**1,288.28**	**1,260.28**

Unsecured loan from holding company

Unsecured loan amounting to Rs. 1,288.28 lakhs outstanding as on March 31, 2022 (March 31, 2021: Rs. 1,260.28 lakhs) from Sterling Holiday Resorts Limited (holding company) carries an interest rate of 9.25% p.a. (March 31, 2021: 10% p.a) and is repayable on demand.

Reconciliation of movement of liabilities to cash flows arising from financing activities

Particulars	**March 31, 2022**	**March 31, 2021**
Current borrowings	1,288.28	1,260.28
Net debt	1,288.28	1,260.28

Particulars	**Amount**
Balance as at April 1, 2020	947.94
Proceeds from loans and borrowings	1,139.94
Repayment of borrowings	(860.61)
Balance as at March 31, 2021	**1,227.27**
Proceeds from loans and borrowings	1,307.03
Repayment of borrowings	(1,265.10)
Balance as at March 31, 2022	**1,269.20**

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(All amounts in INR lakhs, unless otherwise stated)

14 Deferred tax assets and liabilities

The balance comprises temporary differences attributable to:

	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities		
Depreciation	-	-
Total deferred tax liabilities	-	-
Deferred tax assets		
Unabsorbed depreciation allowance and business loss carried forward	175.27	178.47
Provision for employee benefits	10.67	9.89
Depreciation	6.95	0.41
Set-off of deferred tax assets to the extent of deferred tax liabilities	-	-
Net deferred tax asset/ liability as per the balance sheet	-	-
Unrecognised deferred tax assets	**192.89**	**188.77**

Movement in deferred tax liabilities

	Depreciation
At April 1, 2020	**0.82**
Charged/(credited):	
- to profit or loss	(0.82)
- to other comprehensive income	-
At March 31, 2021	**0.00**
Charged/(credited):	
- to profit or loss	-
- to other comprehensive income	-
At March 31, 2022	-

Movement in deferred tax assets

	Depreciation	Unabsorbed depreciation allowance and	Provision for employee benefits	Total
At April 1, 2020	-	175.37	10.64	186.01
Movement during the year	0.41	3.10	(0.75)	2.76
At March 31, 2021	**0.41**	**178.47**	**9.89**	**188.77**
Movement during the year	6.54	(3.20)	0.78	4.12
At March 31, 2022	**6.95**	**175.27**	**10.67**	**192.90**

In the absence of reasonable certainty that the Company will be able to used the deferred tax asset in the future, the deferred tax assets have not been recognised.

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15 Provision for employee benefit obligations

	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Compensated absences	1.43	2.72	4.15	1.43	2.41	3.84
Gratuity	5.53	17.38	22.91	7.74	12.93	20.67
Total	**6.96**	**20.10**	**27.06**	**9.17**	**15.34**	**24.51**

(i) Compensated absences

	March 31, 2022	March 31, 2021
Current compensated absences expected to be settled within the next 12 months	1.43	1.43

(ii) Post employment obligations

a) Gratuity

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

	March 31, 2022	March 31, 2021
Opening present value of obligation	**20.67**	**23.16**
Current service cost	1.89	2.56
Past service cost	-	-
Interest expense	1.13	1.22
Total amount recognised in profit or loss	**3.02**	**3.78**
Remeasurements		
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(0.27)	0.45
Experience (gains)/losses	6.92	(6.41)
Changes in asset ceiling excluding amounts included in interest expense	-	-
Total amount recognised in other comprehensive income	**6.65**	**(5.96)**
Benefit payments	(7.45)	(0.31)
Closing present value of obligation	**22.89**	**20.67**
The net liability disclosed above relates to funded and unfunded plans are as follows:		
Unfunded plans	22.89	20.67

(iii) Principal actuarial assumptions used in valuation of gratuity

Discount rate	6.81%	6.39%
Salary growth rate	5%	5%
Attrition rate	30%	30%

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

The below table summarises the impact of movement in key assumptions on the present value obligation as at the balance sheet date:

a) Gratuity	March 31, 2022	March 31, 2021
Discount rate:		
+ 100 basis points	(0.61)	(0.46)
- 100 basis points	0.65	0.54
Salary escalation rate:		
+ 100 basis points	0.75	0.58
- 100 basis points	(0.72)	(0.52)
b) Compensated absence		
Discount rate:		
+ 100 basis points	(0.10)	(0.10)
- 100 basis points	0.11	0.10
Salary escalation rate:		
+ 100 basis points	0.13	0.12
- 100 basis points	(0.12)	(0.11)

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

(v) 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 gross 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.11.60 lakhs (March 31, 2021: Rs.10.44 lakhs)

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(All amounts in INR lakhs, unless otherwise stated)

		As at March 31, 2022	As at March 31, 2021
16	**Trade payables**		
	Dues to micro and small enterprises (Refer Note 35)	7.93	6.03
	Dues to creditors other than micro and small enterprises	62.99	37.69
	Total	**70.92**	**43.72**

Trade payables ageing schedule
As at March 31, 2022

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	7.93	-	-	-	7.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	15.15	47.84	-	-	-	62.99
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	15.15	**55.77**	-	-	-	**70.92**

As at March 31, 2021

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	6.03	-	-	-	6.03
Total outstanding dues of creditors other than micro enterprises and small enterprises	5.39	32.30	-	-	-	37.69
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	5.39	**38.33**	-	-	-	**43.72**

The Company's exposure to liquidity risks related to trade payables is disclosed in Note 29.

17	**Other financial liabilities**		
	Current		
	Security deposits	34.86	35.38
	Interest payable to micro enterprises and small enterprises (Refer note 35)	1.82	1.11
	Total	**36.68**	**36.49**
18	**Other provisions**		
	Provision for fringe benefit tax	-	1.11
	Total	-	**1.11**
19	**Other current liabilities**		
	Salaries, wages, bonus and other employee payables	11.91	13.10
	Contract liability - Advance received from customer	54.28	34.09
	Statutory dues payable	8.22	8.88
	Total	**74.41**	**56.07**

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Sterling Holiday Resorts (Kodaikanal) Limited
Notes forming part of financial statements as at and for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

		For the year ended March 31, 2022	For the year ended March 31, 2021
20	**Revenue from operations**		
(a)	**Disaggregation of revenue:**		
	On the basis of nature of goods or services:		
	Sale of products		
	Food and beverages	232.56	138.80
	Sale of services		
	- Room rentals	794.24	394.19
	- Others	87.98	28.42
	Other operating revenues		
	Service charges	14.41	7.99
	Total	**1,129.19**	**569.40**
	On the basis of timing of transfer of goods or services		
	At a point in time	1,129.19	569.40
		1,129.19	**569.40**

		For the year ended March 31, 2022	For the year ended March 31, 2021
(b)	**Movement in contract liabilities as per Ind AS 115 - Revenue from contracts with customers**		
	Opening balance	34.09	20.47
	Additions during the year (net)	54.28	34.09
	Income recognized during the year	(34.09)	(20.47)
	Closing balance	**54.28**	**34.09**

Contract liabilities pertain to advances received from customers which will be recognized as revenue when the service is rendered.

21	**Other income**		
	Management services income	30.61	31.91
	Scrap sales	0.77	0.20
	Interest Income	0.78	0.32
	Lease income termination	-	0.76
	Total	**32.16**	**33.19**
22	**Cost of materials consumed**		
	Inventory of materials at the beginning of the year	2.05	2.61
	Add: Purchases	91.61	47.90
	Less: Inventory of materials at the end of the year	2.40	2.05
	Cost of materials consumed	**91.26**	**48.46**
23	**Employee benefits expense**		
	Salaries, wages and bonus	168.33	129.91
	Contribution to provident and other funds	14.01	12.96
	Gratuity	3.03	2.93
	Compensated absences	2.48	-
	Staff welfare expenses	21.46	13.01
	Total	**209.31**	**158.81**

Note - Entire payroll processing is done by holding company and the expense is booked in subsidiaries based on the employee cost incurred pertaining to Kodai lake location. Compliance with respect to PF and ESI is also done by holding company.

24	**Finance cost**		
	Interest and finance charges on financial liabilities measured at amortized cost	120.94	127.41
	Interest on lease liability	-	0.24
	Total	**120.94**	**127.65**
25	**Depreciation**		
	Depreciation of property, plant and equipment	4.35	5.67
	Depreciation of right of use assets	-	1.29
	Total	**4.35**	**6.96**

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(All amounts in INR lakhs, unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
26 Other expenses		
Consumption of stores and spares	19.35	8.99
Power and fuel	91.74	64.92
Rent	103.14	48.66
Repairs and maintenance:		
- Building	12.84	5.88
- Plant and machinery	22.20	10.89
- Others	5.03	1.63
Insurance	4.21	6.18
Rates and taxes	20.39	11.58
Guest supplies	8.71	3.71
Laundry expenses	19.23	12.04
Communication	3.27	1.00
Recruitment and training	0.15	0.04
Travel and tours	28.07	5.72
Legal and professional	6.38	6.48
Management fees	360.05	234.59
Payment to statutory auditors:		
As Auditor:		
- Statutory audit	3.85	3.15
Travel and conveyance	5.36	3.50
Security charges	14.91	11.00
Sales commission	50.95	20.81
Sales promotion	1.29	1.17
Bank charges	4.52	2.78
Printing and stationery	2.20	1.06
Miscellaneous expenses	13.19	9.58
Total	**801.03**	**475.36**

27 Income tax expense		
a) Amount recognised in profit or loss		
Current tax for the year	-	-
Deferred tax expense for the year	-	-
Income tax expense	-	-
b) Reconciliation of tax expense and the accounting profit multiplied by India's Tax Rate:		
Loss before income tax expense	(65.54)	(214.65)
Tax at the Indian tax rate of 25.168% (Previous year: 25.168%)	(16.50)	(49.11)
Net tax effects of temporary differences which are (deductible)/disallowed in calculating taxable income	0.47	(1.89)
Tax impact of unrecognised tax losses	16.02	51.02
Income tax expense	-	0.01
c) Tax losses		
Amount of deductible temporary differences on which no deferred tax assets has been recognised	70.03	45.00
Unused tax losses for which no deferred tax assets have been recognised	738.78	780.03
Potential tax benefit at 25.168%	203.56	188.77
Tax losses on account of unrecognised deferred tax assets		
Date of expiry to carry forward		
31-Mar-31	59.60	-
31-Mar-30	213.17	216.31
31-Mar-29	169.57	169.71
31-Mar-28	135.64	135.64
31-Mar-27	9.56	9.56
31-Mar-26	94.00	94.00
31-Mar-25	-	-
31-Mar-24	14.84	14.84
31-Mar-23	-	103.53
Indefinite period to carry forward	42.40	36.44
Total	**738.78**	**780.03**

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(All amounts in INR lakhs, unless otherwise stated)

28 Fair value measurements

Financial instruments by category

	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Trade receivables	-	-	21.35	-	-	10.49
Cash and cash equivalents	-	-	6.70	-	-	1.72
Other financial assets	-	-	11.69	-	-	14.09
Total financial assets	-	-	**39.74**	-	-	**26.30**
Financial liabilities						
Borrowings	-	-	1,288.28	-	-	1,260.28
Trade payables	-	-	70.92	-	-	43.72
Other financial liabilities	-	-	36.68	-	-	36.49
Total financial liabilities	-	-	**1,395.88**	-	-	**1,340.49**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. There are no financial instruments that are measured at fair value through OCI or PL. 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. An explanation of each level follows underneath the table.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Borrowings	13	-	-	1,288.28	1,288.28
Lease liability	38	-	-	-	-
Total financial liabilities		-	-	**1,288.28**	**1,288.28**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Borrowings	13	-	-	1,260.28	1,260.28
Lease liability	38	-	-	-	-
Total financial liabilities		-	-	**1,260.28**	**1,260.28**

There are no transfers between levels 1 and 2 during the year.

(ii) Valuation technique used to determine fair value:
Fair value of the financial instruments is determined using discounted cash flow method. All of the resulting fair value estimates are included under level 3.

(iii) Fair value of financial assets and liabilities measured at amortised cost

	As at March 31, 2022		As at March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Borrowings	1,288.28	1,288.28	1,260.28	1,260.28
Lease liability	-	-	-	-
Total financial liabilities	**1,288.28**	**1,288.28**	**1,260.28**	**1,260.28**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, borrowings, interest accrued other financial assets and other financial liabilities approximate their fair values, due to their short-term nature. Hence the carrying amount is considered as the fair value.

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(All amounts in INR lakhs, unless otherwise stated)

29 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 assessment	Diversification of portfolio and Assessment of customer credit worthiness at inception and through the credit period
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines. The borrowings are from the holding company and there are no fixed repayment schedule

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 credit risk and liquidity risk.

(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 to wholesale customers including outstanding receivables.

(i) Credit risk management

Credit risk is managed on a Company basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

C1 : High-quality assets, negligible credit risk
C2 : Doubtful assets, credit-impaired

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information and the company majorly manages the credit risk through internal credit rating system.

A default on a financial asset is when the counterparty fails to make contractual payments as and when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

(ii) Provision for expected credit losses

The Company provides for expected credit loss based on the following:

			Basis for recognition of expected credit loss provision	
Internal rating	Category	Description of category	Trade receivables	Others
C1	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	Life-time expected credit losses	12-month expected credit losses
C2	Doubtful assets, credit-impaired	Assets are provided for when there is no reasonable expectation of recovery. The company categorises a receivable or provisioning when the debtor fails to make the contractual payment within 180 days from the date they become due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is provided for fully	Asset is provided for fully

The estimated gross carrying amount at default is Nil (March 2021: Nil) for deposits. Consequently there are no expected credit loss recognised for these financial assets.

(b) Expected credit loss for trade receivables under simplified approach

At March 31, 2022

Ageing	**Upto 180 days past due**	**More than 180 days past due**	**Total**
Gross carrying amount	21.35	-	21.35
Expected loss rate	0%	0%	0%
Expected credit losses (Loss allowance provision)	-	-	-

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(All amounts in INR lakhs, unless otherwise stated)

29 Financial risk management (contd.)

For the year ended March 31, 2022 and March 31, 2021:

(b) Expected credit loss for trade receivables under simplified approach (contd.)

At March 31, 2021

Ageing	**Upto 180 days past due**	**More than 180 days past due**	**Total**
Gross carrying amount	10.49	-	10.49
Expected loss rate	0%	0%	0%
Expected credit losses (Loss allowance provision)	-	-	-

(c) Reconciliation of loss allowance provision- Trade receivables

Loss allowance on April 1, 2020	-
Changes in loss allowances due to	
Provision made in the year	-
Recoveries	-
Loss allowance on March 31, 2021	-
Changes in loss allowances due to	
Provision made in the year	-
Recoveries	-
Loss allowance on March 31, 2022	-

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of 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. The Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Company also manages its financing requirements through borrowings from the Holding Company which does not have any fixed repayment schedule.

Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) all non-derivative financial liabilities, and

b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

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:	**Carrying amount**	**Less than 3 months**	**Within one year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Total**
At March 31, 2022						
Non-derivatives						
Borrowings	1,288.28	1,288.28	-	-	-	1,288.28
Trade payables	70.92	70.92	-	-	-	70.92
Other financial liabilities	36.68	36.68	-	-	-	36.68
Total non-derivative liabilities	**1,395.88**	**1,395.88**	-	-	-	**1,395.88**
At March 31, 2021						
Non-derivatives						
Borrowings	1,260.28	1,260.28	-	-	-	1,260.28
Trade payables	43.72	43.72	-	-	-	43.72
Other financial liabilities	36.49	36.49	-	-	-	36.49
Total non-derivative liabilities	**1,340.49**	**1,340.49**	-	-	-	**1,340.49**

30 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.

The Company borrows from the holding company at 9.25% per annum (March 31, 2021: 10% per annum) in order to meet its capital requirements. As at March 31, 2022, the net-worth of the Company has been fully eroded. The Company has shown improvement in operating results due to increase in occupancy rate and tariffs. The Company expects higher growth and profitability in future due to increase in occupancy rates and tariffs from property which was recently refurbished. It is also fully supported by the holding company for funding.

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STERLING HOLIDAY RESORTS (KODAIKANAL) LTD ★ CHENNAI

(All amounts in INR lakhs, unless otherwise stated)

31 Related party transactions

(a) Nature of related party and related party relationship

Description of related party	**Name of the related party**
Ultimate Holding Company	Fairfax Financial Holdings Limited, Canada
Intermediate Holding Company	Thomas Cook (India) Limited
Holding Company	Sterling Holiday Resorts Limited
Key Managerial Personnel	M. Balasubramaniyan (Director) Ramesh Shanmugham (Director) Vikram Dayal Lalvani (Director)

(b) Parent entities

The Company is controlled by following entity:

Name of entity	**Type**	**Ownership interest held by the Group**	
		March 31, 2022	**March 31, 2021**
Fairfax Financial Holdings Limited, Canada	Ultimate Holding Company	-	-
Thomas Cook (India) Limited	Intermediate Holding Company	-	-
Sterling Holiday Resorts Limited	Holding Company	98%	98%

(c) Transactions with related parties

Transactions with related parties are as follows:

	For the year ended March 31, 2022	**For the year ended March 31, 2021**
Sale of services		
Thomas Cook (India) Limited	0.13	0.13
TC Tours Limited	4.17	-
Lease rent expenses		
Sterling Holiday Resorts Limited	94.81	46.57
Brand expenses		
Sterling Holiday Resorts Limited	24.04	16.79
Miscellaneous income		
Sterling Holiday Resorts Limited	30.61	31.91
Management fees		
Sterling Holiday Resorts Limited	336.01	217.80
Interest on borrowings		
Sterling Holiday Resorts Limited	120.94	127.41
Loans availed		
Sterling Holiday Resorts Limited	1,307.03	1,139.94
Loans repaid		
Sterling Holiday Resorts Limited	1,265.10	860.61

(d) Outstanding balances as at year end

	As at March 31, 2022	**As at March 31, 2021**
The following balances are outstanding at the end of the reporting period:		
Trade receivables		
TC Tours Limited	1.13	0.13
Borrowings		
Sterling Holiday Resorts Limited	1,269.20	1,227.27
Interest accrued but not due		
Sterling Holiday Resorts Limited	19.08	33.01

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STERLING HOLIDAY RESORTS (KODAIKANAL) LTD CHENNAI

Sterling Holiday Resorts (Kodaikanal) Limited
Notes forming part of financial statements as at and for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

		As at March 31, 2022	As at March 31, 2021
32	**Contingent liabilities and contingent assets**		
	Contingent liabilities	-	-
	Claims against the Company not acknowledged as debt:		

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. 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. The Company would update the provision in future based on clarification received from the relevant authorities.

33 Sterling Holiday Resorts Limited (SHRL) holds 98% equity shares in the Company and the Company is responsible for maintaining the property Kodai By the Lake, pursuant to the property timeshare agreement with the property timeshare members. However, certain property timeshare weeks are unsold and retained by SHRL. Pursuant to the necessary approvals obtained by the Company as required under The Companies Act, 2013, the Company is permitted to rent out weeks sold to property timeshare members and unsold weeks retained by SHRL which are vacant and earn revenue from it. The property timeshare members and SHRL shall have no claim on the revenue generated by the Company. Further, pursuant to the exchange clause under property timeshare agreement, property timeshare members of the said property are also eligible to utilize facilities at SHRL's other resorts.

34 The Company has identified only one reportable segment. The entire Company's business is from resort operations and maintenance services (being leisure hospitality services) and there are no other reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation during the year are all as reflected in the financial statements as at and for the year ended March 31, 2022.

35 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2021-22, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act

		As at March 31, 2022	As at March 31, 2021
i	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	7.93	6.03
ii	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1.82	-
iii	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	37.69	13.83
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	0.70	1.11
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	1.11	-

36 During the current year, the Company had adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption (including temporary closure of its resorts). The Company had resumed normal business operations from June 2021 onwards post second wave. However, the impact of COVID-19 on the economy continues to be uncertain due to which the Company's financial performance including the Company's estimates of future cash flows and impairment of assets etc., is dependent on such future developments, the severity and recurrence of the pandemic, which cannot be predicted with certainty. The Company has considered the context of the pandemic in determining judgements and estimates in applying the assumptions including those used to determine the future cashflows. The impact assessment of COVID-19 is a continuing process. The Company will continue to monitor any material changes to the future economic conditions. Also refer note 1.2.1.

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Sterling Holiday Resorts (Kodaikanal) Ltd Chennai

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

37 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	0.03	0.03	-12%	
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	1.09	1.09	0%	
Debt Service Coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0.04	0.08	-48%	Higher repayments in current year led to decreased coverage ratio as compared to previous year
Return on Equity ratio (in %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	5%	18%	-13%	Higher loss in previous year led to higher ratio as compared to current year.
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	15.87	7.35	116%	Higher consumption cost in current year as compared to previous year due to COVID19 lockdown restrictions.
Trade Receivable Turnover Ratio (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	70.93	27.02	163%	Higher sales in current year as compared to previous year due to COVID 19 lockdown restrictions.
Trade Payable Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	1.60	0.45	253%	Higher consumption cost in current year as compared to previous year due to COVID19 lockdown restrictions.
Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	0.79	0.42	88%	Higher sales in current year as compared to previous year due to COVID 19 lockdown restrictions.
Net Profit ratio (in %)	Net Profit	Net sales = Total sales - sales return	-6%	-38%	32%	Higher loss in previous year led to higher ratio as compared to current year.
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-65%	214%	-130%	Higher loss in previous year led to higher ratio as compared to current year.

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STERLING HOLIDAY RESORTS (KODAIKANAL) LTD ★ CHENNAI

Sterling Holiday Resorts (Kodaikanal) Limited
Notes forming part of financial statements as at and for the year ended March 31, 2022
(All amounts in Rs. lakhs, unless otherwise stated)

38 Movement in right of use assets and lease liabilities as per Ind AS 116 Leases

As a lessee, the company leases assets mainly comprising of staff accomodation.

Right of use assets	**Building**	**Total**
Balance at April 1, 2020	**15.00**	**15.00**
Addition to right of use assets	-	-
Depreciation charge for the year	(1.29)	(1.29)
Derecognition of right of uses assets	(13.71)	(13.71)
Balance at March 31, 2021	-	-
Addition to right of use assets	-	-
Depreciation charge for the year	-	-
Derecognition of right of uses assets	-	-
Balance at March 31, 2022	-	-

Lease liabilities	**Amount**
Balance at April 1, 2020	**15.72**
Additions	-
Deletions	(14.48)
Finance cost accrued during the year	0.24
Discharge of lease liabilities	(1.48)
Balance at March 31, 2021	-
Additions	-
Deletions	-
Finance cost accrued during the year	-
Discharge of lease liabilities	-
Balance at March 31, 2022	-
Current	-
Non-current	-

39 Earnings per share

	March 31, 2022	**March 31, 2021**
Loss for the year attributable to the equity holders of the Company	(65.54)	(214.65)
Weighted average number of equity shares outstanding	50,000	50,000
Basic and diluted earnings per share	**(131.08)**	**(429.30)**

40 Subsequent events
There are no significant subsequent events, that have occurred after the reporting period till the date of the signing of these financial statements.

41 Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 1, 2021

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No.: 217042

Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors of
Sterling Holiday Resorts (Kodaikanal) Limited
(CIN U92490TN1987PLC014215)

Ramesh Shanmugam
Director
DIN No.: 06646158

Place: Chennai
Date: May 4, 2022

M Balasubramaniyan
Director
DIN No.: 03088801

Place: Chennai
Date: May 4, 2022

B S R & Co. LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Sterling Holidays (Ooty) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sterling Holidays (Ooty) Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, 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, 2022, 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

As more fully described in Note 36 to the financial statements, the extent to which the ongoing COVID-19 pandemic will have impact on the Company's financial performance including the Company's estimates of impairment of assets and future cash flows, are dependent on future developments, the severity and recurrence of the pandemic, which cannot be predicted with certainty. The Company has considered the context of the pandemic in applying assumptions used to determine the future cashflows. The impact assessment of COVID-19 is a continuing process. The Company will continue to monitor any material changes to the future economic conditions.
Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditors' Report Thereon

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.

Information Other than the Financial Statements and Auditors' Report Thereon (continued)

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 and Board of Directors' 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 the management and Board of Directors 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

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

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.

Report on Other Legal and Regulatory Requirements (continued)

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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:

a) The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its financial statements - Refer Note 33 to the financial statements.

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable loss.

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

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

Report on Other Legal and Regulatory Requirements (continued)

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year.

(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 Company has not paid/ provided for any managerial remuneration during the year. 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

Satish Vaidyanathan
Partner
Membership No: 217042
ICAI UDIN: 22217042AJINNO7222
Place: Chennai
Date: May 20, 2022

Annexure A to the Independent Auditor's Report to the Members of Sterling Holidays (Ooty) Limited for the year ended March 31, 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sterling Holidays (Ooty) Limited of even date)

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no intangible assets held in the name of the Company.

(c) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified on a yearly basis. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noted on such verification.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held in the name of the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment during the year.

(f) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) 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.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

Annexure A to the Independent Auditor's Report to the Members of Sterling Holidays (Ooty) Limited for the year ended March 31, 2022

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 1, 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of provident fund and Employees' State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there were no dues of income tax, sales tax, service tax, duty of customs, goods and services tax and luxury tax which have not been deposited with the appropriate authorities on account of a dispute, except for items as set out below

Name of the Statute	**Nature of dues**	**Amount in Rs. Lakhs**	**Period to which the amount relates**	**Forum where the dispute is pending**
Tamil Nadu Luxury Tax Act	Luxury tax	3,130.20	Assessment Year 1998-99 to 2017-18	Madras High Court
The Income-tax Act, 1961	Income tax	10.83	Assessment year 2018-19	The Commissioner of Income Tax (Appeals)

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

Annexure A to the Independent Auditor's Report to the Members of Sterling Holidays (Ooty) Limited for the year ended March 31, 2022

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended March 31 2022. Accordingly, clause 3(ix)(e) is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

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

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As the provisions of section 177 of the Act are not applicable to the company, clause 3(xi)(c) of the Order is not applicable.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(a)(b) and (c) 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 section 188 of the Act where applicable. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. The provisions of section 177 of the Act are not applicable to the Company.

(xiv) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

Annexure A to the Independent Auditor's Report to the Members of Sterling Holidays (Ooty) Limited for the year ended March 31, 2022

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

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable

(xvii) The Company has incurred cash losses of Rs. 134.26 lakhs in the current financial year and Rs. 234.60 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan

Partner

Membership No: 217042
ICAI UDIN: 22217042AJINNO7222

Place: Chennai

Date: May 20, 2022.

Annexure B to the Independent Auditor's Report to the Members of Sterling Holidays (Ooty) Limited for the year ended March 31, 2022

(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 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 Holidays (Ooty) Limited** ("the Company") as of March 31, 2022 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, 2022, 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 financial statements, whether due to fraud or error.

Annexure B to the Independent Auditor's Report to the Members of Sterling Holidays (Ooty) Limited for the year ended March 31, 2022

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

Satish Vaidyanathan
Partner
Membership No: 217042
ICAI UDIN: 22217042AJINNO7222
Place: Chennai
Date: May 20, 2022

Sterling Holidays (Ooty) Limited
Balance Sheet as at March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

	Note	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	4	22.55	23.10
Financial assets			
Other financial assets	5	11.76	18.05
Other tax assets	5A	21.00	9.79
Deferred tax assets	14	100.29	63.71
Total non-current assets		**155.60**	**114.65**
Current assets			
Inventories	6	14.32	8.26
Financial assets			
i. Trade receivables	7	29.30	8.48
ii. Cash and cash equivalents	8	2.35	0.95
iii. Other financial assets	5	-	12.63
Other current assets	9	49.15	58.59
Total current assets		**95.12**	**88.91**
Total assets		**250.72**	**203.56**
Equity and liabilities			
Equity			
Equity share capital	10	5.00	5.00
Other equity			
Reserves and surplus	11	(683.20)	(580.53)
Other reserves	12	68.58	68.58
Total equity		**(609.62)**	**(506.95)**
Liabilities			
Non-current liabilities			
i. Provision for employee benefit obligations	15	14.16	12.75
Total non-current liabilities		**14.16**	**12.75**
Current liabilities			
Financial liabilities			
i. Borrowings	13	630.00	497.71
ii. Trade payables			
Dues to micro and small enterprises	16	16.53	4.62
Dues to creditors other than micro and small enterprises	16	84.66	81.91
iii. Other financial liabilities	17	18.82	19.10
Provisions			
i. Provision for employee benefit obligations	15	4.94	5.91
ii. Other provisions	18	-	0.36
Other current liabilities	20	91.23	88.15
Total current liabilities		**846.18**	**697.76**
Total liabilities		**860.34**	**710.51**
Total equity and liabilities		**250.72**	**203.56**
Significant accounting policies	1.3		

The accompanying notes are an integral part of these financial statements

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No.: 217042

Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors of
Sterling Holidays (Ooty) Limited
(CIN U55102TN1989PLC018344)

M. Balasubramaniyan

Ramesh Shanmugam
Director
DIN No.: 06646158

Place: Chennai
Date: May 4, 2022

M Balasubramaniyan
Director
DIN No.: 03088801

Place: Chennai
Date: May 4, 2022

Sterling Holidays (Ooty) Limited
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	21	1,170.21	467.05
Other income	22	48.05	69.87
Total income		**1,218.26**	**536.92**
Expenses			
Cost of materials consumed	23	85.95	37.96
Employee benefits expense	24	250.10	167.20
Finance costs	25	56.09	47.03
Depreciation and amortisation expense	26	2.79	2.89
Other expenses	27	960.38	518.07
Total expenses		**1,355.31**	**773.15**
Loss before tax		**(137.05)**	**(236.23)**
Income tax expense	28		
Current tax		-	4.62
Deferred tax		(36.58)	(54.60)
Loss for the year		**(100.47)**	**(186.25)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post employment benefit obligations		(2.20)	5.07
Income tax relating to this item		-	-
Other comprehensive (loss)/income for the year, net of income tax		**(2.20)**	**5.07**
Total comprehensive loss for the year		**(102.67)**	**(181.18)**
Earnings per share (Face value of Rs. 10 each)			
Basic and anti-diluted earnings per share (in Rs.)		(200.94)	(372.50)
Significant accounting policies	1.3		

The accompanying notes are an integral part of these financial statements

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No.: 217042

Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors of
Sterling Holidays (Ooty) Limited
(CIN U55102TN1989PLC018344)

M. Balasubramaniyan

Ramesh Shanmugam
Director
DIN No.: 06646158

Place: Chennai
Date: May 4, 2022

M Balasubramaniyan
Director
DIN No.: 03088801

Place: Chennai
Date: May 4, 2022

Sterling Holidays (Ooty) Limited
Statement of changes in equity for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

I) Equity share capital

	Note	Amount
Balance as at April 1, 2020		5.00
Changes in equity share capital during the year	10	-
Balance as at March 31, 2021		**5.00**
Changes in equity share capital during the year	10	-
Balance as at March 31, 2022		**5.00**

II) Other equity

	Notes	Reserves and surplus	Other reserves	
		Retained earnings	**Contribution from holding company**	**Total**
Balance as at April 1, 2020		**(399.35)**	**68.58**	**(330.77)**
Profit for the year	11 & 12	(186.25)	-	**(186.25)**
Other comprehensive income	11 & 12	5.07	-	**5.07**
Balance as at March 31, 2021		**(580.53)**	**68.58**	**(511.95)**
Loss for the year	11 & 12	(100.47)	-	**(100.47)**
Other comprehensive loss	11 & 12	(2.20)	-	**(2.20)**
Balance as at March 31, 2022		**(683.20)**	**68.58**	**(614.62)**

Significant accounting policies 1.3

The accompanying notes are an integral part of these financial statements

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No.: 217042

Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors of
Sterling Holidays (Ooty) Limited
(CIN U55102TN1989PLC018044)

M. Balasubramaniyan

Ramesh Shanmugam
Director
DIN No.: 06646158

Place: Chennai
Date: May 4, 2022

M Balasubramaniyan
Director
DIN No.: 03088801

Place: Chennai
Date: May 4, 2022

Sterling Holidays (Ooty) Limited
Statement of cash flows for the year ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
Cash flow from operating activities			
Loss before income tax		**(137.05)**	**(236.23)**
Adjustments for			
Depreciation	26	2.79	2.89
Income from lease termination	22	-	(1.26)
Finance costs	25	56.09	47.03
Operating cash flow before working capital changes		**(78.17)**	**(187.57)**
Change in operating assets and liabilities			
(Increase)/decrease in trade receivables	7	(20.82)	28.42
(Increase)/decrease in inventories	6	(6.06)	(0.94)
(Increase)/decrease in other financial assets	5	18.92	2.15
(Increase)/decrease in other current assets	9	9.44	(29.78)
Increase/(decrease) in trade payables	16	14.66	(141.88)
Increase/(decrease) in other financial liabilities	17	(0.28)	(0.38)
Increase/(decrease) in employee benefit obligations	15	(1.76)	(1.97)
Increase/(decrease) in provisions	18	(0.36)	-
Increase/(decrease) in other current liabilities	20	3.08	38.75
Cash used in operations		**(61.35)**	**(293.20)**
Income tax paid		(11.21)	(24.12)
Net cash used in operating activities		**(72.56)**	**(317.32)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(2.24)	(7.55)
Net cash used in investing activities		**(2.24)**	**(7.55)**
Cash flows from financing activities			
Proceeds from loan taken from holding company		1,378.97	1,216.28
Repayment of loan from holding company		(1,240.97)	(852.77)
Interest paid		(61.80)	(38.70)
Payment of lease liability		(0.00)	(1.01)
Net cash generated from financing activities		**76.20**	**323.80**
Net decrease in cash and cash equivalents		**1.40**	**(1.07)**
Cash and cash equivalents at the beginning of the year	8	0.95	2.02
Cash and cash equivalents at end of the year		**2.35**	**0.95**
Reconciliation of cash and cash equivalents as per the cash flow statement:			
Cash and cash equivalents comprise of the following			
Cash and cash equivalents	8	2.35	0.95
Balance as per statement of cash flows		2.35	0.95
Significant accounting policies	1.3		

The accompanying notes are an integral part of these financial statements

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No.: 217042

Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors
Sterling Holidays (Ooty) Limited
(CIN U55102TN1989PLC018344)

Ramesh Shanmugam
Director
DIN No.: 06646158

Place: Chennai
Date: May 4, 2022

M Balasubramaniyan
Director
DIN No.: 03088801

Place: Chennai
Date: May 4, 2022

Sterling Holiday (Ooty) Limited
Notes to the financial statements as at and for the year ended March 31, 2022

1.1. Reporting entity

Sterling Holiday (Ooty) Limited (the "Company") is engaged in providing resort operations and maintenance services [being leisure hospitality services]. Sterling Holiday Resorts Limited ('Parent company') holds 98% of the share capital. 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 authorised for issue by the Company's Board of Directors on May 4, 2022

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 29).
- defined benefit plans — plan assets measured at fair value (Refer Note 15).

As at year ended March 31, 2022 the Company has incurred losses of Rs. 100.47 lakhs and has accumulated losses of Rs. 683.20 lakhs (which have fully eroded the net worth of the Company) as at the balance sheet date. The Company has considered various internal and external sources of information, up to the date of approval of the financial statements, in determining the potential impact on the financial position and business operations of the Company including those arising from of the COVID-19 pandemic. Based on the future business plans, approved cash flow projections for the next 12 months and letter of financial support provided by the parent company, the Company believes that it would be able to meet its financial requirements and no adjustments would be required in respect of the carrying values of assets/liabilities. Accordingly, these financial statements are prepared on a going concern basis.

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 Chairman-Whole Time Director (WTD) of the Parent company has been identified as the chief operating decision maker of the Company who assesses the financial performance and position of the Company and makes strategic decisions. Refer Note 35 for segment information presented.

1.2.3. 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 realisation 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.

1.2.4. 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.

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STERLING HOLIDAYS (OOTY) LTD. CHENNAI

1.3. Significant accounting policies

1.3.1. Revenue recognition

The Company recognises 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. Ind AS 115 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 recognising revenues when or as the performance obligations are satisfied.

Income from resort operations and maintenance services (being leisure hospitality services) comprising of sale of food and beverages, room rentals and other services are recognised when these are sold and when services are rendered.

Contract balances

(i) Contract assets

A contract asset is the right to consideration in exchange for services rendered to the customer. If the Company renders 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 goods or services to a customer for which the Company has received consideration has received consideration, or for which an amount of consideration is due from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

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.

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.

BSR & Co. LLP ★ Chartered Accountants ★

STERLING HOLIDAYS (OOTY) LTD. ★ CHENNAI

Sterling Holiday (Ooty) Limited
Notes to the financial statements as at and for the year ended March 31, 2022

1.3. Significant accounting policies (contd.)

1.3.2. Income taxes (contd.)

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.

1.3.3. Leases

The Company has adopted Ind AS 116 Leases with effect from April 1, 2019 and the Company has elected to measure right-of-use asset for all leases at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. At inception of a contract, the Company assesses whether a 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 of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116.

As a lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right of use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

– fixed payments, including in substance fixed payments;

– variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

– amounts expected to be payable under a residual value guarantee; and

– the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

B S R & Co. LLP ★ Chartered Accountants ★

STERLING HOLIDAYS (OOTY) LTD. ★ CHENNAI

1.3. Significant accounting policies (contd.)

1.3.3 Leases (contd.)

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

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

The Company presents right of use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low value assets

The Company has elected not to recognise right of use assets and lease liabilities for leases of low value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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.

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.

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.

1.3.7. Inventories

Inventories comprising of provisions, perishables, beverages and operating supplies are stated at lower of cost and net realisable value. Cost is determined using the first-in-first out (FIFO) method. The cost comprises 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.

B S R & Co. LLP Chartered Accountants

Sterling Holidays (Ooty) Ltd. Chennai

1.3. Significant accounting policies (contd.)

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.

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).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. 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 level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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1.3. Significant accounting policies (contd.)

1.3.8 Investments and other financial assets (contd.)

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:

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.

c) **Impairment of financial assets**
The Company assesses on a forward-looking basis the expected credit loss 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 30 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.
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.

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1.3. Significant accounting policies (contd.)

1.3.8 Investments and other financial assets (contd.)

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. Property, plant and equipment

Recognition and measurement

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. 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.

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)
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

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).

1.3.10. 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.

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Sterling Holiday (Ooty) Limited
Notes to the financial statements as at and for the year ended March 31, 2022

1.3. Significant accounting policies (contd.)

1.3.11. 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.

1.3.12. Provisions (other than for employee benefits)

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.

1.3.13. 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. Re-measurement 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.

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1.3. Significant accounting policies (contd.)

1.3.13. Employee benefits (contd.)

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.

1.3.14. 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 (Note 40).

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.

2. 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.

3. 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 15 - The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Note 14 - Recognition of deferred tax assets

Note 36 and 1.2.1 – Going concern and impact of COVID-19

Note 39 - Leases

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Notes forming part of financial statements as at and for the period ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

4 Property, plant and equipment

Reconciliation of carrying amount for the year ended March 31, 2021:

Asset description	Plant and machinery	Furniture and fixtures	Office equipment	Electrical installations	Computer equipment	Total
I. Gross Block						
Balance as at April 1, 2020	9.52	4.16	0.79	5.50	0.40	20.37
Additions	0.26	-	-	10.06	0.44	10.76
Disposals	-	-	-	1.60	-	1.60
Balance as at March 31, 2021	**9.78**	**4.16**	**0.79**	**13.96**	**0.84**	**29.53**
II. Accumulated depreciation						
Balance as at April 1, 2020	2.14	0.91	0.73	0.72	0.22	4.72
Depreciation for the year	0.73	0.53	-	0.60	0.11	1.97
Disposals	-	-	-	0.26	-	0.26
Balance as at March 31, 2021	**2.87**	**1.44**	**0.73**	**1.06**	**0.33**	**6.43**
Net block (I-II)						
Balance as at March 31, 2021	6.91	2.72	0.06	12.90	0.51	23.10
Balance as at March 31, 2020	7.38	3.25	0.06	4.78	0.18	15.65

Reconciliation of carrying amount for the year ended March 31, 2022:

Asset description	Plant and machinery	Furniture and fixtures	Office equipment	Electrical installations	Computer equipment	Total
I. Gross Block						
Balance as at April 1, 2021	9.78	4.16	0.79	13.96	0.84	29.53
Additions	2.24	-	-	-	-	2.24
Disposals	-	-	-	-	-	-
Balance as at March 31, 2022	**12.02**	**4.16**	**0.79**	**13.96**	**0.84**	**31.77**
II. Accumulated depreciation						
Balance as at April 1, 2021	2.87	1.44	0.73	1.06	0.33	6.43
Depreciation for the year	0.68	0.44	-	1.51	0.16	2.79
Disposals	-	-	-	-	-	-
Balance as at March 31, 2022	**3.55**	**1.88**	**0.73**	**2.57**	**0.49**	**9.22**
Net block (I-II)						
Balance as at March 31, 2022	8.47	2.28	0.06	11.39	0.35	22.55
Balance as at March 31, 2021	6.91	2.72	0.06	12.90	0.51	23.10

Due to the outbreak of COVID-19, Management has performed impairment assessment of all its property, plant & equipment as at March 31, 2022 and concluded that non-usage for a short term will not have any material impact on useful life or recoverable amount of such property, plant & equipment.

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(All amounts in INR lakhs, unless otherwise stated)

		As at March 31, 2022		As at March 31, 2021	
		Current	Non current	Current	Non current
5	**Other financial assets**				
	Security deposits	-	11.76	-	18.05
	Other receivables	-	-	12.63	-
	Total	-	**11.76**	**12.63**	**18.05**

		As at March 31, 2022	As at March 31, 2021
5A	**Other tax assets**		
	TDS receivable	21.00	9.79
	Total	**21.00**	**9.79**
6	**Inventories**		
	Food and beverages	2.34	2.40
	Operating supplies	11.98	5.86
	Total	**14.32**	**8.26**

Due to outbreak of COVID-19, Management has performed impairment assessment of all inventories and ascertained that there are no items as at March 31, 2022 with shorter shelf-life which need to be written off.

		As at March 31, 2022	As at March 31, 2021
7	**Trade receivables**		
	Current - Unsecured		
	Considered good	29.30	8.48
	Considered doubtful	-	4.55
		29.30	**13.03**
	Less: Loss allowance	-	(4.55)
	Total	**29.30**	**8.48**
	Of the above, trade receivables from related parties are as below:		
	Total trade receivables from related parties (Refer Note 32)	-	0.38
	Loss allowance	-	-
	Net trade receivables	-	**0.38**

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 30.

As at March 31, 2022

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	1.82	27.48	-	-	-	-	29.30
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	1.82	**27.48**	-	-	-	-	**29.30**

As at March 31, 2021

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	0.83	8.35	0.26	2.99	0.60		13.03
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	0.83	**8.35**	**0.26**	**2.99**	**0.60**	-	**13.03**

Sterling Holidays (Ooty) Limited
Notes forming part of financial statements as at and for the period ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

		As at March 31, 2022	As at March 31, 2021
8	**Cash and cash equivalents**		
	Balances with banks		
	- in current accounts	2.03	0.66
	Cash on hand	0.32	0.29
	Total	**2.35**	**0.95**
9	**Other current assets**		
	Prepaid expenses	9.10	12.11
	Balances with statutory authorities	40.05	46.48
	Total	**49.15**	**58.59**

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10 Equity share capital

Authorised equity share capital

Authorised	**March 31, 2022**	**March 31, 2021**
0.5 lakhs (March 31, 2021: 0.5 lakhs) equity shares of Rs.10 each	5.00	5.00
Issued, subscribed and paid-up		
0.5 lakhs (March 31, 2021: 0.5 lakhs) equity shares of Rs.10 each	5.00	5.00
As at March 31, 2022	**5.00**	**5.00**

Reconciliation of shares outstanding at the beginning and at the end of the year

	March 31, 2022		**March 31, 2021**	
	Number *in lakhs*	**Amount** *in lakhs*	**Number** *in lakhs*	**Amount** *in lakhs*
Equity shares				
At the commencement of the year	0.50	5.00	0.50	5.00
Shares issued during the year	-	-	-	-
At the end of the year	**0.50**	**5.00**	**0.50**	**5.00**

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, 2022		**March 31, 2021**	
	Number *in lakhs*	**Amount** *in lakhs*	**Number** *in lakhs*	**Amount** *in lakhs*
Equity shares of Rs. 10 each held by the Holding Company	0.49	4.90	0.49	4.90

Particulars of shareholders holding more than 5% shares of a class of shares

	March 31, 2022		**March 31, 2021**	
	Number *in lakhs*	**% of total shares in class**	**Number** *in lakhs*	**% of total shares in class**
Equity shares of Rs. 10 each held by				
Sterling Holiday Resorts Limited (Holding Company)	0.49	98%	0.49	98%

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Sterling Holidays (Ooty) Limited
Notes forming part of financial statements as at and for the period ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
11 Reserves and surplus		
Retained earnings	(683.20)	(580.53)
Total	**(683.20)**	**(580.53)**

Movement in reserves and surplus balances is as follows :

a) Retained earnings

Opening balance	(580.53)	(399.35)
(Loss) / Profit for the year	(100.47)	(186.25)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation	(2.20)	5.07
Closing balance	**(683.20)**	**(580.53)**

12 Other reserves

	Contribution from holding company	
Opening balance	68.58	68.58
Additions during the year	-	-
Closing balance	**68.58**	**68.58**

The loan received from holding company has been measured at fair value by discounting the expected future cashflows at a discount rate based on the risk and other factors applicable to the Company's cashflows. The difference between the carrying value and the fair value has been considered as capital contribution by the holding company considering the substance of the transaction.

13 Current borrowings

Unsecured loan from holding company	630.00	497.71
Total	**630.00**	**497.71**

Unsecured loan from holding company

Unsecured loan amounting to Rs. 630 lakhs outstanding as on March 31, 2022 (March 31, 2021: Rs. 497.71 lakhs) from Sterling Holiday Resorts Limited (holding company) carries an interest rate of 9.25% p.a (March 31, 2021: 10% p.a) and is repayable on demand.

Reconciliation of movement of liabilities to cash flows arising from financing activities

Particulars	-	-
Current borrowings	630.00	497.71
Net debt	630.00	497.71

Particulars	**Total**
Balance as at April 1, 2020	**122.63**
Proceeds from loans and borrowings	1,216.28
Repayment of borrowings	(852.77)
Balance as at March 31, 2021	**486.14**
Proceeds from loans and borrowings	1,378.97
Repayment of borrowings	(1,240.97)
Balance as at March 31, 2022	**624.14**

14 Deferred tax assets

The balance comprises temporary differences attributable to:

Deferred tax assets		
Property, plant and equipment	0.87	0.42
Unabsorbed depreciation allowance and business loss carried forward	94.61	56.67
Provision for employee benefits	4.81	6.62
Net deferred tax asset as per the balance sheet	(100.29)	(63.71)
Unrecognised deferred tax assets	-	-

Movement in deferred tax assets

	Property, plant and equipment	Provision for employee benefits	Unabsorbed depreciation allowance and business loss carried forward	Total
At April 1, 2020	0.46	8.65	-	9.11
Movement during the year	(0.04)	(2.03)	56.67	54.60
At March 31, 2021	**0.42**	**6.62**	**56.67**	**63.71**
Movement during the year	0.46	(1.81)	37.94	36.58
At March 31, 2022	**0.87**	**4.81**	**94.61**	**100.29**

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15 Provision for employee benefit obligations

	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Compensated absences	1.57	3.34	4.91	1.91	3.49	5.40
Gratuity	3.37	10.82	14.19	4.00	9.26	13.26
Total	**4.94**	**14.16**	**19.10**	**5.91**	**12.75**	**18.66**

(i) Compensated absences

	March 31, 2022	March 31, 2021
Current compensated absences expected to be settled within the next 12 months	1.57	1.91

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

	March 31, 2022	March 31, 2021
Opening present value of obligation	**13.26**	**14.35**
Current service cost	1.83	3.12
Interest expense	0.78	0.86
Total amount recognised in profit or loss	**2.61**	**3.98**
Remeasurements		
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(0.19)	0.33
Experience (gains)/losses	2.39	(5.40)
Total amount recognised in other comprehensive income	**2.20**	**(5.07)**
Benefit payments	(3.88)	-
Closing present value of obligation	**14.19**	**13.26**

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

Unfunded plans	14.19	13.26

(iii) Principal actuarial assumptions used in valuation of gratuity

Discount rate	6.81%	6.39%
Salary growth rate	5%	5%
Attrition rate	30%	30%

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
The below table summarises the impact of movement in key assumptions on the present value obligation as at the balance sheet date:

a) Gratuity	March 31, 2022	March 31, 2021
Discount rate:		
+ 100 basis points	(0.43)	(0.34)
- 100 basis points	0.46	0.39
Salary escalation rate:		
+ 100 basis points	0.53	0.43
- 100 basis points	(0.51)	(0.40)
b) Compensated absence		
Discount rate:		
+ 100 basis points	(0.80)	(0.13)
- 100 basis points	0.83	0.14
Salary escalation rate:		
+ 100 basis points	0.11	0.17
- 100 basis points	(0.11)	(0.15)

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

(v) 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 gross 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. 12.18 lakhs (March 31, 2021: Rs 11.24 lakhs).

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(All amounts in INR lakhs, unless otherwise stated)

		As at March 31, 2022	As at March 31, 2021
16	**Trade payables**		
	Dues to micro and small enterprises (Refer Note 37)	16.53	4.62
	Dues to creditors other than micro and small enterprises	84.66	81.91
	Total	**101.19**	**86.53**

The Company's exposure to liquidity risks related to trade payables is disclosed in Note 30.

As at March 31, 2022

	Unbilled	Outstanding for following periods from due date of				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	16.53	-	-	-	16.53
Total outstanding dues of creditors other than micro enterprises and small enterprises	41.22	43.44	-	-	-	84.66
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	41.22	**59.97**	-	-	-	**101.19**

As at March 31, 2021

	Unbilled	Outstanding for following periods from due date of				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	4.62	-	-	-	4.62
Total outstanding dues of creditors other than micro enterprises and small enterprises	20.96	60.95	-	-	-	81.91
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	20.96	**65.57**	-	-	-	**86.53**

		As at March 31, 2022	As at March 31, 2021
17	**Other financial liabilities**		
	Current		
	Security deposits	18.82	19.10
		18.82	**19.10**
18	**Other provisions**		
	Provision for fringe benefit tax	-	0.36
	Total	-	**0.36**
20	**Other current liabilities**		
	Salaries, wages, bonus and other employee payables	14.48	16.83
	Contract liability - Advance received from customer	65.89	63.78
	Statutory dues payable	10.86	7.54
	Total	**91.23**	**88.15**

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Sterling Holidays (Ooty) Limited
Notes forming part of financial statements as at and for the period ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

		For the year ended March 31, 2022	For the year ended March 31, 2021
21	**Revenue from operations**		
(a)	**Disaggregation of revenue:**		
	On the basis of nature of goods or services:		
	Sale of products		
	Food and beverages	196.10	111.45
	Sale of services		
	- Room rentals	888.28	336.20
	- Others	71.32	11.89
	Other operating revenues		
	Service charges	14.51	7.51
	Total	**1,170.21**	**467.05**
	On the basis of timing of transfer of goods or services		
	At a point in time	1,170.21	467.05
		1,170.21	**467.05**
(b)	**Movement in contract liabilities as per Ind AS 115 - Revenue from contracts with customers**		
	Opening balance	63.78	18.47
	Additions during the year (net)	65.89	63.78
	Income recognized during the year	(63.78)	(18.47)
	Closing balance	**65.89**	**63.78**

Contract liabilities pertain to advances received from customers which will be recognized as revenue when the service is rendered.

22	**Other income**		
	Management services income	46.70	68.17
	Scrap sales	0.64	0.11
	Interest income	0.71	0.33
	Lease income termination	-	1.26
	Total	**48.05**	**69.87**
23	**Cost of materials consumed**		
	Inventory of materials at the beginning of the year	2.40	3.25
	Add: Purchases	85.89	37.11
	Less: Inventory of materials at the end of the year	2.34	2.40
	Cost of materials consumed	**85.95**	**37.96**
24	**Employee benefits expense**		
	Salaries, wages and bonus	192.50	135.41
	Contribution to provident and other funds	14.82	13.89
	Gratuity	2.61	3.97
	Compensated absences	2.38	(0.63)
	Staff welfare expenses	37.79	14.56
	Total	**250.10**	**167.20**

Note - Entire payroll processing is done by parent company and the expense is booked in subsidiaries based on the employee cost incurred pertaining to Ooty Elkhill location. Compliance with respect to PF and ESI is also done by Holding Company.

25	**Finance cost**		
	Interest and finance charges on financial liabilities measured at amortized cost	56.09	46.95
	Interest on lease liability	-	0.08
	Total	**56.09**	**47.03**
26	**Depreciation**		
	Depreciation of property, plant and equipment	2.79	1.97
	Depreciation of right of use assets	-	0.92
	Total	**2.79**	**2.89**

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Notes forming part of financial statements as at and for the period ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

		For the year ended March 31, 2022	For the year ended March 31, 2021
27	**Other expenses**		
	Consumption of stores and spares	27.93	9.57
	Power and fuel	105.56	62.36
	Rent	122.96	45.31
	Repairs and maintenance:		
	- Building	16.25	3.88
	- Plant and machinery	28.55	15.80
	- Others	3.63	1.35
	Insurance	12.56	12.58
	Rates and taxes	30.24	37.09
	Guest supplies	16.62	4.59
	Laundry expenses	15.93	8.23
	Communication	0.29	0.84
	Printing & Stationery	2.81	1.10
	Recruitment and training	0.50	1.12
	Travel and tours	29.20	6.57
	Legal and professional	1.30	5.50
	Management and brand fees	397.78	236.56
	Payment to statutory auditors:		
	As Auditor:		
	- Statutory audit	3.85	3.15
	Travel and conveyance	4.84	1.84
	Security charges	15.54	8.88
	Water charges	16.97	9.45
	Sales commission	72.25	28.45
	Sales promotion	2.20	0.59
	Bank charges	4.31	2.14
	Miscellaneous expenses	28.31	11.12
	Total	**960.38**	**518.07**

		For the year ended March 31, 2022	For the year ended March 31, 2021
28	**Income tax expense**		
	a) Amount recognised in profit or loss		
	Current tax		
	Current tax for the year	-	4.62
	Total	-	**4.62**
	Deferred tax expense		
	(Increase)/Decrease in deferred tax assets	(36.58)	(54.60)
	Total	**(36.58)**	**(54.60)**
	Income tax (credit) / expense	**(36.58)**	**(49.98)**
	b) Reconciliation of tax expense and the accounting profit multiplied by India's Tax Rate:		
	(Loss) / Profit before income tax expense	(137.05)	(236.23)
	Tax expense / (income) computed at Indian Tax rate of 25.168% (Previous year: 25.168%)	(34.49)	(54.05)
	Net Tax effects of amount which are deductible/disallowed in calculating taxable income - other than temporary differences	(2.09)	(0.56)
	Tax relating to prior years	-	4.62
	Income tax expense	**(36.58)**	**(49.99)**

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(All amounts in INR lakhs, unless otherwise stated)

29 Fair value measurements

Financial instruments by category

	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Trade receivables	-	-	29.30	-	-	8.48
Cash and cash equivalents	-	-	2.35	-	-	0.95
Other financial assets	-	-	11.76	-	-	30.68
Total financial assets	-	-	**43.41**	-	-	**40.11**
Financial liabilities						
Borrowings	-	-	630.00	-	-	497.71
Trade payables	-	-	101.19	-	-	86.53
Other financial liabilities	-	-	18.82	-	-	19.10
Total financial liabilities	-	-	**750.01**	-	-	**603.34**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. There are no financial instruments that are measured at fair value through OCI or PL. 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.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2022	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Borrowings	13	-	-	630.00	630.00
Total financial liabilities		-	-	**630.00**	**630.00**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2020	Notes	Level 1	Level 2	Level 3	Total
Financial Liabilities					
Borrowings	13	-	-	497.71	497.71
Total financial liabilities		-	-	**497.71**	**497.71**

There are no transfers between levels 1 and 2 during the year.

(ii) Valuation technique used to determine fair value:
Fair value of the financial instruments is determined using discounted cash flow method. All of the resulting fair value estimates are included under level 3.

(iii) Fair value of financial assets and liabilities measured at amortised cost

	As at March 31, 2022		As at March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Borrowings	630.00	630.00	497.71	497.71
Total financial liabilities	**630.00**	**630.00**	**497.71**	**497.71**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, borrowings, interest accrued other financial assets and other financial liabilities approximate their fair values, due to their short-term nature. Hence the carrying amount is considered as the fair value.

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(All amounts in INR lakhs, unless otherwise stated)

30 Financial risk management

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

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis and credit assessment	Diversification of portfolio and Assessment of customer credit worthiness at inception and through the credit period
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines. The borrowings are from the holding company and there are no fixed repayment schedule

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 credit risk and liquidity risk.

(A) Credit risk

Credit risk arises from cash and cash equivalents carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including 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 assess and maintain an internal credit rating system. Internal credit rating is performed on a Company 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 and the Company majorly manages the credit risk through internal credit rating system.

A default on a financial asset is when the counterparty fails to make contractual payments as and when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

(ii) Provision for expected credit losses

The Company provides for expected credit loss based on the following:

Internal rating	Category	Description of category	Basis for recognition of expected credit loss provision	
			Trade receivables	Others
C1	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	Life-time expected credit losses	12-month expected credit losses
C2	Doubtful assets, credit-impaired	Assets are provided for when there is no reasonable expectation of recovery. The company categorises a receivable or provisioning when the debtor fails to make the contractual payment within 180 days from the date they become due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is provided for fully	Asset is provided for fully

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30 Financial risk management (contd.)

For the year ended March 31, 2022 and March 31, 2021:

(a) Expected credit loss for deposits

The estimated gross carrying amount at default is Nil (March 2021: Nil) for deposits. Consequently there are no expected credit loss recognised for these financial assets.

(b) Expected credit loss for trade receivables under simplified approach

As at March 31, 2022

Ageing	Upto 180 days past due	More than 180 days past due	Total
Gross carrying amount	29.30	-	29.30
Expected loss rate	0%	100%	0%
Expected credit losses (Loss allowance provision)		-	-

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(All amounts in INR lakhs, unless otherwise stated)

30 Financial risk management (contd.)

For the year ended March 31, 2022 and March 31, 2021:

(b) Expected credit loss for trade receivables under simplified approach (contd.)

As at March 31, 2021 Ageing	Upto 180 days past due	More than 180 days past due	Total
Gross carrying amount	8.48	4.55	13.03
Expected loss rate	0%	100%	35%
Expected credit losses (Loss allowance provision)	-	4.55	4.55

(c) Reconciliation of loss allowance provision- Trade receivables

Loss allowance on April 1, 2020	**4.55**
Changes in loss allowances due to	
Provision made in the year	-
Recoveries	-
Loss allowance on March 31, 2021	**4.55**
Changes in loss allowances due to	
Provision made in the year	-
Recoveries	(4.55)
Loss allowance on March 31, 2022	-

(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. The Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Company also manages its financing requirements through borrowings from the holding company which does not have any fixed repayment schedule.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

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:	Carrying amount	Less than 3 months	Within one year	Between 1 and 2 years	Between 2 and 5 years	Total
As at March 31, 2022						
Non-derivatives						
Borrowings	630.00	630.00	-	-	-	630.00
Trade payables	101.19	101.19	-	-	-	101.19
Other financial liabilities	18.82	18.82	-	-	-	18.82
Total non-derivative liabilities	**750.01**	**750.01**	-	-	-	**750.01**
As at March 31, 2021						
Non-derivatives						
Borrowings	497.71	497.71	-	-	-	497.71
Trade payables	86.53	86.53	-	-	-	86.53
Other financial liabilities	19.10	19.10	-	-	-	19.10
Total non-derivative liabilities	**603.34**	**603.34**	-	-	-	**603.34**

31 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.

The Company borrows from the holding company at 9.25% per annum (March 31, 2021: 10% per annum) in order to meet its capital requirements. As at March 31, 2022 the net-worth of the Company has been fully eroded. The Company has shown improvement in operating results due to increase in occupancy rate and tariffs. The Company expects higher growth and profitability in future due to increase in occupancy rates and tariffs from the property which was recently refurbished. It is also fully supported by the holding company for funding.

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Sterling Holidays (Ooty) Limited
Notes forming part of financial statements as at and for the period ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

32 Related party transactions

(a) Nature of related party and related party relationship

Description of related party	Name of the related party
Ultimate Holding Company	Fairfax Financial Holdings Limited, Canada
Intermediate Holding Company	Thomas Cook (India) Limited
Holding Company	Sterling Holiday Resorts Limited
Key Managerial Personnel	M. Balasubramaniyan (Director) Ramesh Shanmugham (Director) Vikram Dayal Lalvani (Director)

(b) Parent entities

The Company is controlled by following entity:

Name of entity	Type	Ownership interest held by the Group	
		March 31, 2022	March 31, 2021
Sterling Holiday Resorts Limited	Holding company	98%	98%

(c) Transactions with related parties

Transactions with related parties are as follows:

	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of services		
Thomas Cook (India) Limited	-	0.22
TC Tours Limited	1.15	-
Lease rent expenses		
Sterling Holiday Resorts Limited	122.96	43.14
Brand expenses		
Sterling Holiday Resorts Limited	24.04	14.34
Miscellaneous income		
Sterling Holiday Resorts Limited	46.70	68.17
Management fees		
Sterling Holiday Resorts Limited	373.74	222.22
Interest on borrowings		
Sterling Holiday Resorts Limited	56.09	43.33
Loans availed		
Sterling Holiday Resorts Limited	1,378.97	1,216.28
Loans repaid		
Sterling Holiday Resorts Limited	1,240.97	852.77

(d) Outstanding balances as at year end

	As at March 31, 2022	As at March 31, 2021
The following balances are outstanding at the end of the reporting period:		
Trade receivables		
TC Tours Limited	0.88	0.37
Travel Corporation (India) Limited	-	0.01
Borrowings		
Sterling Holiday Resorts Limited	630.00	497.71

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(All amounts in INR lakhs, unless otherwise stated)

		As at March 31, 2022	As at March 31, 2021
33	**Contingent liabilities and contingent assets**		
	Contingent liabilities		
	Claims against the Company not acknowledged as debt:		
	(a) Luxury tax related demands	3,130.20	196.38
	(b) Income tax related matter	10.83	10.83

(c) 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. 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. The Company would update the provision in future based on clarification received from the relevant authorities.

34 Sterling Holiday Resorts Limited (SHRL) holds 98% equity shares in the Company and the Company is responsible for maintaining the property Ooty Elkhill, pursuant to the property timeshare agreement with the property timeshare members. However, certain property timeshare weeks are unsold and retained by SHRL. Pursuant to the necessary approvals obtained by the Company as required under the Companies Act, 2013, the Company is permitted to rent out weeks sold to property timeshare members and unsold weeks retained by SHRL which are vacant and earn revenue from it. The property timeshare members and SHRL shall have no claim on the revenue generated by the Company. Further, pursuant to the exchange clause under property timeshare agreement, property timeshare members of the said property are also eligible to utilize facilities at SHRL's other resorts.

35 The Company has identified only one reportable segment. The entire Company's business is from resort operations and maintenance services (being leisure hospitality services) and there are no other reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation during the year are all as reflected in the financial statements as at and for the year ended March 31, 2022.

36 During the current year, the Company had adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption (including temporary closure of its resorts). The Company had resumed normal business operations from June 2021 onwards post second wave. However, the impact of COVID-19 on the economy continues to be uncertain due to which the Company's financial performance including the Company's estimates of future cash flows and impairment of assets etc., is dependent on such future developments, the severity and recurrence of the pandemic, which cannot be predicted with certainty. The Company has considered the context of the pandemic in determining judgements and estimates in applying the assumptions including those used to determine the future cashflows. The impact assessment of COVID-19 is a continuing process. The Company will continue to monitor any material changes to the future economic conditions. Also refer note 1.2.1.

37 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2021-22, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act

i	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	16.53	4.62
ii	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	1.11
iii	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	16.66
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	-	0.34
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	-	0.77

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Sterling Holiday Resorts (Kodaikanal) Limited
Notes forming part of financial statements as at and for the period ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

38 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	0.11	0.13	-12%	
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	1.41	1.40	1%	
Debt Service Coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0.03	0.15	-79%	Higher repayments in current year led to decreased coverage ratio as compared to previous year
Return on Equity ratio (in %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	25%	57%	-32%	Higher loss in previous year led to higher ratio as compared to current year
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	7.61	4.87	56%	Higher consumption cost in current year as compared to previous year due to COVID19 lockdown restrictions.
Trade Receivable Turnover Ratio (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	61.95	22.06	181%	Higher sales in current year as compared to previous year due to COVID 19 lockdown restrictions.
Trade Payable Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	0.98	0.25	297%	Higher consumption cost in current year as compared to previous year due to COVID19 lockdown restrictions.
Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	1.56	0.77	103%	Higher sales in current year as compared to previous year due to COVID 19 lockdown restrictions.
Net Profit ratio (in %)	Net Profit	Net sales = Total sales - sales return	-9%	-40%	31%	Higher loss in previous year led to higher ratio as compared to current year.
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-397%	2048%	-2445%	Higher loss in previous year led to higher ratio as compared to current year

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Notes forming part of financial statements as at and for the period ended March 31, 2022
(All amounts in INR lakhs, unless otherwise stated)

39 Movement in right of use assets and lease liabilities as per Ind AS 116 Leases

As a lessee, the company leases many assets mainly comprising of staff accomodation.

Right of use assets	Building	Total
Balance at April 1, 2020	**5.06**	**5.06**
Addition to right of use assets	-	-
Depreciation charge for the year	(0.92)	(0.92)
Derecognition of right of uses assets	(4.14)	(4.14)
Balance at March 31, 2021	-	-
Addition to right of use assets	-	-
Depreciation charge for the year	-	-
Derecognition of right of uses assets	-	-
Balance at March 31, 2022	-	-

Lease liabilities	Amount
Balance at April 1, 2020	**5.31**
Additions	-
Deletions	(4.38)
Finance cost accrued during the period	0.08
Discharge of lease liabilities	(1.01)
Balance at March 31, 2021	-
Additions	-
Deletions	-
Finance cost accrued during the period	-
Discharge of lease liabilities	-
Balance at March 31, 2022	-

40 Earnings per share	**March 31, 2022**	**March 31, 2021**
Loss for the year attributable to the equity holders of the Company	(100.47)	(186.25)
Weighted average number of equity shares outstanding	50,000	50,000
Basic and diluted earnings per share	**(200.94)**	**(372.50)**

41 Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 1, 2021

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Satish Vaidyanathan
Partner
Membership No.: 217042

Place: Chennai
Date: May 20, 2022

For and on behalf of the Board of Directors of
Sterling Holidays (Ooty) Limited
(CIN U55102TN1989PLC018344)

Ramesh Shanmugam
Director
DIN No.: 06646158

Place: Chennai
Date: May 4, 2022

M. Balasubramaniyan

M Balasubramaniyan
Director
DIN No.: 03088801

Place: Chennai
Date: May 4, 2022

TC Tours Limited
Balance Sheet as at March 31, 2022

(Rs. In Lakhs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Right of Use Assets	3(a)	57.0	95.1
Financial assets			
- Loans			
- Investments	5(a)	-	-
Deferred tax assets (net)	3(b)	378.7	393.0
Total non-current assets		**435.7**	**488.1**
Current assets			
Financial assets			
- Trade receivables	5(b)	4,924.4	5,880.8
- Cash and cash equivalents	5(c)	49.1	878.7
- Loans	5(d)	-	-
- Other financial assets	5(e)	429.6	366.8
Current Tax Assets	4	288.3	128.8
Other current assets	6	6,605.2	4,814.1
Total current assets		**12,296.6**	**12,069.2**
TOTAL ASSETS		**12,732.3**	**12,557.3**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	7	300.0	300.0
Other equity			
-Reserve & surplus	8	1,218.4	1,086.4
Total Equity		**1,518.4**	**1,386.4**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowing	9	2,664.3	-
- Lease liabilities		25.3	65.7
Employee Benefit Obligations	10	71.1	94.9
Other non-current liabilities		-	-
Total non-current liabilities		**2,760.7**	**160.6**
Current liabilities			
Financial liabilities			
- Borrowing	11(a)	569.5	1,230.7
- Lease liabilities		41.5	39.6
- Trade payables	11(b)		
-Dues of micro enterprises and small enterprises		-	-
-Dues of creditors other than micro enterprises and small enterprises		7,453.2	9,544.2
- Other financial liabilities	11(c)	-	-
Employee Benefit Obligations	9	76.0	63.7
Other current liabilities	12	313.1	132.1
Total current liabilities		**8,453.2**	**11,010.3**
TOTAL LIABILITIES		**11,213.9**	**11,170.9**
TOTAL EQUITY AND LIABILITIES		**12,732.3**	**12,557.3**

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

16-May-22
Place: Mumbai

For and on behalf of the Board of Directors

Debasis Nandy
Director
DIN: 06368365

16-May-22
Place: Mumbai

Rambhau Kenkare
Director
DIN No. 01272743

16-May-22
Place: Mumbai

TC TOURS LIMITED
Statement of Profit And Loss for the year ended March 31, 2022

(Rs. In Lakhs)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	13	10,769.9	3,365.7
Other income	14	199.3	202.4
Total income		**10,969.2**	**3,568.1**
Expenses			
Cost of services		8,460.3	2,052.4
Employee benefits expense	15	1,100.6	1,031.4
Depreciation	3	40.3	37.0
Finance Cost	16	383.2	177.2
Other expenses	17	885.5	2,023.8
Total expenses		**10,869.8**	**5,321.8**
Profit before tax		**99.4**	**(1,753.7)**
Less : Tax expense	18		
Current tax		-	-
Deferred tax		25.0	(292.0)
Total tax expenses		**25.0**	**(292.0)**
Profit for the year (A)		**74.4**	**(1,461.7)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		42.6	13.1
Income tax relating to items that will not be reclassified to profit or loss		10.7	0.7
Total other comprehensive income for the year, net of taxes (B)		**53.3**	**13.9**
Total comprehensive income for the year (A+B)		**127.6**	**(1,447.8)**
Earnings per equity share (Face value of INR 10 each)	23		
- Basic earnings per share (In INR)		2.5	(48.7)
- Diluted earnings per share (In INR)		2.5	(48.7)

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

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

Atul Shah
Partner
Membership No. 039569

16-May-22
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Debasis Nandy
Director
DIN: 06368365

16-May-22
Place: Mumbai

Rambhau Kenkare
Director
DIN No. 01272743

16-May-22
Place: Mumbai

TC TOURS LIMITED
Statement of Cash Flows for the year ended March 31, 2022

(Rs. In Lakhs)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
A) Cash flow from operating activities			
Profit before income tax		99.4	(1,753.7)
Adjustments for:			
Interest Income	14	(13.7)	(19.0)
Dividend Income from Investments	14	-	(69.1)
ESOP Expense	15	4.4	28.4
Depreciation on ROU assets		40.3	37.0
Interest on lease liability		7.9	9.1
Provision for Doubtful Advances (Net) and Impairment charge	17	25.2	854.1
Operating profit before changes in operating assets and liabilities		**163.4**	**(913.2)**
Change in operating assets and liabilities:			
Decrease / (Increase) in Trade Receivables		956.5	4,165.4
Decrease / (Increase) in Other Financial Assets		(62.8)	1,594.7
Decrease / (Increase) in Other Current Assets		(1,816.4)	1,781.7
Increase in Employee Benefits Obligation		31.0	64.1
(Decrease) / Increase in Trade Payables		(2,091.1)	(6,548.6)
Increase in Other Financial Liabilities		-	(0.9)
(Decrease) / Increase in Other Liabilities		181.0	(1,422.1)
Cash generated from operations		**(2,638.4)**	**(1,278.9)**
Income taxes paid		(159.5)	822.0
Net cash inflow from operating activities		**(2,797.9)**	**(456.9)**
B) Cash flow from investing activities:			
Interest Received		13.7	19.0
Invesment sold in Subsidiaries		-	-
Movement of ROU Assets		(2.2)	(28.3)
Investment (made)/sold in Associates		-	-
Interest on Income tax refund		-	69.1
Net cash inflow / (outflow) from investing activities		**11.6**	**59.8**
C) Cash flow from financing activities:			
Repayment of lease liabilities		(38.6)	(5.2)
Secured loan taken from Bank		2,664.3	-
Interest on lease liabilty made		(7.9)	(9.1)
Increase / (Decrease) in short term borrowings		(350.0)	350.0
Net cash inflow / (outflow) from finnacing activities		**2,267.9**	**335.7**
Net increase in cash and cash equivalents		(518.4)	(61.3)
Add: Cash and cash equivalents at the beginning of the financial year		(2.0)	59.4
Cash and cash equivalents at the end of the year		(520.4)	(2.0)
Reconciliation of Cash Flow statements as per the cash flow statement		**Year ended**	**Year ended**
Cash Flow statement as per above comprises of the following		**March 31, 2022**	**March 31, 2021**
Cash and cash equivalents		49.1	878.7
Bank Overdrafts		(569.5)	(880.7)
Balances as per statement of cash flows		(520.4)	(2.0)

Notes :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS-7) on Statement of Cash Flow as notified under Companies (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. 039569

16-May-22
Place: Mumbai

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

For and on behalf of the Board of Directors

Debasis Nandy
Director
DIN: 06368365

16-May-22
Place: Mumbai

Rambhau Kenkare
Director
DIN No. 01272743

16-May-22
Place: Mumbai

TC TOURS LIMITED

Notes to financial statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

Equity share capital

Particulars	Amount
Balance as at March 31, 2020	300.0
changes in equity share capital during the year	-
Balance as at March 31, 2021	300.0
changes in equity share capital during the year	-
Balance as at March 31, 2022	300.0

Other Equity

	Reserves and Surplus		
Particulars	ESOP Reserve	Retained Earnings	Total Other Equity
Balance at the March 31, 2020	44.2	2,461.6	2,505.8
Profit for the year	-	(1,461.6)	(1,461.6)
Other Comprehensive Income	-	13.8	13.8
Total Comprehensive Income for the year	-	(1,447.8)	(1,447.8)
Transaction with owners in their capacity as owners			
Employee Stock Option Expense	28.4	-	28.4
Balance at the March 31, 2021	72.6	1,013.8	1,086.3
Profit for the year	-	74.4	74.4
Other Comprehensive Income	-	53.3	53.3
Total Comprehensive Income for the year	-	127.6	127.6
Transaction with owners in their capacity as owners			
Employee Stock Option Expense	4.4	-	4.4
Balance as at March 31, 2022	77.0	1,141.4	1,218.4

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

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569

16-May-22
Place: Mumbai

For and on behalf of the Board of Directors

Debasis Nandy
Director
DIN: 06368365

16-May-22
Place: Mumbai

Rambhau Kenkare
Director
DIN No. 01272743

16-May-22
Place: Mumbai

TC TOURS LIMITED
Notes to financial statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

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, 2021. 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.

(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

(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.

TC Tours Limited

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

Company has adopted Ind AS 116 "Leases" (which replaces Ind AS 17 "Leases") effective April 1, 2019 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

Determining whether an arrangement contains a lease:

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

The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Right-of-use asset are subsequently measured at cost less accumulated depreciation and impairment losses if any and adjusted for any remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rates in the country of domicile of the leases.

Lease payments included in the measurement of the lease liability comprise the following:
i) Fixed payments;
ii) Variable lease payments;
iii) Amounts expected to be payable under a residual value guarantee; and
iv) The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in terms of the contract, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

TC Tours Limited

Short-term leases and leases of low-value assets

Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months. Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Till March 31, 2019, all lease arrangements were classified as operating or finance leases. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments under leases are charged or credited to the Statement of Profit and Loss on a straight-line basis over the term of the lease. Lease arrangements where Company has substantially all the risks and rewards of ownership were 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. 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.

As a lessee:

A lease for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term.

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).

(b) Short-term Employee Benefit

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

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

TC Tours Limited

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.

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(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.

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Notes to financial statements for the year ended March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

Note 3(a) - Right of Use Assets

Particulars	Building	Total
Gross Carrying Amount		
Opening Balance as at 1 April 2021	147.2	147.2
Transition Adjustment (as at 1 April 2019)	-	-
Additions	2.2	2.2
Disposals/Transfer		-
Closing Balance as at 31st March 2022	**149.4**	**149.4**
Accumulated Depreciation		
Opening Balance as at 1 April 2021	52.1	52.1
Transition Adjustment (as at 1 April 2019)	-	-
Depreciation	**40.3**	40.3
Disposals/Transfer		-
Closing Balance as at 31st March 2022	**92.3**	92.3
Net carrying amount as at 31st March 2022	**57.0**	**57.0**

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Notes to financial statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Note 3(b): Deferred Tax Assets (Net)

The balance comprises of temporary differences attributable to:

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets		
Carry forward of losses	226.2	266.4
On provisions allowable for tax purpose when paid	53.0	33.3
On Provision for Doubtful Advances	97.0	90.7
Other items (ROU)	2.5	2.6
Net Deferred Tax Assets	**378.7**	**393.0**

Movement in Deferred Tax Assets

Particulars	On provisions allowable for tax purpose when paid	On Provision for Doubtful Advances	Other items (ROU)	Carry Forward of Losses	Total
As at March 31, 2021	33.3	90.7	2.6	266.4	393.0
charged/(credited)					
-to profit or loss	9.0	6.4	(0.1)	(40.2)	(25.0)
-to other comprehensive income	10.7	-	-	-	10.7
As at March 31, 2022	53.0	97.0	2.5	226.2	378.7

Note 4: Current Tax Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	128.8	950.8
Less: Current Tax payable for the year	-	-
Add: Taxes Paid	159.5	(822.0)
Closing Balances - Current Tax Asset/(Liabilities)	**288.3**	**128.8**

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Notes to financial statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Note 5: Financial Assets

5(a)Investments

Particulars	Non-current	Current	Non-current	Current
	Mar 31, 2022	Mar 31, 2022	March 31, 2021	March 31, 2021
Unquoted - In associates at cost				
5020 (Previous year: 5020) fully paid up 0.0001%Convertible Cummulative Preference Shares of INR 100/- each of Traveljunkie Solutions Private Limited *[Refer Note 28]*	400.0	-	400.0	-
Less: Provision for Investment Impairment	(400.0)	-	(400.0)	-
Sub total	-	-	-	-
Quoted - Investment in mutual funds fair valued through Profit and Loss account				
Nil	-	-	-	-
Total	-	-	-	-
Aggregate amount of quoted investments	-	-	-	-
Aggregate amount of unquoted investments	400.0	-	400.0	-
Aggregate market value of quoted investments	-	-	-	-
Aggregate amount of impairment in the value of investments	(400.0)	-	(400.0)	-

5(b)Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	5,157.0	6,088.2
Less: Allowance for doubtful debts	(232.6)	(207.4)
Total recievables	**4,924.4**	**5,880.8**
Break up of Security Details		
Unsecured, considered good	4,924.4	5,880.8
Unsecured, considered Doubtful	232.6	207.4
Total	**5,157.0**	**6,088.2**
Less: Allowance for doubtful debts	(232.6)	(207.4)
Total Trade Recievables	**4,924.4**	**5,880.8**

Ageing for trade receivables outstanding as at March 31, 2022 is as follows:

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	Total
(i) Undisputed Trade receivables considered good	-	1,162.6	1,388.2	2,083.0	100.8	189.7	4,924.4
(ii) Undisputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired			1.9	27.3	42.7	160.8	232.6
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vii) Unbilled revenue	-	-	-	-	-	-	-
Total	-	**1,162.6**	**1,390.1**	**2,110.2**	**143.5**	**350.5**	**5,157.0**
Less: Allowances for Expected Credit Loss			1.9	27.3	42.7	160.8	232.6
Net Trade Receivables	-	**1,162.6**	**1,388.2**	**2,083.0**	**100.8**	**189.7**	**4,924.4**
Trade receivables - Unbilled							-
							4,924.4

Ageing for trade receivables outstanding as at March 31, 2021 is as follows:

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	Total
(i) Undisputed Trade receivables considered good	-	5,050.5	59.4	370.6	380.6	19.7	5,880.8
(ii) Undisputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired		1.9	27.3	42.7	135.6	-	207.4
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vii) Unbilled revenue	-	-	-	-	-	-	-
Total	-	**5,052.4**	**86.7**	**413.3**	**516.2**	**19.7**	**6,088.2**
Less: Allowances for Expected Credit Loss		1.9	27.3	42.7	135.6	-	207.4
Net Trade Receivables		**5,050.5**	**59.4**	**370.6**	**380.6**	**19.7**	**5,880.8**
Trade receivables - Unbilled							-
							5,880.8

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Notes to financial statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

5(c) Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
In current accounts	-	830.8
Fixed Deposits with original maturity of less than three months	-	-
Cash in hand	49.1	47.9
Total Cash and cash equivalents	**49.1**	**878.7**

5(d) Loans

Particulars	As at March 31, 2022	As at March 31, 2021
Loans to Related Parties	150.0	150.0
Less: Provision for Doubtful Loans and Advances	(150.0)	(150.0)
Total Loans	-	-

5(e) Other financial Assets

Particulars	Non-current	Current	Non-current	Current
	Mar 31, 2022	Mar 31, 2022	March 31, 2021	March 31, 2021
Accrued Revenue	-	429.6	-	63.5
Interest Receivables from Related Parties	-	22.1	-	22.1
Less: Provision for Doubtful Loans & Advances (Interest)	-	(22.1)	-	(22.1)
Sub total	-	-	-	-
Other Receivables from Related Parties	-	-	-	303.3
Total Other Financial Assets	-	**429.6**	-	**366.8**

Note 6: Other Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to Suppliers		
Considered good	5,642.3	4,159.4
Considered Doubtful	104.3	105.1
Less: Allowance for doubtful advances	(104.3)	(105.1)
Sub total	**5,642.3**	**4,159.4**
Advance to Employees		
Considered good	20.6	11.1
Considered Doubtful	0.3	0.3
Less: Allowance for doubtful debts	(0.3)	(0.3)
Sub total	**20.6**	**11.1**
Prepaid expenses	35.8	21.6
Balances with Government authorities	906.6	621.9
Total	**6,605.2**	**4,814.1**

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Notes to financial statements for the year ended March 31, 2022
(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, 2021	30.0	300.0
Increase during the year	-	-
As at March 31, 2021	30.0	300.0
Increase during the year	-	-
As at March 31, 2022	30.0	300.0

(i) Movement in Equity Share Capital during the Year

Particulars	No of Shares (In lakhs)	Amount
As at April 1, 2021	30.0	300.0
Add: No of Shares issued during the year	-	-
As at March 31, 2021	30.0	300.0
Add: No of Shares issued during the year	-	-
As at March 31, 2022	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, 2022		As at March 31, 2021	
	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, 2022		As at March 31, 2021	
	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%

(v) Shares held by promoters at the end of the year

Name of Promoter	As at March 31, 2022		% Change during the year
	No of shares (In lakhs)	% of Holding	
Equity Shares			
Thomas cook (India) Limted and its Nominees	30.0	100.0%	-

Name of Promoter	As at March 31,2021		% Change during the year
	No of shares (In lakhs)	% of Holding	
Equity Shares			
Thomas cook (India) Limted and its Nominees	30.0	100.0%	-

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Note 8: Reserves and surplus

Particulars	As at March 31, 2022	As at March 31, 2021
Retained Earnings	1141.4	1013.8
ESOP Reserve	77.0	72.6
Total reserves and surplus	**1218.4**	**1086.4**

Retained Earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	1013.8	2461.6
Net Profit for the year	74.4	(1,461.6)
Items of other Comprehensive income recognised directly in retained earnings	-	-
Remeasurements of post-employement benefit obligtion, net of tax	53.3	13.8
Closing Balance	**1141.4**	**1013.8**

ESOP Reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	72.6	44.2
Capital Contribution towards ESOP Expenses	4.4	28.4
Closing Balance	**77.0**	**72.6**

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: Non Current Borrowings

Particulars	Maturity Date / Terms	Coupon/ Interest Rate	As at March 31, 2022	As at March 31, 2021
ECLGS Loan	Refer Note below	7.50%	2664.3	0.0
Total Borrowing (Non-Current)			**2664.3**	**0.0**

Loan amounting to Rs. 2664.3 lakhs (net of processing fees/stamp duty) from HDFC Bank Limited is secured by way of second ranking charge over existing primary and collateral secutities including mortgages created in the favour of bank and security created over the assets of the borrower purchased out of this facility. The applicable rate of interest as on balance sheet date is 7.5% p.a. However, the applicable interest rate shall change in accordance with every reset/change of the reference rate / change of reference rate or change of spread by the bank. Duration of the loan is 72 month. There will be moratorium period of 24 month and 48 monthly instalment after moratorium period. Interest to be serviced on monthly basis.

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Notes to financial statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

Note 10: Employee Benefit Obligations

Particulars	March 31, 2022			March 31, 2021		
	Non Current	Current	Total	Non Current	Current	Total
Leave Entitlement	-	12.3	12.3	-	12.5	12.5
Gratuity	71.1	-	71.1	94.9	-	94.9
Employee Benefit Payables	-	63.7	63.7	-	51.2	51.2
Total	71.1	76.0	147.1	94.9	63.7	158.6

(i)Leave Obligations - Leave Entitlement

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

The amount of the provision of INR 30.5 (31 March 2021 - INR 12.5) 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, 2022	As at March 31, 2021
Current leave obligations expected to be settled within next 12 months	12.3	12.5

(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 46.2 Lakhs (31 March 2021 - INR 54.1 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, 2020	182.3	99.8	82.5
Current service cost	23.1	-	23.1
Interest expense/(income)	9.2	5.9	3.3
Total amount recognised in profit and loss	32.3	5.9	26.4
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(1.0)	1.0
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	(14.1)	-	(14.1)
Total amount recognised in other comprehensive income	(14.1)	(1.0)	(13.1)
Employer contributions	-	1.0	(1.0)
Benefit payments	(68.8)	(68.8)	-
March 31, 2021	131.7	36.9	94.8

Particulars	Present value of obligation	Fair value of plan assets	Net amount
March 31, 2021	131.7	36.9	94.8
Current service cost	15.9	-	15.9
Interest expense/(income)	6.8	2.8	4.0
Total amount recognised in profit and loss	22.6	2.8	19.9
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	21.3	(21.3)
(Gain)/loss from change in demographic assumptions	2.5		2.5
(Gain)/loss from change in financial assumptions	(13.8)		(13.8)
Experience (gains)/losses	(9.9)	-	(9.9)
Total amount recognised in other comprehensive income	(21.3)	21.3	(42.6)
Employer contributions	-	1.1	(1.1)
Benefit payments	(7.6)	(7.6)	-
March 31, 2022	125.4	54.4	71.0

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

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded obligations	125.4	131.7
Fair value of plan assets	54.4	36.9
Deficit of funded plan	71.0	94.8
Unfunded plans	-	-
Deficit of gratuity plan	71.0	94.8

TC Tours Limited

(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, 2022	As at March 31, 2021
Discount rate	6.85%	5.70%
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 31,2022	March 31,2021	March 31,2022	March 31,2021	March 31,2022	March 31,2021
Discount rate	50 basis point	50 basis point	-4.23%	-2.53%	4.56%	2.66%
Salary growth rate	50 basis point	50 basis point	4.57%	2.64%	-4.28%	-2.53%

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 8.78 years (2021 - 5.19 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, 2022	12.8	19.3	28.7	203.0	263.7
Post Employment Obligations as at March 31, 2021	25.9	21.6	51.5	87.7	186.7

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Notes to financial statements for the year ended March 31, 2022
(All amounts in INR Lakhs, unless otherwise stated)

11(a) Current Borrowings

Particulars	Maturity Date	Terms of Payment	Coupon/ Interest Rate	As at Mar 31, 2022	As at March 31, 2021
Unsecured					
Bank Overdrafts	Payable on Demand		9.1%	569.5	880.7
Loans and advances from related parties	Payable on Demand		8.6%	-	350.0
				569.5	1,230.7

Note 11(b): Trade Payables

Particulars	As at Mar 31, 2022	As at March 31, 2021
Trade Payables		
-Dues of micro enterprises and small enterprises	-	-
-Dues of creditors other than micro enterprises and small enterprises	7,453.2	9,544.2
Total Trade Payables	7,453.2	9,544.2

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

Particulars	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs	Unbilled dues	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	5,382.4	1,684.2	-	2.0	384.6	7,453.2
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	-
Total	5,382.4	1,684.2	-	2.0	384.6	7,453.2

Ageing for trade payables outstanding as at March 31, 2021 is as follows:

Particulars	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs	Unbilled dues	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	7,774.0	-	1,503.0	7.4	259.8	9,544.2
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	-
Total	7,774.0	-	1,503.0	7.4	259.8	9,544.2

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 Mar 31, 2022		As at March 31, 2021	
	Non-Current	Current	Non-Current	Current
Other Payables to Related Parties	-	-	-	-
Total Other Financial Liablities	-	-	-	-

Note 12: Other Current Liabilities

Particulars	As at Mar 31, 2022	As at March 31, 2021
Statutory Dues	313.1	132.1
Total	313.1	132.1

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Note 13: Revenue from Operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of Services		
- Travel and Related Services	10,769.9	3,365.7
Total	10,769.9	3,365.7

Also refer note 27 for IND AS 115 disclosure

Note 14: Other Income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income on Bank Deposits	2.2	0.2
Interest Income on Loan Given	11.5	18.7
Interest on Income tax refund	-	69.1
Profit on disposal of asset	-	0.6
Claims Written back	45.4	65.5
PGSI Cashback Income	73.9	10.8
Miscellaneous Income	66.3	37.5
Total	199.3	202.4

Note 15: Employee Benefit Expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries Wages and Bonus	1,030.4	922.3
Contribution to Provident and Other Funds	46.2	54.1
Gratuity (Refer note 10)	19.9	26.4
ESOP Expense	2.5	15.9
ESOP stock option Expense	2.0	12.5
Staff Welfare Expenses	-0.2	0.2
Total	1,100.6	1,031.4

Note 16: Finance Costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Bank Overdraft	176.1	68.4
Other Finance Charges	187.1	95.4
Interest on loan	12.1	4.3
Interest on Lease liabilty	7.9	9.1
Total	383.23	177.2

Note 17: Other Expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent (Refer note 26)	95.0	166.6
Electricity	(0.9)	0.8
Repairs and Maintenance	113.5	69.3
Rates and Taxes	4.0	2.9
Security Services	58.6	69.2
Travelling Expenses	2.2	2.4
Legal and Professional Charges #(Refer note below "a")	476.5	597.2
Printing, Stationery and Communication Cost	22.7	23.1
Bad Debt / Advances written off	0.0	282.0
Provisions for doubtful debts and Advances (net)	25.2	40.7
Advertisment Expenses	3.3	0.8
CSR Expenses (Refer note below "b")	-	40.9
Provision for other than temporary diminution in long-term investments and loans (including interest)	-	572.1
Miscellaneous Expenses	85.4	155.8
Total	885.5	2,023.8

Legal and Professional charges include auditors remuneration

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(a): Details of payments to auditors

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Payment to auditors		
As auditor:		
-Statutory Audit	5.9	5.9
-Tax Audit	1.5	1.5
In other capacities		
-Re-imbursement of expenses	-	-
Total payments to auditors	7.4	7.4

(b): Corporate social responsibility expenditure

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Gross amount required to be spent by the Company during the year	-	-
(b) Amount spent and paid during the year on		
(1) Eradicating Hunger, Poverty & Malnutrition, Promoting Health-Care Including Preventive Health-Care And Sanitation	-	40.9

Note 18: Income Tax Expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
increase in deferred tax assets	25.0	(292.0)
Total deferred tax credit	**25.0**	**(292.0)**
Income tax expense	**25.0**	**(292.0)**

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit from continuing operations before income tax expense	99.4	(1,753.7)
Tax at the Indian tax rate of 25.168% (PY - 25.168%%)	**25.0**	**(441.4)**
Tax effect of amounts which are not deductible(taxable) in calculating taxable income:		
Interest on shortfall of advance tax	-	-
CSR Expenditure	-	10.3
Buffer tax created	-	-
Dividend income	-	-
Sec 14A Disallowance	-	-
On account of rate difference as compared to previous year	-	-
Other items	-	139.0
Income tax expense	**25.0**	**(292.0)**

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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, 2022	As at March 31, 2021
Past due 1–90 days		-146.0	6,544.5
Past due 91–180 days		1,308.6	(302.0)
Past due 180–365 days		1,390.1	195.5
Past due > 365 days		2,604.2	(349.8)
		5,157.0	6,088.2

Reconciliation of loss allowance provision – Trade receivables

Reconciliation of loss allowance	Amount
Loss allowance on March 31, 2020	**(15.8)**
Changes in loss allowance	(191.6)
Loss allowance on March 31, 2021	**(207.4)**
Changes in loss allowance	(25.2)
Loss allowance on March 31, 2022	**(232.6)**

Expected credit loss assessment for customers as at March 31, 2022 and March 31, 2021

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 49.1 Lacs and INR 878.7 Lacs as at March 31, 2022 and March 31, 2021 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 3875.7 as at March 31, 2022 and 1059.0 as at March 31, 2021.

TC Tours Limited

(All amounts in INR Lakhs, unless otherwise stated)

Exposure to liquidity risk

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

		Contractual cash flows				
March 31, 2022	Carrying amount	Total	1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	7,453.2	7,453.2	7,453.2	-	-	-
Other financial liabilities	-	-	-	-	-	-
Total	**7,453.2**	**7,453.2**	**7,453.2**	-	-	-

		Contractual cash flows				
March 31, 2021	Carrying amount	Total	1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	9,544.2	9,544.2	9,544.2	-	-	-
Other financial liabilities	-	-	-	-	-	-
Total	**9,544.2**	**9,544.2**	**9,544.2**	-	-	-

(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.

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(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, 2022	As at March 31, 2021
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
Sterling Group	Fellow Subsidiary	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, 2022	March 31, 2021
(i) Holding Company		
Sale of Services		
Thomas Cook (India) Limited	53,372.7	13,102.4
Facilities and Support Services Availed		
Thomas Cook (India) Limited	346.4	461.7
ESOP Share Issue Push Down Cost/(Benefit)		
Thomas Cook (India) Limited	2.5	15.9
ESOP stock option Expense		
Thomas Cook (India) Limited	2.0	12.5
Corporate Gurantee fees		
Thomas Cook (India) Limited	1.7	3.7
Commission expense		
Thomas Cook (India) Limited	245.6	66.1
Loan given		
Thomas Cook (India) Limited	-	350.0
Loan Repayment by related party		
Thomas Cook (India) Limited	350.0	-
Interest received on loan given		
Thomas Cook (India) Limited	11.5	3.7
(ii) Fellow subsidiaries		
Sale of Services		
SOTC Travel Limited	3,230.2	731.4
PLB and GDS Incentive		
SOTC Travel Limited	-	-
Facilities and Services Availed		
SOTC Travel Limited	7.1	59.2
Sterling Holidays Resort Group	27.0	15.0
Loan taken from related party		
TC Visa Services (India) Limited	-	350.0
Loan repaid to related party		
TC Visa Services (India) Limited	350.0	-
Interest on loan taken		
TC Visa Services (India) Limited	11.5	3.7
(ii) Fellow Associates		
Interest received on loan given		
TravelJunkie Solutions Pvt .Ltd.	-	15.0

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(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, 2022	March 31, 2021
Trade Payables		
Thomas Cook (India) Limited	0.0	1072.4
SOTC Travel Limited	44.1	178.7
Sterling Holidays Resort Group	31.2	16.8
Travel Corporation (India) Limited	0.5	-
Other Payables		
Thomas Cook (India) Limited	133.1	33.4
Advances from Related Parties		
Thomas Cook (India) Limited	-	926.0
SOTC Travel Limited	-	5.1
Loan from Related Parties		
TC Visa Services (India) Limited	-	350.0
Interest payable on Loan from Related Parties		
TC Visa Services (India) Limited	-2.3	3.7
Total payables to related parties	**206.5**	**2,586.0**

Particulars	March 31, 2021	March 31, 2020
Advances to Related Parties		
SOTC Travel Limited	-	19.4
Trade Receivables		
Thomas Cook (India) Limited	4916.4	4532.2
SOTC Travel Limited	179.6	1547.2
Loan Given to Related parties		
Thomas Cook (India) Limited	-	350.0
TravelJunkie Solutions Pvt .Ltd.	-	-
Investment in Related Parties		
TravelJunkie Solutions Pvt .Ltd.	-	-
Interest Receivable		
Thomas Cook (India) Limited	-	3.7
Total receivables from related parties	**5,096.0**	**6,452.5**

Note 23: Earnings Per Share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit attributable to equity shareholders	74.4	(1,461.7)
Weighted average number of outstanding shares	30.0	30.0
(a) Basic earnings per share		
Attributable to the equity holder of the company	2.5	(48.7)
(b) Diluted earnings per share		
Attributable to the equity holder of the company	2.5	(48.7)

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

Particulars	March 31, 2022	March 31, 2021
Basic earnings per share		
Profits attributable to the equity holders of the company used in calculating basic earnings per share	74.4	(1,461.7)
Profits attributable to the equity holders of the company used in calculating diluted earnings per share	74.4	(1,461.7)

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

Particulars	March 31, 2022	March 31, 2021
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

TC Tours Limited

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Notes to financial statements for the year ended March 31, 2022
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Note 24: Leases

The Group has adopted Ind AS 116 "Leases" effective April 1, 2019 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

Consequently, the group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and the right of use asset as an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of INR 139.6 lacs and a lease liability of INR 139.6 lacs.
Impact of first time adoption of INd AS 116 in profit and loss during the year is INR 6.78 lacs.

The following is the movement in lease liabilities during the year ended March 31, 2022;

Particulars	Amount
Balance as at March 31, 2021	105.3
On account of Transition to Ind AS 116	-
Interest on lease liabilities	7.9
Addition during the year	2.2
Disposal during the year	-
Payment of lease liabilities	(48.5)
Balance at the end of the year	**66.8**
Classification as	
Non current	25.3
Current	41.5

Below are the contractual maturities of lease liabilities as of March 31, 2022 on an undiscounted basis:

Particulars	Amount
Less than one year	45.58
One to Five years	26.32
More than Five year	-

Rental expense recognised for short-term leases and low value leases for the year ended March 31,2021	94.97
Interest on Lease Liability	7.86
Depreciation on ROU Assets	40.27

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, 2022. 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.

TC Tours Limited

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

As per Ind AS 115 'Revenue from Contracts with Customers' 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.

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, 2022	For the year ended March 31, 2021
Travel and Related Services	10,769.9	3,365.7
	10,769.9	3,365.7

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, 2022	For the year ended March 31, 2021
India	10,566.8	3,366.6
Overseas	203.2	(0.9)
	10,769.9	3,365.7

Revenue based on product and services

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Travel and Related Services	10,769.9	3,365.7
	10,769.9	3,365.7

Note 28: 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.

Further during year eneded March 31, 2020, Group has invested 200 lakhs as agreed Share Subscription and Shareholders' Agreement ("SSSA"). The Company assessed the recoverable amount of Investment and advances provided to its associate Travel Junkie as at 31 March 2021. Due to adverse business conditions, the recovery of invested amount and advances provided to the associate is doubtful and this has resulted in an impairment provision of Rs. 572.1 lakhs recorded in the income statement for the year ended March 31, 2021.

Note 29:

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

TC Tours Limited

Note 30: Key Financial Ratios

	Financial performance ratios	Numerator	Denominator	2021-22	2020-21	% Change
A	**Performance Ratios**					
	Net Profit ratio (in %) (i)	Profit after tax	Revenue from operations	0.7%	-43.4%	102%
	Net Capital Turnover Ratio (in times) (ii)	Revenue from operations	Closing working capital	2.8	3.2	12%
	Return on Capital Employed (in %) (iii)	Profit before interest and tax	Closing capital employed	12.5%	-143.5%	109%
	Return on Equity ratio (in %) (iv)	Profit after tax	Closing shareholder's equity	4.9%	-105.4%	105%
	Return on Investment	Income Generated from invested funds	Average invested funds in market	NA	NA	
	Debt Service Coverage ratio (in times) (v)	Profit before interest, tax and , Depreciation and amortisation	Closing Debt Service	0.2	-1.2	114%
B	**Leverage Ratios**					
	Debt- Equity Ratio (in Times) (vi)	Debt consists of borrowings and lease liabilities	Total Equity	2.2	1.0	-126%
C	**Liquidity Ratios**					
	Current ratio (in times) (vii)	Total Current Assets	Total Current Liabilities	1.5	1.1	-33%
D	**Activity Ratio**					
	Inventory Turnover ratio	Cost of goods sold	Closing inventory	NA	NA	NA
	Trade Receivable Turnover Ratio (viii)	Revenue from operations	Average current trade receivables	2.0	0.4	372%
	Trade Payable Turnover Ratio (ix)	Cost of goods sold	Average trade payable	1.0	0.2	522%

Reason for Variance

i Increased in Revenue by INR 7404.2 lakhs in FY 21-22 and for the year the Company generated net profit of INR 71.3 Lakhs resulted improvement in net proft ratio from -43.4 to 0.7. This increase in revenue is due to relaxation in lockdown restriction at country level and reopening of activities, there is an increase in business activity carried out, which have positive impact on revenue as compared to corresponding period in last year.

ii Net Capital Turnover Ratio decreased from 3.2 to 2.8 is combined effect of increse in revenue from operation by INR 7404 lakhs which is proportionaly more than the increase in working capital i.e. by INR 2775 lakhs compared to FY 20-21. There is an increase in business activity carried out post reopening of activities, which have positive impact on revenue as compared to corresponding period in last year.

iii The company earned EBIT of INR 90.2 Lakhs during the year compared to negative EBIT of INR 1754. This resulted Return on Capital employed 12.3% in current year against -143.5% in previous year.

iv The company earned Net Profit of INR 70.34 Lakhs during the financial year compared to loss of INR 1461.52. This resulted Return on Capital employed 4.7% in current year against -105.4% in previous year.

v Debt Service Coverage ratio has improved to 0.2 from -1.2 due to increase in EBITDA by INR 2053.12 Lakhs in current year. Last year EBITDA is negative INR 1539.

vi Debt Equity Ratio increased from 1.0 to 2.2 as increased in debt in FY 21-22 by INR 1965 lakhs. During the current year, the Company has availed ECLGS loan of INR 2664.3 from HDFC bank.

vii Current Ratio has improved majorly due to reduction in current liabilities by INR 2547.93 Lakhs compared to previous year. Partly it is due to decrease in balance of Bank Overdraft as the Company has taken ECLGS loan which is long term in nature.

viii Increased in Revenue by INR 7404.2 lakhs in FY 21-22 agaisnt which average trade receivable reduced by 2560.89 lakhs which resulted increase in Trade Receivable Turnover Ratio from 0.4 to 2.0.

ix Increase in Trade Payable turnover ratio on account of Increase in business volume (cost) by Rs 6408 Lakhs during the period. Last year was affected due to COVID -19 which is partly recovered during the period, specially in last two quarter of FY 2021-22.

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Note : 31 Contingent liabilities

The Company does not have any Contingent Liabilities to disclose as on the date of 31st March 2022.

Note : 32 Capital Commitments

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

Particulars	March 31, 2022	March 31, 2021
Estimated value of contracts on capital account remaining to be executed	-	-

Note : 33 Impact of COVID-19 (Global pandemic)

After WHO declared Covid 19 as a pandemic on 11 March 2020 various authorities had imposed measures to contain the spread of the pandemic including "lockdowns". These lockdowns had severely impacted the business and operations of the Company while they were in force. Most of these restrictions are now lifted and both the travel industry in general and operations of the Company are resuming back to normal. The Company has undertaken various cost saving initiatives to maximise operating cash flows and conserve cash position in the given situation. Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern. The Company continues to monitor any material changes to its COVID-19 impact assessment, resulting from the future economic conditions and future uncertainty, if any.

Note 34: Additional Regulatory Information detailed in clause 6Y of General Instructions given in Part I of Division I of the Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

Note 35: Previous year's figures has been regrouped/rearranged wherever necessary to confirm with current year's figure.
Signatures to Notes 1 to 35 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

G. M. KAPADIA & CO. MUMBAI ★ Chartered Accountants ★

Atul Shah
Partner
Membership No. 039569

16-May-22
Place: Mumbai

For and on behalf of the Board of Directors

Debasis Nandy
Director
DIN: 06368365

16-May-22
Place: Mumbai

Rambhau Kenkare
Director
DIN No. 01272743

16-May-22
Place: Mumbai

Independent Auditor's Report

To the Members of TC Tours Limited

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **TC Tours Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("the Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("the SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in report of the board of directors but does not include the standalone financial statements and our auditor's report thereon.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial

G. M. KAPADIA & CO. MUMBAI ★ Chartered Accountants ★

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 standalone 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 system 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order.

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

   (i) 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;

   (ii) 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;

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

   (iv) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act;

   (v) On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;

   (vi) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

   (vii) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year. Accordingly, the provisions of section 197 of the Act are not applicable to the Company;

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

      a) The Company does not have any pending litigations, which would impact the financial position of the Company;

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

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

d) (i) The Management has represented that, to the best of its knowledge and belief, as stated in note no.29 no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, as stated in note no.29 no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material mis-statement;

e) The Company has neither declared nor paid any dividend during the year.

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN:22039569AJJMPH8433

Place: Mumbai
Dated: 16 MAY 2022

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022

To the best of our information and according to the explanation provided to us by the Company and the books of account and records examined by us in the normal course of our audit, we state that:

(i) (a)&(b) The Company does not have any property, plant and equipment and hence provision of paragraph 3(i)(a) and (b) of the Order is not applicable;

(c) The Company does not have any immovables properties except where the Company is the lessee and the lease agreements are duly excuted in favour of the lessee. Hence, reporting under paragraph 3(iii)(c) of the Order is not applicable;

(d) The Company does not have any property, plant and equipment or intangible assets. The Company has not revalued its right to use assets during the year and hence, reporting under paragraph 3(iii)(d) of the Order is not applicable; and

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder;

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

(b) During the year, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.;

(iii) (a) to (d) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, reporting under paragraph 3(iii)(a) to (d) and (f) of the Order is not applicable to the Company; and

(e) The Company has not given any term loan. Accordingly, reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

(iv) The Company has not granted any loan, made investment or provided guarantee or security to the parties covered under section 185 and 186 of the Act. Therefore, paragraph 3(iv) of the Order is not applicable to the Company.

(v) The Company has not accepted deposits from the public and therefore, the provisions of section 73 to 76 or any other relevant provisions of th`e Act and rules framed thereunder are not applicable to the Company. We have been informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Hence, reporting under paragraph 3(vi) of the Order is not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues, as applicable, to the appropriate authorities. According to the information and explanations given to us and based on verification carried out by us on test basis, there are no arrears of statutory dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date, they became payable; and

(b) There are no such statutory dues as referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2022, on account of dispute.

(viii) There are no transaction which are not recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) The funds raised on short term basis have not been utilised for long term purposes;

(d) The Company has not raised any funds on short-term basis. Accordingly, the reporting under paragraph 3(ix)(d) of the Order is not applicable to the Company; and

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(e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting under paragraph 3(ix)(e) and (f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company;

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the current financial year. Accordingly, the reporting under paragraph 3(x)(b) of the Order is not applicable to the Company;

(xi) (a) We have neither come across any instance of fraud by the Company or any material instance of fraud on the Company by its officers or employees, noticed or reported during the year;

(b) No report under section 143(12) of the Act has been filed during the year by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government; and

(c) There are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) (a)&(b) The Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

(xv) The Company has not entered into any non-cash transaction with directors. We have been informed that no such transactions have been entered into with persons connected with directors.

(xvi) (a) to (c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3(xvi) (a), (b) and (c) of the Order is not applicable;

(d) The Group does not have any CIC as part of the Group as per definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under paragraph 3(xvi)(d) of the Order is not applicable.

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

(xvii) The Company has not incurred cash losses in the financial year. The Company has incurred Rs.1716.7 lakhs cash loss in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3(xviii) of the Order is not applicable;

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The provisions of section 135(5) and 135(6) of the Act are not applicable to the Company. Accordingly, the reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable to the Company.

(xxi) The Company does not have subsidiary, associate or joint venture hence is not required to prepare consolidated financial statements. Accordingly, reporting on paragraph 3(xxi) of the Order is not applicable.

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

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN:22039569AJJMPH8433

Place: Mumbai
Dated: 16 MAY 2022

Annexure B to the Independent Auditor's Report
Referred to in paragraph 2(vi) under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on standalone financial statements for the year ended March 31, 2022

Opinion

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022 based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone 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 G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

G. M. KAPADIA & CO. MUMBAI Chartered Accountants

Atul Shah
Partner
Membership No. 039569
UDIN:22039569AJJMPH8433

Place: Mumbai
Dated: 16 MAY 2022

AlliedTPro Travel Canada Limited
Statement of Profit And Loss for the 12 months ended 31st March, 2022

Period [April 1, 2021 to March 2022] **Currency - CAD**

Particulars	Notes	12 months ended 31st March, 2022
Income		
Revenue from operations	17	73,919.3
Other income	18(a)	-
Other gains (net)	18(b)	-
Total income		**73,919.3**
Expenses		
Cost of services		68,885.4
Employee benefits expense	19	-
Finance Cost	22	4,941.1
Advertisement Expenses		-
Depreciation and amortisation expense	20	495.9
Other expenses	21	13,809.8
Total expenses		**88,132.2**
Profit before exceptional item		**(14,212.9)**
Add Exceptional items:		
Less Exceptional items:		
(Loss)/Profit before tax		**(14,212.9)**
Less : Tax expense		
Current tax	23	-
Deferred tax	23	-
Total tax expenses		**-**
(Loss)/Profit for the year (A)		**(14,212.9)**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Foreign exchange translation on consolidation		-
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)		**(14,212.90)**
Earnings/(Loss) per equity share (Face value of INR 1 each)	34	
- Basic earnings/(loss) per share		-
- Diluted earnings/(loss) per share		-

Summary of Significant Accounting Policies **2**

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

AlliedTPro Travel Canada Limited
Balance Sheet as at 31st March 2022

Currency - CAD

Particulars	**Notes**	**As at 31st March 2022**
ASSETS		
Non-current assets:		
Property, plant and equipment	3	-
Capital work-in-progress	3	-
Goodwill	4	-
Other intangible Assets	4	1,994.5
Right of Use Assets	4(a)	-
Intangible assets under development		
Investment accounted for using equity method	5	-
Investment in subsidiaries	5	-
Financial assets		
- Non current investments	5	-
- Loans		
- Other financial assets	6(e)	-
Other non-current assets	7	-
Non Current Income Tax assets	9	-
Deferred tax assets (net)	16	-
Total non-current assets		**1,994.5**
Current assets:		
Inventories		
Financial assets		
- Investments	6(a)	-
- Trade receivables	6(b)	59,994.8
- Cash and cash equivalents	6(c)	80,743.6
- Bank balances other than cash and cash equivalents	6(d)	-
- Other financial assets	6(e)	-
Other current assets	8	-
Total current assets		**140,738.5**
TOTAL ASSETS		**142,732.9**
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	10(a)	25,000.0
Preference share capital	10(a)	-
Other equity		
Share application money pending allotment		-
Reserve and surplus	10(b)	(14,212.9)
Total Equity		**10,787.1**
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
- Borrowings	11(a)	-
- Other financial liabilities	11(c)	-
Provisions	14	-
Employee Benefit Obligations	15	-
Deferred tax liabilities (net)	16	-
Other non-current liabilities	12	-
Total non-current liabilities		**-**
Current liabilities		
Financial liabilities		
- Borrowings	11(b)	-
- Trade payables	11(d)	62,564.1
- Other financial liabilities	11(c)	-
Provisions	14	-
Employee Benefit Payable	15	-
Current Income Tax Liabilities	9	-
Other current liabilities	13	69,381.7
Total current liabilities		**131,945.8**
TOTAL LIABILITIES		**131,945.8**
TOTAL EQUITY AND LIABILITIES		**142,732.9**
	Check --->	**-**

Summary of Significant Accounting Policies
The above balance sheet should be read in conjunction with the accompanying notes.

Australian Tours Management Pty Ltd

ABN 33 133 085 775

Annual Report - 31 December 2021

Australian Tours Management Pty Ltd
Directors' report
31 December 2021

The directors present their report, together with the financial statements, on the company for the year ended 31 December 2021.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Eng Waa Teh
Laurent Kuenzle
Madhavan Karunakaran Menon
Marcel Grifoll

Principal activities

Established in Melbourne in 1983, Australian Tours Management (ATM) has built a reputation as one of Australia's leading inbound and destination management service providers. Its acquisition in 2008 by Kuoni Travel Holding Ltd and subsequently by Travel Circle International (Mauritius) Limited in 2017 has provided ATM access to a broad worldwide network in the travel industry.

There has been no significant change in the nature of the entity's principal activity during the year.

Review of operations

The loss for the company after providing for income tax amounted to $512,328 (31 December 2020: $353,832).

Significant changes in the state of affairs

Since March last financial year, operations of the business have been significantly affected by the COVID-19 virus resulting in travel to Australia and around Australia becoming restricted by the Australian and State Governments adversely affecting the operations of the company, the results of those operations and the state of affairs of the company. Uncertainty from these events and the impact on the financial performance and financial position of the company is uncertain.

There were no other significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year

Since March last financial year, operations of the business have been significantly affected by the COVID-19 virus resulting in travel to Australia and around Australia becoming restricted by the Australian and State Governments adversely affecting the operations of the company, the results of those operations and the state of affairs of the company. While Australia re-opened its borders to international travel from 21 February 2022, uncertainty from these events and the impact on the financial performance and financial position of the company is uncertain.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

The impact of the COVID-19 virus on the status and level of operations in the volume of inbound tourists travelling to Australia is uncertain and accordingly the likely developments on the business are difficult to determine.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Shares under option

There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Eng Waa Teh	**Laurent Kuenzle**
Director	Director

24 May 2022
Melbourne

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF AUSTRALIAN TOURS MANAGEMENT PTY LTD

I declare that, to the best of my knowledge and belief during the year ended 31 December 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director

Dated this 24th day of May, 2022

ACCOUNTANTS & ADVISORS
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Telephone: +61 3 9824 8555
williambuck.com

Australian Tours Management Pty Ltd
Contents
31 December 2021

General information

The financial statements cover Australian Tours Management Pty Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Australian Tours Management Pty Ltd's functional and presentation currency.

Australian Tours Management Pty Ltd is an unlisted public company limited by shares.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 May 2022. The directors have the power to amend and reissue the financial statements.

Australian Tours Management Pty Ltd
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2021

	Note	2021 $	2020 $
Revenue			
Sales Revenue	3	22,274	2,645,244
Cost of Sales		115,713	(1,848,301)
Gross profit		137,987	796,943
Other Income	3	376,800	804,960
Interest Income		55	1,445
Expenses			
Employee benefits expense		(704,495)	(1,516,486)
Depreciation		(22,420)	(29,387)
Other expenses		(4,233)	(11,776)
Administration		(296,022)	(399,531)
Loss before income tax expense		(512,328)	(353,832)
Income tax expense	4	-	-
Loss after income tax expense for the year attributable to the owners of Australian Tours Management Pty Ltd	15	(512,328)	(353,832)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Australian Tours Management Pty Ltd		(512,328)	(353,832)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Australian Tours Management Pty Ltd
Statement of financial position
As at 31 December 2021

	Note	2021 $	2020 $
Assets			
Current assets			
Cash and cash equivalents	5	89,880	416,213
Trade and other receivables	6	-	120,844
Advances to related entities	19	2,609,581	2,838,249
Prepaid expense		24,382	52,023
Total current assets		2,723,843	3,427,329
Non-current assets			
Property, plant and equipment	7	7,072	11,022
Intangible software	8	7,472	23,669
Deferred tax assets	9	144,301	144,301
Total non-current assets		158,845	178,992
Total assets		2,882,688	3,606,321
Liabilities			
Current liabilities			
Trade and other payables	10	336,841	445,288
Employee benefits provisions	11	120,775	120,063
Deferred revenue	12	-	31,595
Total current liabilities		457,616	596,946
Non-current liabilities			
Employee benefits provisions	13	2,931	74,906
Total non-current liabilities		2,931	74,906
Total liabilities		460,547	671,852
Net assets		2,422,141	2,934,469
Equity			
Issued capital	14	500,000	500,000
Retained earnings	15	1,922,141	2,434,469
Total equity		2,422,141	2,934,469

The above statement of financial position should be read in conjunction with the accompanying notes

Australian Tours Management Pty Ltd
Statement of changes in equity
For the year ended 31 December 2021

	Issued capital $	Reserves $	Retained profits $	Total equity $
Balance at 1 January 2020	500,000	-	2,788,301	3,288,301
Loss after income tax expense for the year	-	-	(353,832)	(353,832)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(353,832)	(353,832)
Balance at 31 December 2020	500,000	-	2,434,469	2,934,469

	Issued capital $	Reserves $	Retained profits $	Total equity $
Balance at 1 January 2021	500,000	-	2,434,469	2,934,469
Loss after income tax expense for the year	-	-	(512,328)	(512,328)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(512,328)	(512,328)
Balance at 31 December 2021	500,000	-	1,922,141	2,422,141

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

Australian Tours Management Pty Ltd
Statement of cash flows
For the year ended 31 December 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Receipts from customers		58,628	2,549,329
Receipts from related parties		-	3,026,322
Government support		473,260	707,700
Payments to suppliers and employees		(1,084,671)	(7,401,469)
		(552,783)	(1,118,118)
Interest received		55	1,445
Net cash from/(used in) operating activities		(552,728)	(1,116,673)
Cash flows from investing activities			
Payments for property, plant and equipment	7	(2,273)	(1,132)
Net cash used in investing activities		(2,273)	(1,132)
Cash flows from financing activities			
Advances made (to)/ repaid by related parties	19	228,668	(30,442)
Net cash used in financing activities		228,668	(30,442)
Net decrease in cash and cash equivalents		(326,333)	(1,148,247)
Cash and cash equivalents at the beginning of the financial year		416,213	1,564,460
Cash and cash equivalents at the end of the financial year	5	89,880	416,213

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

The company recognises revenue as follows:

Sales revenue

The company renders a wide range of travel services. The revenue from rendering these services is recognised in the statement of comprehensive income at the time when the significant risks and rewards are transferred to the customers. In the case of destination management activities, this is generally on the date of arrival.

Revenue comprises net sales revenues from the tour operating business (after deduction of sales taxes, goods and services tax, discounts and commissions).

Unconditional payments due from customers for satisfied performance obligations are recorded as sales receivables within other assets on the Statement of Financial Position. Customer prepayments are recorded as deferred revenue within accounts payable and accrued liabilities on Statement of Financial Position and are not recognised as revenue until the provision of services occurs. Certain contracts include multiple deliverables which are accounted for as separate performance obligations, with the transaction price allocated among the performance obligations based on their individual selling prices.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Note 1. Significant accounting policies (continued)

Income tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the parent entity.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognized from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences are recognized only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entity where it is intended that net settlement or simultaneous realization and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax Consolidation

The company does not pay tax on an individual basis. All the profits are transferred to Kuoni Australia Holding Pty Ltd, the parent entity for the company. The parent entity is responsible for recognising the current tax liabilities and deferred tax assets arising in respect of tax losses, for the consolidated group. The tax consolidated group has also entered a tax funding agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group. On this basis the company recognises its own individual income tax liabilities.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Note 1. Significant accounting policies (continued)

Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts and unpresented cheques are shown in current liabilities on the statement of financial position.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Intangible assets
Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Right-of-use assets that meet the definition of investment property are measured at fair value where the company has adopted a fair value measurement basis for investment property assets.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 1. Significant accounting policies (continued)

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Deferred Revenue
Deferred revenue represent the company's obligation to provide services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has provided or services to the customer.

Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary 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.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets
The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax
The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The unutilised tax losses available to the Company amounts to $1,856,387.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Sales Revenue

	2021 $	2020 $
Revenue		
Sales - external parties	22,274	1,355,354
Sales - related parties	-	1,289,890
	22,274	2,645,244

The Company operates in only one geographical region being Australia.

Other income of $376,800 during the period is attributable to Job-Keeper payments received from the government as part of support provided as a result of the COVID-19 pandemic

Note 4. Income tax expense

	2021 $	2020 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(512,328)	(353,832)
Tax at the statutory tax rate of 26%	(133,205)	(91,996)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Deferred tax asset not recognised	133,205	91,996
Income tax expense	-	-

Note 5. Current assets - cash and cash equivalents

	2021 $	2020 $
Cash and cash equivalents	89,880	416,213

Note 6. Current assets - trade and other receivables

	2021 $	2020 $
Trade receivables - external parties	9,704	33,288
Less: provision for doubtful debts	(9,704)	(9,704)
	-	23,584
Trade receivables - related entities	-	-
Other receivables	-	97,260
	-	120,844

Note 7. Non-current assets - property, plant and equipment

	2021 $	2020 $
Property, plant and equipment	190,828	188,555
Less: Accumulated depreciation	(183,756)	(177,533)
	7,072	11,022

Note 7. Non-current assets - property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Office Equipment $	Furniture & Fittings $	Computers $	Total $
Balance at 1 January 2021	8,517	104	2,401	11,022
Additions	-	-	2,273	2,273
Depreciation expense	(3,494)	(104)	(2,625)	(6,223)
Balance at 31 December 2021	5,023	-	2,049	7,072

Note 8. Non-current assets - Intangible software

	2021 $	**2020 $**
Intangible software	143,207	143,207
Less: Accumulated amortisation	(135,735)	(119,538)
	7,472	23,669

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Software $	Total $
Balance at 1 January 2021	23,669	39,866
Amortisation expense	(16,197)	(16,197)
Balance at 31 December 2021	7,472	23,669

Note 9. Non-current assets - Deferred tax assets

	2021 $	**2020 $**
Deferred tax asset	144,301	144,301

Note 10. Current liabilities - trade and other payables

	2021 $	**2020 $**
Trade and other payables	187,819	346,925
Customer deposits	149,022	98,363
	336,841	445,288

Note 11. Current liabilities - Employee benefits provisions

	2021 $	2020 $
Employee benefits provisions	120,775	120,068

Note 12. Current liabilities - Deferred revenue

	2021 $	2020 $
Deferred revenue	-	31,595

Deferred revenue

Note 13. Non-current liabilities - Employee benefits provisions

	2021 $	2020 $
Employee benefits provisions	2,931	74,906

Note 14. Equity - issued capital

	2021 Shares	2020 Shares	2021 $	2020 $
Issued capital	500,000	500,000	500,000	500,000

Ordinary shares
The company has 500,000 ordinary fully paid shares (2020: 500,000). Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Note 15. Equity - Retained earnings

	2021 $	2020 $
Retained profits at the beginning of the financial year	2,434,469	2,788,301
Comprehensive loss after income tax expense for the year	(512,328)	(353,832)
Retained profits at the end of the financial year	1,922,141	2,434,469

Note 16. Cash Flow Information

	2021 $	2020 $
Profit/(loss) after income tax	(512,328)	(353,832)
Depreciation	22,420	29,387
(Increase)/Decrease in Trade and Other Rec	132,814	2,833,144
(Increase)/decrease in prepayments	27,640	(21,621)
Increase/(decrease) in trade payables and accruals	(152,011)	(3,413,793)
Increase/(decrease) in provisions	(71,263)	(189,958)
Cash flow from operations	(552,728)	(1,116,673)

Note 17. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2021 $	2020 $
Aggregate compensation	174,867	320,327

Note 18. Contingent liabilities

The company is not aware of any matter pending that may give rise to any contingent liability.

Note 19. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 17.

Transactions with related parties
The following transactions occurred with related parties:

	2021 $	2020 $
Sale of goods and services:		
Sale of goods to other related parties within the Fairfax Financial Holdings Limited Group	-	1,289,980

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	2021 $	2020 $
Current receivables:		
Loan to Kuoni Holdings Limited	2,609,581	2,838,249

Terms and conditions
All loans provided are non-interest bearing

Note 20. Events after the reporting period

Since March last financial year, operations of the business have been significantly affected by the COVID-19 virus resulting in travel to Australia and around Australia becoming restricted by the Australian and State Governments adversely affecting the operations of the company, the results of those operations and the state of affairs of the company. Uncertainty from these events and the impact on the financial performance and financial position of the company is uncertain.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 21. Economic Dependency

As at 31 December 2021 the company recorded a loss after tax of $512,328 and had a receivable of $2,609,581 owing to it by the parent entity Kuoni Australia Holding Pty Ltd (“Kuoni”). The continued economic support of both Australian Tours Management Pty Ltd & Kuoni from the ultimate parent entity is a fundamental element of the capacity of the company to meet its debts as and when they fall due and therefore a significant decision of the directors in preparing the financial report on a going concern basis.

The company has received a commitment of continuous financial support from the parent company, Travel Circle International (Mauritius) Limited. This commitment of financial support is given on the basis that Travel Circle International (Mauritius) Limited controls the ownership of the company and that the company will continue to be economically dependent upon of Travel Circle International (Mauritius) Limited for its financial and operational stability.

In the event that this support is withdrawn, a material uncertainty may exist which may cast significant doubt on the entity’s ability to continue as a going concern, and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Should the company not continue as a going concern, this may necessitate a restatement of the valuation and classification of assets and liabilities in the statement of financial position.

Further to this economic dependency, in light of the events occurring after the reporting date described in Note 20, the commitment of continuous financial support from the parent company, Travel Circle International (Mauritius) Limited is further emphasised.

Australian Tours Management Pty Ltd
Directors' declaration
31 December 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2021 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Eng Waa Teh Director	Laurent Kuenzle Director

24 May 2022

Australian Tours Management Pty Ltd

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Tours Management Pty Ltd. (the Company), which comprises the statement of financial position as at 31 December 2021, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Company, is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards - Reduced Disclosure Regime and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

ACCOUNTANTS & ADVISORS
Level 20, 181 William Street
Melbourne VIC 3000
Telephone: +61 3 9824 8555
williambuck.com

Material uncertainty regarding going concern

We draw attention to note 21 in the financial report which indicates that the Company incurred a net loss of $512,328 and had a receivable of $2,609,581 owing to it by the parent entity Kuoni Australia Holding Pty Ltd ("Kuoni"). As stated in note 21, these events or conditions, along with other matters set forth in note 21, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2021, but does not include the financial report and the auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Regime and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our independent auditor's report.

We also provide the directors 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.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136

J. C. Luckins
Director

Dated this 24th day of May, 2022

T 669
P.A.F.

Directors' Report
Audited Financial Statements
Travel Circle International Limited
31 December 2021

Directors' Report

The directors submit herewith their report and audited financial statements of Travel Circle International Limited (the "Company") for the year ended 31 December 2021.

Principal activities
The principal activities of the Company are to act as a travel agent and tour operator.

Results and dividends
The results of the Company for the year ended 31 December 2021 are set out in the statement of comprehensive income on page 6.

The directors do not recommend the payment of a dividend.

Directors
The directors who held office during the year or during the period from the end of the year to the date of this report were:

MYY Ng
MK Menon
JF Paton
Nandy Debasis

There being no provision in the Company's Articles of Association for retirement of directors, all directors shall continue in office.

Arrangements for acquisition of shares or debentures
At no time during the year was the Company, its holding company or fellow subsidiary a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other company.

Material interests in transactions, arrangements or contracts
The directors are of the opinion that no transactions, arrangements and contracts of significance in relation to the Company's business to which the Company's holding company or fellow subsidiary was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Management contracts
No contracts concerning the management and administration of the whole or any substantial part of any business of the Company were entered into or existed during the year.

Equity-linked agreements
No equity-linked agreements into which the Company entered subsisted at any time during the year.

Permitted indemnity provisions
No permitted indemnity provision was in force during the year, or is in force at the date of this report, for the benefit of a then director or a director of the Company (whether made by the Company or otherwise) or a then director or a director of its holding company or fellow subsidiary (if made by the Company).

Auditor
A resolution will be submitted to the annual general meeting to re-appoint Mazars CPA Limited, *Certified Public Accountants*, as the auditor of the Company.

Approved by the Board of Directors and signed on its behalf by

MK Menon
Director
22 April 2022

mazars

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18 Harbour Road
Wanchai, Hong Kong
香港灣仔港灣道18號中環廣場42樓

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Independent Auditor's Report

To the members of
Travel Circle International Limited
(incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of Travel Circle International Limited (the "Company") set out on pages 6 to 37, which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

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

mazars

Independent Auditor's Report

To the members of
Travel Circle International Limited
(incorporated in Hong Kong with limited liability)

Responsibilities of directors for the financial statements
The directors of the Company are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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. This report is made solely to you, as a body, in accordance with section 405 of the Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Auditor's responsibilities for the audit of the financial statements (Continued)

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

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

Mazars

Certified Public Accountants
Hong Kong, 22 April 2022

The engagement director on the audit resulting in this independent auditor's report is:
Eunice Y M Kwok
Practising Certificate number: P04604

Travel Circle International Limited

Statement of Comprehensive Income
Year ended 31 December 2021

	Note	2021 HK$	2020 HK$
Revenue	2	**1,292,154**	103,383,397
Cost of sales		**(391,690)**	(77,647,871)
Gross profit		**900,464**	25,735,526
Other revenue	3	**6,069**	2,805
Other net gain	3	**1,880,738**	10,838,867
Administrative expenses		**(21,777,453)**	(39,258,769)
Other operating expenses		**(10,196,818)**	(13,967,222)
Loss from operations		**(29,187,000)**	(16,648,793)
Finance costs	4	**(5,311,203)**	(4,279,386)
Loss before tax	4	**(34,498,203)**	(20,928,179)
Income tax credit	5	**6,474,696**	3,935,184
Loss for the year		**(28,023,507)**	(16,992,995)
Other comprehensive income:			
Item that will not be reclassified to profit or loss:			
Remeasurement of net defined benefit obligation	9(a)	**50,042**	7,243,637
Other comprehensive income for the year		**50,042**	7,243,637
Total comprehensive loss for the year		**(27,973,465)**	(9,749,358)

Travel Circle International Limited

Statement of Financial Position
At 31 December 2021

	Note	2021 HK$	2020 HK$
Non-current assets			
Property, plant and equipment	6	**954,842**	2,053,278
Right-of-use assets	7	**8,315,935**	17,031,466
Goodwill	8	**202,493,573**	202,493,573
Deferred tax assets	10	**10,295,385**	3,782,000
		222,059,735	225,360,317
Current assets			
Trade and other receivables	11	**10,200,216**	16,435,623
Bank balances and cash		**2,068,361**	6,268,551
		12,268,577	22,704,174
Current liabilities			
Trade and other payables	12	**39,192,999**	41,903,672
Contract liabilities	13	**1,398,075**	1,518,220
Lease liabilities		**8,843,289**	8,762,653
Loans from immediate holding company	14	**103,252,007**	51,631,250
Bank loan		**-**	25,428,689
Taxation		**712,470**	1,073,781
		153,398,840	130,318,265
Net current liabilities		**(141,130,263)**	(107,614,091)
Total assets less current liabilities		**80,929,472**	117,746,226
Non-current liabilities			
Provision	15	**3,376,059**	3,376,059
Lease liabilities		**-**	8,843,289
		3,376,059	12,219,348
NET ASSETS		**77,553,413**	105,526,878
Capital and reserve			
Share capital	16	**59,523,801**	59,523,801
Retained profits		**18,029,612**	46,003,077
TOTAL EQUITY		**77,553,413**	105,526,878

These financial statements on pages 6 to 37 were approved and authorised for issue by the Board of Directors on 22 April 2022 and signed on its behalf by

MK Menon
Director

MYY Ng
Director

Travel Circle International Limited

Statement of Changes in Equity
Year ended 31 December 2021

	Share capital *HK$*	Retained profits *HK$*	Total *HK$*
At 1 January 2020	59,523,801	55,752,435	115,276,236
Loss for the year	-	(16,992,995)	(16,992,995)
Other comprehensive income:			
Remeasurement of net defined benefit obligation	-	7,243,637	7,243,637
Total comprehensive loss for the year	-	(9,749,358)	(9,749,358)
At 31 December 2020 and 1 January 2021	59,523,801	46,003,077	105,526,878
Loss for the year	-	(28,023,507)	(28,023,507)
Other comprehensive income:			
Remeasurement of net defined benefit obligation	-	50,042	50,042
Total comprehensive loss for the year	-	(27,973,465)	(27,973,465)
At 31 December 2021	**59,523,801**	**18,029,612**	**77,553,413**

Travel Circle International Limited

Statement of Cash Flows
Year ended 31 December 2021

	Note	2021 HK$	2020 HK$
OPERATING ACTIVITIES			
Cash used in operations	*17(a)*	**(19,653,108)**	(84,552,094)
Income tax paid		**(400,000)**	(7,303,469)
Net cash used in operating activities		**(20,053,108)**	(91,855,563)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**-**	(2,138,049)
Interest received		**6,069**	2,805
Net cash from (used in) investing activities		**6,069**	(2,135,244)
FINANCING ACTIVITIES			
Repayment of bank loan		**(26,000,000)**	(28,000,000)
Repayment of lease liabilities		**(8,762,653)**	(9,973,394)
Interest paid		**(1,011,255)**	(2,941,044)
Loans from immediate holding company		**51,620,757**	51,631,250
Net cash from financing activities	*17(b)*	**15,846,849**	10,716,812
Net decrease in cash and cash equivalents		**(4,200,190)**	(83,273,995)
Cash and cash equivalents at beginning of reporting period		**6,268,551**	89,542,546
Cash and cash equivalents at end of reporting period, represented by bank balances and cash		**2,068,361**	6,268,551

CORPORATE INFORMATION

Travel Circle International Limited is a limited liability company incorporated in Hong Kong. The Company's registered office is located at 30/F, AXA Tower, Landmark East, 100 How Ming Street, Kwun Tong, Hong Kong. The immediate holding company of the Company is Thomas Cook (India) Limited, a company incorporated in India. In the opinion of the directors, the ultimate holding company of the Company is Fairfax Financial Holdings Limited, which is incorporated in Canada with its shares listed on the Toronto Stock Exchange. The principal activities of the Company are to act as a travel agent and tour operator.

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the Companies Ordinance.

These financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2020 financial statements, except for the adoption of the following revised HKFRS that is relevant to the Company and effective from the current year.

Adoption of new / revised HKFRSs
The Company has applied the following new / revised HKFRSs that are relevant to the Company:

Amendments to HKAS 39, HKFRSs 4, 7, 9 and 16	Interest Rate Benchmark Reform – Phase 2
Amendments to HKFRS 16	*Covid-19-Related Rent Concessions Beyond 30 June 2021*

Amendments to HKAS 39, HKFRSs 4, 7, 9 and 16: Interest Rate Benchmark Reform – Phase 2
The amendments address issues that might affect financial reporting when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the interest rate benchmark reform (the "Reform"). The amendments complement those issued in November 2019 and relate to:
- changes to contractual cash flows — a company will not have to derecognise or adjust the carrying amount of financial instruments for changes required by the Reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
- hedge accounting — a company will not have to discontinue its hedge accounting solely because it makes changes required by the Reform, if the hedge meets other hedge accounting criteria; and
- disclosures — a company will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates.

The adoption of the amendments does not have any significant impact on the financial statements.

Amendments to HKFRS 16: Covid-19-Related Rent Concessions Beyond 30 June 2021
The amendments exempt lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and allow lessees to account for such rent concessions as if they were not lease modifications. It applies to COVID-19-related rent concessions that reduce lease payments due on or before 30 June 2022. The amendments do not affect lessors.

These amendments shall be applied for annual periods beginning on or after 1 April 2021 with earlier application permitted. The Company has elected to early adopt the amendments in the current year.

The adoption of the amendments results in an amount of HK$1,297,527 reduction in management fee and rates expenses recognised in profit or loss for the year.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

A summary of the principal accounting policies adopted by the Company is set out below.

Going concern
The financial statements have been prepared in conformity with the principles applicable to a going concern basis. The applicability of these principles is dependent upon continued availability of adequate finance or attaining profitable operations in the future in view of the net current liabilities. There is a material uncertainty related to this condition that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. The immediate holding company has confirmed its intention to make available adequate funds to the Company as and when required to maintain the Company as a going concern.

Basis of measurement
The measurement basis used in the preparation of the financial statements is historical cost, except stated otherwise in the accounting policies set out below.

Goodwill
Goodwill arising on an acquisition of a business is measured at the excess of the consideration transferred, and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units. An impairment loss on goodwill is not reversed.

Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately:

Leasehold improvements	5 years or, if shorter, over the unexpired term of lease
Motor vehicles	4 to 5 years
Computer equipment	3 to 5 years
Furniture, fixtures and office equipment	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets
At the end of each reporting period, the Company reviews internal and external sources of information to determine whether its property, plant and equipment and right-of-use assts may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs to sell and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. cash-generating unit).

If the recoverable amount of an asset or a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income immediately.

The accounting policy for recognition of the impairment loss for goodwill is stated in the accounting policy for goodwill in the earlier part of this note.

Financial instruments
Financial assets
Recognition and derecognition
Financial assets and financial liabilities are recognised when and only when the Company becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Company's contractual rights to future cash flows from the financial asset expire or (ii) the Company transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

Classification and measurement
The classification of financial assets at initial recognition depends on the Company's business model for managing the financial assets and the financial asset's contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual 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 fair value through profit or loss ("FVPL"):

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

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments
Financial assets (Continued)
Classification and measurement (Continued)
Financial assets measured at amortised cost
Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Company's financial assets at amortised cost include bank balances and cash and trade and other receivables.

Financial liabilities
Recognition and derecognition
Financial liabilities are recognised when and only when the Company becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement
Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are directly attributable to the issue of the financial liabilities.

The Company's financial liabilities include trade and other payables and loans from immediate holding company. All financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Impairment of financial assets and other items
The Company recognises loss allowances for expected credit losses ("ECL") on financial assets that are measured at amortised cost. Except for the specific treatments as detailed below, at each reporting date, the Company measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

Measurement of ECL
ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)
Impairment of financial assets and other items (Continued)
Measurement of ECL (Continued)
Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Where ECL is measured on a collective basis, the financial instruments are grouped based on one or more shared credit risk characteristics, such as past due information, nature of instrument and industry of debtors.

Definition of default
The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Company may not receive the outstanding contractual amounts in full if the financial instrument meets any of the following criteria:

(i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company); or
(ii) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Assessment of significant increase in credit risk
In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Notwithstanding the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

Low credit risk
A financial instrument is determined to have low credit risk if:

(i) it has a low risk of default;
(ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
(iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)
Impairment of financial assets and other items (Continued)
Simplified approach of ECL
For trade receivables and contract assets without significant financing components or otherwise for which the Company applies the practical expedient not to account for the significant financing components, the Company applies a simplified approach in calculating ECL. The Company recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Credit-impaired financial asset
A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower.
(b) a breach of contract, such as a default or past due event.
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.
(e) the disappearance of an active market for that financial asset because of financial difficulties.
(f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Write-off
The Company writes off a financial asset when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Company has a policy of writing off the gross carrying amount when the financial asset is 1 year past due based on historical experience of recoveries of similar assets. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Company's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

Cash equivalents
For the purpose of the statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

Borrowing costs
All borrowing costs are recognised as an expense in the period in which they are incurred.

Provisions
Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Revenue recognition
Revenue from contracts with customers within HKFRS 15
Nature of services
The nature of the services provided by the Company is sale of tours and provision of travel agency services.

Identification of performance obligations
At contract inception, the Company assesses the services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

(a) a service (or a bundle of services) that is distinct; or
(b) a series of distinct services that are substantially the same and that have the same pattern of transfer to the customer.

A service that is promised to a customer is distinct if both of the following criteria are met:

(a) the customer can benefit from the service either on its own or together with other resources that are readily available to the customer (i.e. the service is capable of being distinct); and
(b) the Company's promise to transfer the service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the service is distinct within the context of the contract).

Timing of revenue recognition
Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Company transfers control of a service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

(a) the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
(b) the Company's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
(c) the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, the Company satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Company considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

Service income from sale of tours is recognised over time as the customer simultaneously receives and consumes all of the benefits provided by the Company's performance as the Company performs. This means that if another travel agent was to take over providing the remaining performance obligation to the customer, it would not have to substantially re-perform the work already completed by the Company.

Commission income from travel-related services is recognised at a point in time when the related services are rendered to and have been accepted by the customers.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (Continued)
Interest income
Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost that are not credited-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

Contract assets and contract liabilities
If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset, excluding any amounts presented as a receivable. Conversely, if a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional, before the Company transfers a good or service to the customer, the contract is presented as a contract liability when the payment is made or the payment is due (whichever is earlier). A receivable is the Company's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due.

For a single contract or a single set of related contracts, either a net contract asset or a net contract liability is presented. Contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

For sale of tours, it is common for the Company to receive from the customer the whole or some of the contractual payments before the services are completed (i.e. the timing of revenue recognition for such transactions). The Company recognises a contract liability until it is recognised as revenue. During that period, any significant financing components, if applicable, will be included in the contract liability and will be expensed as accrued unless the interest expense is eligible for capitalisation.

On the other hand, for the agency business of sale of air tickets, hotel accommodation packages and other travel-related products, the Company receives payments from the customer which are largely in line with the timing of revenue recognition and no significant contract assets or contract liabilities are recognised.

Government grants
Government grants are recognised at their fair value when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

Leases
The Company assesses whether a contract is, or contains, a lease at inception of the contract. 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.

As lessee
The Company applies the recognition exemption to short-term leases and low-value asset leases. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company accounts for each lease component within a lease contract as a lease separately. The Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)
As lessee (Continued)
Amounts payable by the Company that do not give rise to a separate component are considered to be part of the total consideration that is allocated to the separately identified components of the contract.

The Company recognises a right-of-use asset and a lease liability at the commencement date of the lease.

The right-of-use asset is initially measured at cost, which comprises

(a) the amount of the initial measurement of the lease liability;
(b) any lease payments made at or before the commencement date, less any lease incentives received;
(c) any initial direct costs incurred by the Company; and
(d) an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Depreciation is provided on a straight-line basis over the shorter of the lease term and the estimated useful lives of the right-of-use asset (unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option – in which case depreciation is provided over the estimated useful life of the underlying asset) as follows:

Office premises	2-3 years

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date of the contract.

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

(a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
(b) variable lease payments that depend on an index or a rate;
(c) amounts expected to be payable under residual value guarantees;
(d) exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
(e) payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease, or where it is not readily determinable, the incremental borrowing rate of the lessee.

Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured using a revised discount rate when there are changes to the lease payments arising from a change in the lease term or the reassessment of whether the Company will be reasonably certain to exercise a purchase option.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)
As lessee (Continued)
The lease liability is remeasured by using the original discount rate when there is a change in the residual value guarantee, the in-substance fixed lease payments or the future lease payments resulting from a change in an index or a rate (other than floating interest rate). In case of a change in future lease payments resulting from a change in floating interest rates, the Company remeasures the lease liability using a revised discount rate.

The Company recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the remeasurement in profit or loss.

A lease modification is accounted for as a separate lease if
(a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
(b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

When a lease modification is not accounted for as a separate lease, at the effective date of the lease modification,
(a) the Company allocates the consideration in the modified contract on the basis of relative stand-alone price as described above.
(b) the Company determines the lease term of the modified contract.
(c) the Company remeasures the lease liability by discounting the revised lease payments using a revised discount rate over the revised lease term.
(d) for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognising any gain or loss relating to the partial or full termination of the lease in profit or loss.
(e) for all other lease modifications, the Company accounts for the remeasurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

The Company has applied the practical expedient provided in Amendments to HKFRS 16: *Covid-19-Related Rent Concessions beyond 30 June 2021* and does not assess whether eligible rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modification. The Company accounts for any change in lease payments resulting from the rent concession the same way it would account for the change applying HKFRS 16 as if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met:

(a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
(b) any reduction in lease payments affects only payments originally due on or before 30 June 2022; and
(c) there is no substantive change to other terms and conditions of the lease.

The Company has applied the practical expedient consistently to all eligible rent concessions with similar characteristics and in similar circumstances.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation
Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the Company operates ("functional currency").

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

Employee benefits
Short-term employee benefits and contributions to defined contribution retirement plans
Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plan and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Defined benefit retirement plan obligations
The Company's net obligation in respect of its defined benefit retirement plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Service cost and net interest expense (income) on the net defined benefit liability (asset) are recognised in profit or loss and allocated by function as part of "administrative expenses". Current service cost is measured as the increase in the present value of the defined benefit obligation resulting from employee service in the current period. When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment is recognised as an expense in profit or loss at the earlier of when the plan amendment or curtailment occurs and when related restructuring costs or termination benefits are recognised. Net interest expense (income) for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the reporting period to the net defined benefit liability (asset). The discount rate is the yield at the end of the reporting period on high quality corporate bonds that have maturity dates approximating the terms of the Company's obligations.

Gain and losses on settlement is measured as the difference between a) the present value of the defined benefit obligation being settled and b) the plan assets transferred and any payments made by the Company in connection with the settlement. It is recognised when the settlement occurs.

Remeasurements arising from defined benefit retirement plans are recognised in other comprehensive income and reflected immediately in retained profits. Remeasurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability (asset)).

Termination benefits
Termination benefits are recognised when, and only when, the Company demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Taxation
The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, any deferred tax arising 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 the accounting profit nor taxable profit or loss is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Related parties
A related party is a person or entity that is related to the Company.

(a) A person or a close member of that person's family is related to the Company if that person:
   (i) has control or joint control over the Company;
   (ii) has significant influence over the Company; or
   (iii) is a member of the key management personnel of the Company or of the parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:
   (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
   (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
   (iii) both entities are joint ventures of the same third party.
   (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
   (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
   (vi) the entity is controlled or jointly controlled by a person identified in (a).
   (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
   (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(a) that person's children and spouse or domestic partner;
(b) children of that person's spouse or domestic partner; and
(c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Critical accounting judgement and key sources of estimation uncertainty
Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

Sale of tours and commission income
The Company evaluates its responsibilities for the delivery of services and other relevant facts and circumstances, and determines that it is acting as a principal of sale of tours and agent of commission earned. Accordingly, revenue arising from the sale of tours is stated at its gross amounts receivable for the operator and travel services rendered by the Company and is measured before deducting related costs in accordance with the accounting policy set out above. Commission income is stated at its net amounts receivable in relation to the tickets sold or hotels booked in accordance with the accounting policy set out above.

Assessment of impairment of goodwill
The Company has performed an impairment test for goodwill in accordance with the accounting policy stated above. For the purposes of impairment testing, goodwill acquired is reviewed for impairment based on forecast operating performance and cash flows. Cash flow projections are prepared on the basis of reasonable assumptions reflective of prevailing and future market conditions and are discounted appropriately.

Discount rates for calculating lease liabilities – as lessee
The Company uses the lessee's incremental borrowing rates to discount future lease payments since interest rates implicit in the leases are not readily determinable. In determining the discount rates for its leases, the Company refers to a rate that is readily observable as the starting point and then applies judgement and adjusts such observable rate to determine the incremental borrowing rate.

Deferred tax assets
As at the end of the reporting period, a deferred tax asset of HK$10,295,385 *(2020: HK$3,782,000)* in relation to unused tax losses has been recognised in the statement of financial position. The recognition of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, a material reversal of deferred tax assets may arise, which would be recognised in profit or loss in the period in which such a reversal takes place.

Future changes in HKFRS
At the date of authorisation of these financial statements, the HKICPA has issued a number of new / revised HKFRSs that are relevant to the Company but not yet effective for the current year, which the Company has not early adopted.

The directors are in the process of assessing the possible impact on the future adoption of the new / revised HKFRSs, but are not yet in a position to reasonably estimate their impact on the Company's financial statements.

2. REVENUE

	2021 HK$	2020 HK$
Sale of tours	**791,160**	98,472,536
Commission income	**500,994**	4,910,861
Revenue	**1,292,154**	103,383,397

3. OTHER REVENUE AND OTHER NET GAIN

	2021 HK$	2020 HK$
(a) Other revenue		
Interest income	**6,069**	2,805
(b) Other net gain		
Net exchange (loss) gain	**(427,871)**	1,577,113
Government subsidies *(Note)*	**2,280,000**	9,253,328
Others	**28,609**	8,426
	1,880,738	10,838,867

Note: The government subsidies for the years ended 31 December 2021 and 2020 represented grants received from the Employment Support Scheme and the Travel Agents and Practitioners Support Scheme under the Anti-epidemic Fund of the Government of the HKSAR which aims to retain employment and combat COVID-19.

4. LOSS BEFORE TAX

This is stated after charging:	2021 HK$	2020 HK$
Finance costs		
Amortisation of arrangement fee	**571,311**	719,499
Interest on bank loan	**423,436**	2,000,196
Interest on lease liabilities	**587,819**	938,371
Interest on loan from immediate holding company	**3,728,637**	621,320
	5,311,203	4,279,386
Staff costs		
Contributions to defined contribution pension plan	**842,667**	1,296,725
Expense recognised in respect of employee defined benefit retirement plan	**-**	1,182,019
Retirement costs	**842,667**	2,478,744
Salaries, wages and other benefits	**15,340,236**	30,687,293
	16,182,903	33,166,037

4. LOSS BEFORE TAX (CONTINUED)

	2021 HK$	2020 HK$
Other items		
Auditor's remuneration		
- Current year	**402,000**	438,750
- Over provision for prior year	**-**	(731,400)
	402,000	(292,650)
Depreciation on property, plant and equipment	**1,098,436**	1,572,059
Depreciation on right-of-use assets	**8,715,531**	10,195,551

5. INCOME TAX EXPENSE

Hong Kong Profits Tax has not been provided as the Company incurred a loss for taxation purpose for current and prior years.

	2021 HK$	2020 HK$
Current tax		
Hong Kong Profits Tax		
Under provision in prior year	**-**	(153,184)
Others	**38,689**	-
	38,689	(153,184)
Deferred tax (Note 10)		
Tax losses	**(6,513,385)**	(3,782,000)
	(6,474,696)	(3,935,184)

Reconciliation of tax expense	2021 HK$	2020 HK$
Loss before tax	**(34,498,203)**	(20,928,179)
Income tax at Hong Kong Profits Tax rates of 16.5% *(2020: 16.5%)*	**(5,692,203)**	(3,453,149)
Non-deductible expenses	**785,465**	863,753
Tax exempt revenue	**(515,882)**	(2,386,609)
Under provision in prior year	**-**	(153,184)
Unrecognised temporary differences	**144,415**	(131,380)
Unrecognised tax losses	**90,205**	1,325,385
Others	**38,689**	-
Recognition of previously unrecognised tax losses	**(1,325,385)**	-
Tax credit for the year	**(6,474,696)**	(3,935,184)

6. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements *HK$*	Motor vehicles *HK$*	Computer equipment *HK$*	Furniture, fixtures and equipment *HK$*	Total *HK$*
Reconciliation of carrying amount – year ended 31 December 2020					
At beginning of the reporting period	126,281	-	1,165,420	195,587	1,487,288
Additions	-	-	2,087,313	50,736	2,138,049
Depreciation	(80,039)	-	(1,344,971)	(147,049)	(1,572,059)
At end of the reporting period	46,242	-	1,907,762	99,274	2,053,278
Reconciliation of carrying amount – year ended 31 December 2021					
At beginning of the reporting period	**46,242**	**-**	**1,907,762**	**99,274**	**2,053,278**
Depreciation	**(46,242)**	**-**	**(1,033,620)**	**(18,574)**	**(1,098,436)**
At end of the reporting period	**-**	**-**	**874,142**	**80,700**	**954,842**
At 31 December 2020					
Cost	3,635,137	274,304	5,341,138	1,223,673	10,474,252
Accumulated depreciation	(3,588,895)	(274,304)	(3,433,376)	(1,124,399)	(8,420,974)
Net carrying amount	46,242	-	1,907,762	99,274	2,053,278
At 31 December 2021					
Cost	**3,635,137**	**274,304**	**5,341,138**	**1,223,673**	**10,474,252**
Accumulated depreciation	**(3,635,137)**	**(274,304)**	**(4,466,996)**	**(1,142,973)**	**(9,519,410)**
Net carrying amount	**-**	**-**	**874,142**	**80,700**	**954,842**

7. RIGHT-OF-USE ASSETS

	Office premises *HK$*
Reconciliation of carrying amount – year ended 31 December 2020	
At beginning of reporting period	9,842,866
Additions	17,515,476
Adjustment on lease modification	(131,325)
Depreciation	(10,195,551)
At end of reporting period	17,031,466
Reconciliation of carrying amount – year ended 31 December 2021	
At beginning of reporting period	**17,031,466**
Depreciation	**(8,715,531)**
At end of reporting period	**8,315,935**
At 31 December 2020	
Cost	25,127,861
Accumulated depreciation	(8,096,395)
	17,031,466
At 31 December 2021	
Cost	**25,127,861**
Accumulated depreciation	**(16,811,926)**
	8,315,935

The Company obtains right to control the use of office premises for a period of time through lease arrangements. Lease arrangements are negotiated on an individual basis and contain different terms and conditions including lease payments and lease term of 2 to 3 years. Except for lease covenants mainly related to the maintenance and use of the leased assets that are commonly found in lease arrangements, there are no other covenants or restrictions imposed by the lease arrangements.

Total cash outflow for leases for the year amounted to HK$9,350,472 *(2020: HK$10,911,765)*.

8. GOODWILL

Goodwill arose from the acquisition of Travel Circle International Services Limited on 9 November 2015. At 31 December 2021, management determined that there was no impairment of the goodwill.

Impairment tests for goodwill
The recoverable amount of the goodwill is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated rate below. The growth rates used do not exceed the long-term average growth rates for the business in which the cash generating unit operates.

Key assumptions used for value-in-use calculations:

	2021	2020
- Long-term growth rate	**2.40%**	2.40%
- Discount rate	**15.76%**	14.21%

Management determined the estimated long-term growth rate based on past performance and its expectations for market development. The discount rate used is pre-tax and reflects specific risks relating to the business.

9. EMPLOYEE DEFINED BENEFIT RETIREMENT PLAN

The Company made contributions to a defined benefit retirement plan which covered 8% of the number of the Company's employees and provided pension benefits for employees upon retirement. The plan was administered by an independent trustee with its assets held separately from those of the Company. The defined benefit retirement plan was terminated as at 31 December 2020 and employees originally under the plan have been transferred to the Company's Mandatory Provident Fund Scheme ("MPF Scheme").

(a) Amounts recognised in the statement of comprehensive income are as follows:

	2021 *HK$*	2020 *HK$*
Current service cost	-	944,407
Total amounts recognised in profit or loss	-	944,407
Return on plan assets, excluding interest income	**(50,042)**	(7,243,637)
Total amounts recognised in other comprehensive income	**(50,042)**	(7,243,637)
Total defined benefit gain	**(50,042)**	(6,299,230)

(b) Defined contribution retirement plan

The Company also operates the MPF Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000. Contributions to the plan vest immediately.

10. DEFERRED TAX ASSETS

The movement in the Company's deferred tax assets is as follows:

	Tax losses	
	2021	2020
	HK$	*HK$*
At 1 January	**3,782,000**	-
Credited to profit or loss *(Note 5)*	**6,513,385**	3,782,000
At 31 December	**10,295,385**	3,782,000

As at 31 December 2021, the Company had unrecognised tax losses of HK$546,097 *(2020: HK$8,032,636)* to carry forward against future taxable income. These tax losses have no expiry date under current tax legislation.

11. TRADE AND OTHER RECEIVABLES

	2021	2020
	HK$	*HK$*
Trade receivables	**325**	923,793
Other receivables		
Prepayments	**2,289,452**	1,740,256
Deposits	**5,309,397**	5,395,343
Other receivables	**650,559**	180,513
Defined benefit retirement plan receivable	-	6,343,230
Payment in advance to suppliers	**1,950,483**	1,852,488
	10,199,891	15,511,830
	10,200,216	16,435,623

Except for refundable deposits of HK$5,309,397 *(2020: HK$5,395,343)* that are expected to be recovered after more than one year, all of the trade and other receivables are expected to be recovered or recognised as expense within twelve months of the end of the reporting period.

Information about the Company's exposure to credit risks and loss allowance for trade and other receivables is included in note 19(a).

12. TRADE AND OTHER PAYABLES

	2021 HK$	2020 HK$
Creditors and accruals	**23,661,644**	23,378,457
Amount due to immediate holding company	**5,490,946**	1,640,817
Amounts due to fellow subsidiaries	**13,315**	3,464
Receipts in advance	**10,027,094**	16,880,934
	39,192,999	41,903,672

As of 31 December 2021, creditors and accruals included HK$13,318 *(2020: HK$3,464)* due to fellow subsidiaries.

The amounts due to immediate holding company and fellow subsidiaries are unsecured, interest-free and repayable on demand.

13. CONTRACT LIABILITIES

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract liabilities from contracts with customers within HKFRS 15 during the year are as follows:

	2021 HK$	2020 HK$
At 1 January	**1,518,220**	98,007,434
Refund due to cancellation of tours	**(229,321)**	-
Recognised as revenue	**(66,800)**	(98,007,434)
Receipt of advances or recognition of receivables	**175,976**	1,518,220
At 31 December	**1,398,075**	1,518,220

Unsatisfied or partially unsatisfied performance obligations
All the performance obligations that are unsatisfied (or partially unsatisfied) at 31 December 2021 and 31 December 2020 are part of contracts that have an original expected duration of one year or less. Given that the Company applies the practical expedient in paragraph 121(a) of HKFRS 15, the transaction price allocated to these performance obligations is not disclosed.

14. LOANS FROM IMMEDIATE HOLDING COMPANY

	2021 HK$	2020 HK$
Current portion	**103,252,007**	51,631,250

The amounts due are unsecured, interest-bearing at 3.83% to 6.65% *(2020: 3.67% to 3.7%)* per annum and repayable within the next twelve months of the end of the reporting period.

15. PROVISIONS

	2021 *HK$*	2020 *HK$*
Reinstatement costs - utilise after 1 year	**3,376,059**	3,376,059

Provision for reinstatement costs represents the management's best estimate of the Company's liabilities under the tenancy agreements in restoring the premises to their original status, which is expected to be utilised after more than twelve months.

16. SHARE CAPITAL

	2021		2020	
	No. of shares	***HK$***	No. of shares	*HK$*
Issued and fully paid:				
At beginning and end of the reporting period	**59,523,801**	**59,523,801**	59,523,801	59,523,801

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

The holder of ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

17. OTHER CASH FLOW INFORMATION

17(a) Cash used in operations

	2021 *HK$*	2020 *HK$*
Loss before tax	**(34,498,203)**	(20,928,179)
Interest income	**(6,069)**	(2,805)
Depreciation	**9,813,967**	11,767,610
Interest expenses	**5,311,203**	3,658,066
Expense recognised in respect of employee defined benefit retirement plan	**-**	944,407
Changes in working capital:		
Trade and other receivables	**6,285,449**	36,711,814
Trade and other payables	**(6,439,310)**	(20,213,793)
Contract liabilities	**(120,145)**	(96,489,214)
Cash used in operations	**(19,653,108)**	(84,552,094)

17. OTHER CASH FLOW INFORMATION (CONTINUED)

17(b) Changes in liabilities arising from financing activities

Details of the changes in the Company's liabilities from financing activities are as follows:

2021

	Lease liabilities *HK$*	Bank loan *HK$*	Loans from immediate holding company *HK$*	Total *HK$*
At 1 January 2021	**17,605,942**	**25,428,689**	**51,631,250**	**94,665,881**
Amortisation of arrangement fee	-	**571,311**	-	**571,311**
Net cash flows	**(8,762,653)**	**(26,000,000)**	**51,620,757**	**16,858,104**
At end of the reporting period	**8,843,289**	-	**103,252,007**	**112,095,296**

2020

	Lease liabilities *HK$*	Bank loan *HK$*	Loans from immediate holding company *HK$*	Total *HK$*
At 1 January 2020	10,195,185	52,711,667	-	62,906,852
Amortisation of arrangement fee	-	717,022	-	717,022
Net cash flows	(9,973,394)	(28,000,000)	51,631,250	13,657,856
New leases	17,515,476	-	-	17,515,476
Lease modification	(131,325)	-	-	(131,325)
At end of the reporting period	17,605,942	25,428,689	51,631,250	94,665,881

18. RELATED PARTIES TRANSACTIONS

In addition to the transactions / information disclosed elsewhere in these financial statements, during the year, the Company had the following transactions with related parties:

	2021 ***HK$***	2020 *HK$*
Travel services purchased from fellow subsidiaries	-	3,916,103
Management fee to immediate holding company	**1,209,813**	1,859,266
Management fee to fellow subsidiary	**20,249**	22,917
Loan interest to immediate holding company	**3,728,637**	621,320

All members of key management personnel are directors of the Company, and their remunerations are disclosed in note 21 to the financial statements.

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES

The Company's principal financial instruments comprise mainly cash and bank balances and loans from immediate holding company. The main purpose of theses financial instruments is to raise and maintain finance for the Company's operations. The Company has various other financial instruments such as trade and other receivables and trade and other payables which arise directly from its business activities.

The main risks arising from the Company's financial instruments are credit risk, interest rate risk, foreign currency risk and liquidity risk. The Company does not have any written risk management policies and guidelines. However, the board of directors generally adopts conservative strategies on its risk management and limits the Company's exposure to these risks to a minimum as follows:

a) Credit risk

The Company's credit risk is primarily attributable to trade and other receivables and deposits with banks. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. The Company does not have significant concentration of credit risk.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations take into account the customers' past payment history, financial position and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The information about the exposure to credit risk and ECL for trade receivables using a provision matrix as at 31 December 2021 and 31 December 2020 are summarised below.

	Expected loss rate %	**Gross carrying amount *HK$***	**Loss allowance *HK$***	**Credit-impaired**
As at 31 December 2021				
Less than 1 month past due	**0**	**325**	**-**	**No**

	Expected loss rate %	Gross carrying amount *HK$*	Loss allowance *HK$*	Credit-impaired
As at 31 December 2020				
Not past due	0	819,352	-	No
Less than 1 month past due	0	15,273	-	No
1 to 3 months past due	0	7,103	-	No
Over 3 months past due	0	82,065	-	No
	0	923,793	-	

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

a) Credit risk (Continued)

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default. Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Company. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Company does not hold any collateral over these balances.

Trade receivables are due within 15-30 days from the date of billing.

At 31 December 2021 and 2020, none of the Company's trade receivables was individually determined to be impaired.

Deposits with financial institutions are made with those with sound credit ratings to minimise the credit exposure.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position after deducting any impairment allowance.

b) Interest rate risk

The Company's exposure to market risk for changes in interest rates relates primarily to the Company's secured bank loan. The following table details the interest rate profile of the Company's assets and liabilities at the end of the reporting period.

	2021		2020	
	Effective interest rate	Amount	Effective interest rate	Amount
	%	*HK$*	%	*HK$*
Variable rate liabilities:				
Bank loan	HIBOR +2.5%	-	HIBOR +2.5%	(25,428,689)

At 31 December 2020, if interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's net loss for the year ended 31 December 2020 would increase / decrease by HK$254,287.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for all financial instruments in existence at that date. The 100 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual end of the reporting period.

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

c) Foreign currency risk

The Company's functional currency is Hong Kong dollars ("HKD"). The Company is exposed to currency risk primarily through sales and purchases giving rise to trade and other receivables, cash and bank balances, creditors and accruals that are denominated in other currencies, being primarily United States dollars ("USD"), Australian dollars ("AUD"), Euros ("EUR"), Renminbi ("RMB"), Swiss franc ("CHF"), New Zealand dollars ("NZD") and India Rupee ("INR").

As the HKD is pegged to the USD, the Company considers the risk of movements in exchange rates between the HKD and the USD to be insignificant. In respect of balances denominated in AUD, EUR, RMB, CHF and NZD, the Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates or entering into short-term foreign currency forward contracts where necessary to address short-term imbalances.

The following table details the Company's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the Company's functional currency of HKD. For presentation purposes, the amounts of the exposure are shown in HKD, translated using the spot rate at the year-end date.

	2021 Exposure to foreign currencies						
	USD	**AUD**	**EUR**	**RMB**	**CHF**	**NZD**	**INR**
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
Trade and other receivables	**1,712**	**-**	**62**	**-**	**-**	**-**	**-**
Bank balances and cash	**143,189**	**26,881**	**32,266**	**1,423**	**10,296**	**15,775**	**1,471**
Loans from immediate holding company	**(103,252,007)**	**-**	**-**	**-**	**-**	**-**	**-**
Trade and other payables	**(4,493,427)**	**(3,678)**	**(433,052)**	**(55,645)**	**-**	**-**	**(1,152,141)**
Net exposure to currency risk	**(107,600,533)**	**23,203**	**(400,724)**	**(54,222)**	**10,296**	**15,775**	**(1,150,670)**

	2020 Exposure to foreign currencies						
	USD	AUD	EUR	RMB	CHF	NZD	INR
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
Trade and other receivables	2,776	-	12,074	-	-	-	-
Bank balances and cash	641,076	28,218	291,231	284,117	10,610	16,499	1,486
Loans from immediate holding company	(51,631,250)	-	-	-	-	-	-
Trade and other payables	(154,347)	(3,861)	(905,450)	(54,014)	-	-	(1,561,500)
Net exposure to currency risk	(51,141,745)	24,357	(602,145)	230,103	10,610	16,499	(1,560,014)

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

c) Foreign currency risk (Continued)

Sensitivity analysis
The following table indicates the instantaneous change on the Company's profit before tax that would arise if foreign exchange rates to which the Company has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. No other components of equity would be affected by changes in foreign exchange rates. In this respect, it is assumed that the pegged rate between the HKD and the USD would be materially unaffected by any changes in movement in value of the USD against other currencies.

	2021		2020	
	Increase (Decrease) in foreign exchange rates	(Decrease) Increase in loss before tax *HK$*	Increase (Decrease) in foreign exchange rates	(Decrease) Increase in loss before tax *HK$*
AUD	1%	(232)	1%	(244)
	(1%)	232	(1%)	244
EUR	1%	(4,007)	1%	(6,021)
	(1%)	4,007	(1%)	6,021
RMB	1%	(542)	1%	(2,301)
	(1%)	542	(1%)	2,301
CHF	1%	(103)	1%	(106)
	(1%)	103	(1%)	106
NZD	1%	(158)	1%	(165)
	(1%)	158	(1%)	165
INR	1%	(11,507)	1%	(15,600)
	(1%)	11,507	(1%)	15,600

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on loss before tax measured in the respective functional currencies, translated into HKD at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Company which expose the Company to currency risk at the end of the reporting period.

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICES (CONTINUED)

d) Liquidity risk

Management of the Company closely monitors the current and expected liquidity requirements to ensure sufficient reserve of cash is available for the Company's business operation in short and longer term. The maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted payments are summarised below:

	Within 1 year or on demand *HK$*	**Over 1 year** *HK$*	**Total contractual undiscounted cash flows** *HK$*	**Total carrying amount** *HK$*
2021				
Trade and other payables	**29,165,905**	**-**	**29,165,905**	**29,165,905**
Lease liabilities	**9,023,375**	**-**	**9,023,375**	**8,843,289**
Loans from immediate holding company	**107,365,197**	**-**	**107,365,197**	**103,252,007**
	145,554,477	**-**	**145,554,477**	**141,261,201**

	Within 1 year or on demand *HK$*	Over 1 year *HK$*	Total contractual undiscounted cash flows *HK$*	Total carrying amount *HK$*
2020				
Trade and other payables	25,022,738	-	25,022,738	25,022,738
Lease liabilities	9,350,472	*9,023,375*	18,373,847	17,605,942
Loans from immediate holding company	52,252,570	-	52,252,570	51,631,250
Bank loan	26,000,000	-	26,000,000	25,428,689
	112,625,780	*9,023,375*	121,649,155	119,688,619

e) Fair value

All financial instruments are carried at amounts not materially different from their fair value as at 31 December 2021 and 2020.

f) Capital management

The objectives of the Company's capital management are to safeguard the entity's ability to continue as a going concern and to provide returns for shareholders. The Company manages its capital structure and makes adjustments, including payment of dividend to shareholders, return of capital to shareholders or issue of new shares or sale of assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 December 2021 and 2020.

20. BANK FACILITIES

In addition to the bank facilities disclosed elsewhere in these financial statements, the Company has been granted bank facilities including guarantee line limited to HK$100,000 *(2020: HK$12,000,000)* and corporate card with limit of HK$30,000 *(2020: HK$1,000,000)*. These facilities are secured by corporate guarantee from its immediate holding company. At the end of the reporting period, the bank had issued guarantees to certain airlines for due payments by the Company amounted to HK$Nil *(2020: HK$350,000)*.

21. INFORMATION ABOUT THE BENEFITS OF DIRECTORS

The following disclosures are presented pursuant to section 383 of the Companies Ordinance.

(a) Directors' remuneration
Directors' remuneration disclosed pursuant to section 383 of the Companies Ordinance is as follows:

	2021	2020
	HK$	*HK$*
Director fees	**60,000**	60,000
Other services in connection with management of the affairs:		
Salaries, allowances and benefits in kind	**886,054**	1,093,030
Discretionary bonus	**-**	1,140,000
Retirement scheme contributions	**118,973**	69,401
	1,065,027	2,362,431

(b) Loans, quasi-loans and other dealings in favour of directors
There were no loans, quasi-loans or other dealings in favour of the directors of the Company or its holding company that were entered into or subsisted during the years ended 31 December 2021 and 2020.

(c) Directors' material interests in transactions, arrangement or contracts
The directors are of the opinion that no transactions, arrangements and contracts of significance in relation of the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the years or at any time during the years ended 31 December 2021 and 2020.

Horizon Travel Services LLC

Statement of Profit And Loss for the 12 months ended 31st March, 2022

Period [April 1, 2021 to June 2021] **Currency - USD**

Particulars	Notes	12 months ended 31st March, 2022	12 months ended 31st March, 2021
Income			
Revenue from operations	17	6,722,700.3	161,532.0
Other income	18(a)	189,597.6	71,853.0
Other gains (net)	18(b)	-	-
Total income		**6,912,297.9**	**233,385.0**
			-
Expenses			-
Cost of services		6,290,003.5	126,429.0
Employee benefits expense	19	2,323,127.0	960,079.0
Finance Cost	22	574,041.3	208,412.0
Advertisement Expenses		22,705.3	(8,094.0)
Depreciation and amortisation expense	20	350,961.1	202,505.0
Other expenses	21	962,704.7	440,985.0
Total expenses		**10,523,542.9**	**1,930,316.0**
Profit before exceptional item		**(3,611,245.0)**	**(1,696,931.0)**
Add Exceptional items:			-
			-
Less Exceptional items:			-
(Loss)/Profit before tax		**(3,611,245.0)**	**(1,696,931.0)**
Less : Tax expense			-
Current tax	23	800.0	-
Deferred tax	23	(764,828.8)	(356,356.0)
Total tax expenses		**(764,028.8)**	**(356,356.0)**
			-
(Loss)/Profit for the year (A)		**(2,847,216.2)**	**(1,340,575.0)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Foreign exchange translation on consolidation		-	
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)		**(2,847,216.15)**	
Earnings/(Loss) per equity share (Face value of INR 1 each)	34		
- Basic earnings/(loss) per share		-	
- Diluted earnings/(loss) per share		-	

Summary of Significant Accounting Policies **2**

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

Horizon Travel Services LLC
Balance Sheet as at 31st March 2022

Particulars	Notes	As at 31st March 2022	As at 31st March, 2021
		Currency - USD	
ASSETS			
Non-current assets:			
Property, plant and equipment	3	52,712.5	89,319.9
Capital work-in-progress	3	-	-
Goodwill	4	2,462,283.3	2,462,283.3
Other intangible Assets	4	143,391.6	140,883.4
Right of Use Assets	4(a)	1,438,597.8	1,673,953.8
Intangible assets under development			
Investment accounted for using equity method	5	-	-
Investment in subsidiaries	5	30,336.8	10,000.0
Financial assets			
- Non current investments	5	-	-
- Loans			
- Other financial assets	6(e)	29,762.2	28,310.8
Other non-current assets	7	26,032.5	27,695.5
Non Current Income Tax assets	9	7,963.7	7,140.4
Deferred tax assets (net)	16	2,004,490.5	1,239,661.7
Total non-current assets		**6,195,570.9**	**5,679,248.7**
Current assets:			
Inventories			
Financial assets			
- Investments	6(a)	-	-
- Trade receivables	6(b)	417,482.8	85,870.7
- Cash and cash equivalents	6(c)	1,640,254.0	497,911.2
- Bank balances other than cash and cash equivalents	6(d)	-	-
- Other financial assets	6(e)	25,000.0	32,941.0
Other current assets	8	1,238,807.1	387,501.4
Total current assets		**3,321,543.9**	**1,004,224.2**
TOTAL ASSETS		**9,517,114.8**	**6,683,472.9**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10(a)	975,000.0	975,000.0
Preference share capital	10(a)	-	-
Other equity			
Share application money pending allotment		-	-
Reserve and surplus	10(b)	(7,527,981.5)	(4,680,765.3)
Total Equity		**(6,552,981.5)**	**(3,705,765.3)**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
- Borrowings	11(a)	-	-
- Other financial liabilities	11(c)	1,951,269.6	2,197,438.9
Provisions	14	-	-
Employee Benefit Obligations	15	-	-
Deferred tax liabilities (net)	16	-	-
Other non-current liabilities	12	-	-
Total non-current liabilities		**1,951,269.6**	**2,197,438.9**
Current liabilities			
Financial liabilities			
- Borrowings	11(b)	9,070,000.0	5,620,000.0
- Trade payables	11(d)	2,662,158.9	1,325,081.7
- Other financial liabilities	11(c)	719,771.5	363,671.8
Provisions	14	-	-
Employee Benefit Payable	15	-	-
Current Income Tax Liabilities	9	-	-
Other current liabilities	13	1,666,896.1	883,045.7
Total current liabilities		**14,118,826.5**	**8,191,799.3**
TOTAL LIABILITIES		**16,070,096.1**	**10,389,238.2**
TOTAL EQUITY AND LIABILITIES		**9,517,114.6**	**6,683,472.9**
	Check --->	**0.2**	**-**

Summary of Significant Accounting Policies
The above balance sheet should be read in conjunction with the accompanying notes.

Kuoni Australia Holding Pty Ltd

ABN 78 133 084 714

Annual Report - 31 December 2021

Kuoni Australia Holding Pty Ltd
Directors' report
31 December 2021

The directors present their report, together with the financial statements, on the company for the year ended 31 December 2021.

Directors
The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Eng Waa Teh
Laurent Kuenzle
Madhavan Karunakaran Menon
Marcel Grifoll

Principal activities
The principal activity of the company during the financial year was investment holding of Australian Tours Management Pty Ltd. The company did not generate revenue during the year.

There has been no significant change in the nature of the entity’s principal activity during the year.

Review of operations
The loss for the company after providing for income tax amounted to $137,035 (31 December 2020: $1,162,578).

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations
The company expect to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental regulation
The company operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Shares under options
There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Dividends
No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

Indemnification and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Eng Waa Teh	**Laurent Kuenzle**
Director	Director

24 May 2022
Melbourne

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF KUONI AUSTRALIA HOLDING PTY LTD

I declare that, to the best of my knowledge and belief during the year ended 31 December 2021 there have been:

— no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

J. C. Luckins
Director

Dated this 24th day of May, 2022

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Kuoni Australia Holding Pty Ltd
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31 December 2021

General information

The financial statements cover Kuoni Australia Holding Pty Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Kuoni Australia Holding Pty Ltd's functional and presentation currency.

Kuoni Australia Holding Pty Ltd is an unlisted public company limited by shares.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 May 2022. The directors have the power to amend and reissue the financial statements.

Kuoni Australia Holding Pty Ltd
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2021

	Note	2021 $	2020 $
Other Gains and Losses			
Net loss on financial assets at fair value through profit or loss		-	(1,009,584)
Expenses			
Administration		(43,863)	(51,825)
Finance costs		(93,172)	(101,169)
Loss before income tax expense		(137,035)	(1,162,578)
Income tax expense	3	-	-
Loss after income tax expense for the year attributable to the owners of Kuoni Australia Holding Pty Ltd	5	(137,035)	(1,162,578)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of Kuoni Australia Holding Pty Ltd		(137,035)	(1,162,578)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Kuoni Australia Holding Pty Ltd
Statement of financial position
As at 31 December 2021

	Note	2021 $	2020 $
Assets			
Non-current assets			
Investment in Australian Tours Management	7	2,838,249	2,838,249
Total non-current assets		2,838,249	2,838,249
Total assets		2,838,249	2,838,249
Liabilities			
Current liabilities			
Trade and other payables		423,003	367,300
Advances from related parties – other entities ultimately controlled by Fairfax Financial Holdings Limited	9	8,003,245	7,693,245
Advances from related parties – Australian Tours Management Pty Ltd	9	2,609,581	2,838,249
Total current liabilities		11,035,829	10,898,794
Total liabilities		11,035,829	10,898,794
Net liabilities		(8,197,580)	(8,060,545)
Equity			
Contributed Equity	4	500,000	500,000
Accumulated losses	5	(8,697,580)	(8,560,545)
Total deficiency in equity		(8,197,580)	(8,060,545)

The above statement of financial position should be read in conjunction with the accompanying notes

Kuoni Australia Holding Pty Ltd
Statement of changes in equity
For the year ended 31 December 2021

	Contributed Equity $	Accumulated losses $	Total deficiency in equity $
Balance at 1 January 2020	500,000	(7,397,967)	(6,897,967)
Loss after income tax expense for the year	-	(1,162,578)	(1,162,578)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(1,162,578)	(1,162,578)
Balance at 31 December 2020	500,000	(8,560,545)	(8,060,545)

	Contributed Equity $	Accumulated losses $	Total deficiency in equity $
Balance at 1 January 2021	500,000	(8,560,545)	(8,060,545)
Loss after income tax expense for the year	-	(137,035)	(137,035)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(137,035)	(137,035)
Balance at 31 December 2021	500,000	(8,697,580)	(8,197,580)

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

Kuoni Australia Holding Pty Ltd
Statement of cash flows
For the year ended 31 December 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Payments to suppliers (inclusive of GST)		(64,918)	70,727
Borrowing Costs		(16,412)	(101,169)
Net cash used in operating activities		(81,330)	(30,442)
Cash flows from investing activities			
Cash in advance from/(repaid to) subsidiary		(228,668)	30,442
Net cash from investing activities		(228,668)	30,442
Net cash from financing activities		-	-
Net decrease in cash and cash equivalents		(309,998)	-
Cash and cash equivalents at the beginning of the financial year	6	(7,693,245)	(7,693,245)
Cash and cash equivalents at the end of the financial year		(8,003,243)	(7,693,245)

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Income tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Income tax liability owed by controlled entity is transferred via the intercompany accounts and treated as income in the statement of comprehensive income or a saving in tax liabilities.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Note 1. Significant accounting policies (continued)

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entity where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax Consolidation

Kuoni Australia Holding Pty Ltd and its controlled entities have formed an income tax consolidated group under Australian tax consolidation legislation. Kuoni Australia Holding Pty Ltd, the parent entity is responsible for recognising the current tax liabilities and deferred tax assets arising in respect of tax losses to the extent that they are recoverable, for the tax consolidated group. The tax consolidated group has also entered a tax funding agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred

Note 1. Significant accounting policies (continued)

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Fair value measurement hierarchy
The company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Investment in Australian Tours Management Pty Ltd

As at 31 December 2021 the company held 100% (2020: 100%) of the ordinary paid up share capital of Australian Tours Management Pty Ltd.

The company does not consolidate its 100% owned subsidiary into these financial statements for the following reasons:

a) the company is a subsidiary of Fairfax Financial Holdings Ltd based in Canada;
b) the company has no debts or equity traded in a public market;
c) the company is not in the process of issuing any class of instruments in a public market; and
d) the ultimate parent entity, Fairfax Financial Holdings Ltd, produces financial statements available for public use

As such, this investment is accounted for at fair value through profit or loss in line with AASB 9.

Income tax
The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The directors have determined that as there is no certainty that the tax losses will be available for offset against future taxable income. On this basis, deferred tax assets have not been recognised the financial statements.

Note 3. Income tax expense

	2021 $	2020 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(137,035)	(1,162,578)
Tax at the statutory tax rate of 26%	(35,629)	(302,270)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Deferred tax asset not recognised	35,629	302,270
Income tax expense	-	-

Note 4. Equity - Contributed Equity

	2021 $	2020 $
Contributed Equity	500,000	500,000

The company has 500,000 ordinary fully paid shares on issue (2020: 500,000). Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Note 5. Equity - accumulated losses

	2021 $	2020 $
Accumulated losses at the beginning of the financial year	(8,560,545)	(7,397,967)
Loss after income tax expense for the year	(137,035)	(1,162,578)
Accumulated losses at the end of the financial year	(8,697,580)	(8,560,545)

Note 6. Reconciliation of cash flow

	2021 $	2020 $
Borrowings from other entities ultimately controlled by Fairfax Financial Holdings Limited	(8,003,245)	(7,693,245)

Note 7. Fair value measurement

Fair value hierarchy
The following tables detail the company's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

2021	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Investment in Australian Tours Management Pty Ltd	-	-	2,838,249	2,838,249
Total assets	-	-	2,838,249	2,838,249

2020	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Investment in Australian Tours Management Pty Ltd	-	-	2,838,249	2,838,249
Total assets	-	-	2,838,249	3,838,249

There were no transfers between levels during the financial year.

Note 8. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel on behalf of the company is set out below:

	2021 $	2020 $
Aggregate compensation	174,867	320,327

Note 9. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 8.

Transactions with related parties
There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	2021 $	2020 $
Current borrowings:		
Loan from other entities ultimately controlled by Fairfax Financial Holdings Limited	8,003,245	7,693,245
Loan from Australian Tours Management Pty Ltd	2,609,581	2,838,249

Terms and conditions
The loans from Australian Tours Management Pty Ltd are non interest bearing

Note 10. Events after the reporting period

No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 11. Economic Dependency

As at 31 December 2021 the company had incurred a loss of $137,035 and has deficiency between current liabilities and total assets totalling $8,197,580, which included amounts payable, secured by or guaranteed by related entities ultimately controlled by Fairfax Financial Holdings Limited totalling $10,612,826. The continued economic support of the company from its ultimate parent entity is a fundamental element of the capacity of the company to meet its debts as and when they fall due and therefore a significant decision of the directors in preparing the financial report on a going concern basis.

The company has received a commitment of continuous financial support from the parent company, Travel Circle International (Mauritius) Limited. This commitment of financial support is given on the basis that Travel Circle International (Mauritius) Limited controls the ownership of the company and that the company will continue to be economically dependent upon of Travel Circle International (Mauritius) Limited for its financial and operational stability.

In the event that this support is withdrawn, a material uncertainty may exist which may cast significant doubt on the entity's ability to continue as a going concern, and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Should the company not continue as a going concern, this may necessitate a restatement of the valuation and classification of assets and liabilities in the statement of financial position.

Kuoni Australia Holding Pty Ltd
Directors' declaration
31 December 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2021 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Eng Waa Teh	**Laurent Kuenzle**
Director	Director

24 May 2022
Melbourne

Kuoni Australia Holding Pty Ltd

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Kuoni Australia Holding Pty Ltd (the Company), which comprises the statement of financial position as at 31 December 2021, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Company, is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards - Reduced Disclosure Regime and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

ACCOUNTANTS & ADVISORS
Level 20, 181 William Street
Melbourne VIC 3000
Telephone: +61 3 9824 8555
williambuck.com

Material uncertainty regarding going concern

We draw attention to note 11 in the financial report which indicates that the Company incurred a net loss of $137,035 during the year ended 31 December 2021 and, as of that date the Company's current liabilities exceeded its total assets by $8,197,580. As stated in note 11, these events or conditions, along with other matters as set forth in note 11, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2021, but does not include the financial report and the auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Regime and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our independent auditor's report.

We also provide the directors 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.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136

J. C. Luckins
Director

Dated this 24th day of May, 2022

Nature Trails Resorts Private Limited
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts are in Indian Rupees Lakhs except share data and as stated)

	Note	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	20	384.26	182.14
Other income	21	11.58	21.90
Total income		**395.84**	**204.04**
Expenses			
Cost of materials consumed	22	69.72	35.77
Employee benefits expense	23	218.42	221.70
Finance costs	24	251.84	275.33
Depreciation and amortisation expense	25	171.88	221.12
Other expenses	26	189.18	206.11
Total expenses		**901.04**	**960.03**
Loss before tax		**(505.20)**	**(755.99)**
Income tax expense	27		
Current tax		-	-
Deferred tax		-	(39.08)
Loss for the year		**(505.20)**	**(716.91)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post employment benefit obligations		-	1.24
Revaluation gain		-	840.00
Income tax relating to this item		-	(174.72)
Other comprehensive income for the year, net of income tax		**-**	**666.52**
Total comprehensive income/ (loss) for the year		**(505.20)**	**(50.39)**
Earnings per share (Face value of Rs. 10 each)			
Basic and anti-diluted earnings per share (in Rs.)	32	(342.32)	(485.78)
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
ICAI Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
Nature Trails Resorts Private Limited
(CIN: U55100MH2005PTC150901)

Satish Vaidyanathan
Partner
Membership No.: 217042

Place: Chennai
Date:

Ramesh Ramanathan
Director
DIN No.: 00174550

Krishna Kumar L
Director
DIN No.: 00420790

Place: Chennai
Date:

Nature Trails Resorts Private Limited
Balance Sheet as at March 31, 2022
(All amounts are in Indian Rupees Lakhs except share data and as stated)

	Note	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	2	5,031.81	4,753.14
Capital work in progress	3	62.85	38.74
Other intangible assets	4	-	-
Right of use assets	38	7.48	178.56
Financial assets			
Other financial assets	5	12.30	9.04
Other tax assets	6	2.81	17.45
Other non-current assets	10	-	256.94
Total non-current assets		**5,117.25**	**5,253.87**
Current assets			
Inventories	7	1.70	1.70
Financial assets			
Trade receivables	8	6.69	1.29
Cash and cash equivalents	9	14.97	7.25
Other current assets	10	17.49	17.23
Total current assets		**40.85**	**27.47**
Total assets		**5,158.10**	**5,281.34**
Equity and liabilities			
Equity			
Equity share capital	11	147.58	147.58
Other equity			
Reserves and surplus	12	(573.78)	(68.58)
Other reserves	13	1,338.29	1,338.29
Total equity		**912.09**	**1,417.29**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	14	622.24	677.23
Lease liability	38	9.20	9.20
Other financial liabilities	16	0.15	0.15
Provision for employee benefit obligations	18	69.83	83.49
Deferred tax liabilities (net)	19	394.92	384.46
Total non-current liabilities		**1,096.34**	**1,154.53**
Current liabilities			
Financial liabilities			
Borrowings	14	2,981.74	2,463.60
Lease liability	38	0.89	1.56
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	15	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	15	112.25	159.26
Other financial liabilities	16	9.15	25.64
Provisions			
Provision for employee benefit obligations	18	9.85	11.65
Other current liabilities	17	35.78	47.81
Total current liabilities		**3,149.66**	**2,709.52**
Total liabilities		**4,246.00**	**3,864.05**
Total equity and liabilities		**5,158.09**	**5,281.34**
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
ICAI Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of
Nature Trails Resorts Private Limited
(CIN: U55100MH2005PTC150901)

Satish Vaidyanathan
Partner
Membership No.: 217042

Place: Chennai
Date:

Ramesh Ramanathan
Director
DIN No.: 00174550

Place: Chennai
Date:

Krishna Kumar L
Director
DIN No.: 00420790

Kuoni Private Safaris Namibia (Pty) Ltd
(Registration number 2006/511)
Annual Financial Statements
for the year ended 31 December 2021

General Information

Country of incorporation and domicile	Namibia
Nature of business and principal activities	The company carry on the business of tourism, arrange and operate services for travel agents, tour operators, cruise liners, travel packages wholesale and logistics and all business related thereto.
Director	Virginia Barnard
Registered office	61 Simeon Shixungileni Street Windhoek Namibia
Business address	1 Schutzenstrasse Windhoek Namibia
Holding company	Kuoni Private Safaris (Pty) Ltd incorporated in South Africa
Ultimate holding company	Travel Circle International Ltd incorporated in Mauritius
Bankers	Standard Bank Namibia Limited
Auditors	BDO Namibia Registered Accountants and Auditors Chartered Accountants (Namibia)
Secretary	Sage Secretarial Services (Pty) Ltd
Company registration number	2006/511
Tax reference number	4297241011

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The reports and statements set out below comprise the annual financial statements presented to the shareholder:

The following supplementary information does not form part of the annual financial statements and is unaudited:

Director's Responsibilities and Approval

The director is required in terms of the Companies Act of Namibia to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is her responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The director acknowledges that she is ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control environment. To enable the director to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company’s business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The director is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The director has reviewed the company’s cash flow forecast for the year to 31 December 2022 and, in light of this review and the current financial position, she is satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 4 to 6.

The annual financial statements set out on pages 9 to 35, which have been prepared on the going concern basis, were approved by the board on 9 May 2022 and were signed on their behalf by:

Barnard

Windhoek

Monday, 9 May 2022

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Fax: +264 833 224 126
Email: info@bdo.com.na

61 Simeon Shixungileni Street
P.O. Box 2184
WINDHOEK
Namibia

INDEPENDENT AUDITOR'S REPORT

To the shareholder of [illegible]

Opinion

We have audited the annual financial statements of Kuoni Private Safaris Namibia (Pty) Ltd set out on pages 9 to 33, which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Kuoni Private Safaris Namibia (Pty) Ltd as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw your attention to note 10 of the director's report in the annual financial statements, which indicates that as at 31 December 2021 the company had accumulated losses of N$ 34,960,213 (2020: N$ 31,921,273) and as of that date, the company's total liabilities exceed its total assets by N$ 14,973,093 (2020 N$ 11,934,153). Furthermore, the company incurred operating losses of N$ 3,038,940 (2020: N$ 1,802,528). As stated in note 10 of the director's report, these events and conditions, along with other matters as set forth in the same note, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The director is responsible for the other information. The other information comprises the director's report and the detailed statement of profit or loss and other comprehensive income, which we obtained prior to the date of this auditor's report. Other information does not include the annual financial statements and our auditors' report thereon.

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

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be

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materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the director for the Annual Financial Statements

The director is responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia, and for such internal control as the director determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Annual Financial Statements

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

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the

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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 annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

BDO Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: JSW de Vos
Partner

Windhoek
09 May 2022

Director's Report

The director has pleasure in submitting her report on the annual financial statements of Kuoni Private Safaris Namibia (Pty) Ltd for the year ended 31 December 2021.

1. Nature of business

Kuoni Private Safaris Namibia (Pty) Ltd is engaged in carrying on the business of tourism, arranging and operating services for travel agents, tour operators, cruise lines, travel packages wholesale and logistics and all businesses related thereto and operates in Namibia.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of Namibia. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Share capital

There have been no changes to the authorised or issued share capital during the year.

4. Dividends

The board does not recommend the declaration of a dividend for the year.

5. Directorate

The director in office at the date of this report are as follows:

Director	Nationality	Changes
Virginia Barnard	German	Appointed Thursday, 1 April 2021
M Iuel	South African	Resigned Wednesday, 31 March 2021

6. Holding company

The company's holding company is Kuoni Private Safaris (Pty) Ltd incorporated in South Africa.

7. Ultimate holding company

The company's ultimate holding company is Travel Circle International Ltd which is incorporated in Mauritius.

8. Events after the reporting period

The director is not aware of any material event which occurred after the reporting date and up to the date of this report.

Director's Report

9. Secretary

The company secretary is Sage Secretarial Services (Pty) Ltd of:

Postal address:	PO Box 2184 Windhoek Namibia
Business address:	61 Simeon Shixungileni Street Windhoek Namibia

10. Going Concern

We draw attention to the fact that at 31 December 2021, the company had accumulated losses of N$ (34,960,213) and that the company's total liabilities exceed its assets by N$ (14,973,093).

A material uncertainty exists with regards to the company continuing as a going concern. The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these are that:

- the director continue to secure funding for the ongoing operations for the company;
- that the subordination agreement referred to in notes 9 and 10 of these annual financial statements will remain in force for so long as it takes to restore the solvency of the company;
- the shareholders continue to support the company financially to enable it to meet its daily financial obligations.

11. Terms of appointment of the auditors

BDO (Namibia) continued in the office as auditors for the company for 2021.

Statement of Financial Position as at 31 December 2021

Figures in Namibia Dollar	Note(s)	2021	2020
Assets			
Non-Current Assets			
Property, plant and equipment	3	141,738	69,459
Intangible assets	4	11	11
Deferred tax	5	32,425	32,425
		174,174	**101,895**
Current Assets			
Trade and other receivables	6	784,879	788,229
Cash and cash equivalents	7	1,514,186	1,013,944
		2,299,065	**1,802,173**
Total Assets		**2,473,239**	**1,904,068**
Equity and Liabilities			
Equity			
Share capital	8	19,987,120	19,987,120
Accumulated loss		(34,960,213)	(31,921,273)
		(14,973,093)	**(11,934,153)**
Liabilities			
Non-Current Liabilities			
Finance lease liabilities		4,950	35,199
Current Liabilities			
Trade and other payables	9	13,141,382	11,803,022
Loans from group companies	10	4,300,000	2,000,000
		17,441,382	**13,803,022**
Total Liabilities		**17,446,332**	**13,838,221**
Total Equity and Liabilities		**2,473,239**	**1,904,068**

Kuoni Private Safaris Namibia (Pty) Ltd
(Registration number 2006/511)
Annual Financial Statements for the year ended 31 December 2021

Statement of Profit or Loss and Other Comprehensive Income

Figures in Namibia Dollar	Note(s)	2021	2020
Revenue	11	6,637,550	11,577,224
Cost of sales	12	(5,583,040)	(8,468,799)
Gross profit		**1,054,510**	**3,108,425**
Other operating income	13	4,820	289,165
Other operating (losses) gains	14	10,272	105,233
Other operating expenses		(3,836,263)	(5,103,082)
Loss before investment income and finance costs	15	**(2,766,661)**	**(1,600,259)**
Investment income	16	3,937	104,244
Finance costs	17	(276,216)	(56,942)
Loss before taxation		**(3,038,940)**	**(1,552,957)**
Taxation	18	-	(249,571)
Loss for the year		**(3,038,940)**	**(1,802,528)**
Total comprehensive loss income for the year		**(3,038,940)**	**(1,802,528)**

Statement of Changes in Equity

Figures in Namibia Dollar	Share capital	Share premium	Total share capital	Accumulated loss	Total equity
Balance at 1 January 2020	**3,001,000**	**16,986,120**	**19,987,120**	**(30,118,745)**	**(10,131,625)**
Loss for the year	-	-	-	(1,802,528)	(1,802,528)
Total comprehensive loss for the year	**-**	**-**	**-**	**(1,802,528)**	**(1,802,528)**
Balance at 1 January 2021	**3,001,000**	**16,986,120**	**19,987,120**	**(31,921,273)**	**(11,934,153)**
Loss for the year	-	-	-	(3,038,940)	(3,038,940)
Total comprehensive loss for the year	**-**	**-**	**-**	**(3,038,940)**	**(3,038,940)**
Balance at 31 December 2021	**3,001,000**	**16,986,120**	**19,987,120**	**(34,960,213)**	**(14,973,093)**
Note(s)	8	8	8		

Statement of Cash Flows

Figures in Namibia Dollar	Note(s)	2021	2020
Cash flows from operating activities			
Cash used in operations	19	(1,391,811)	(4,846,643)
Interest income		3,937	104,244
Finance costs		(276,216)	(56,942)
Net cash from operating activities		**(1,664,090)**	**(4,799,341)**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(105,419)	-
Sale of property, plant and equipment	3	-	30,002
Net cash from investing activities		**(105,419)**	**30,002**
Cash flows from financing activities			
Movements in finance lease liabilities		(30,249)	(492,818)
Proceeds from loans with related parties		2,300,000	2,000,000
Net cash from financing activities		**2,269,751**	**1,507,182**
Total cash movement for the year		**500,242**	**(3,262,157)**
Cash at the beginning of the year		1,013,944	4,276,101
Total cash at end of the year	7	**1,514,186**	**1,013,944**

Accounting Policies

1. Significant accounting policies

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the Companies Act of Namibia. The annual financial statements have been prepared on the historic cost convention, and incorporate the principal accounting policies set out below. They are presented in company

1.1 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimation uncertainties in applying accounting policies

The estimation uncertainties made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Key sources of estimation uncertainty

Trade receivables

The company assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the financial asset.

The impairment (or loss allowance) for trade receivables is calculated on a portfolio basis, except for individually significant trade receivables which are assessed separately. The impairment test on the portfolio is based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Provisions

Provisions are inherently based on assumptions and estimates using the best information available.

Taxation

The company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the company to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one year.

Accounting Policies

1.2 Property, plant and equipment (continued)

An item of property, plant and equipment is recognised as an asset 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.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition of the asset.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Subsequent to initial recognition, property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses, except for land and buildings which are stated at revalued amounts. The revalued amount is the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 years
IT equipment	Straight line	3-5 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

1.3 Right of use Asset

When the company holds property under a long term prepaid lease agreement, the lease is classified as a finance lease lease in accordance with the provisions of IFRS 16 Leases. Refer to the accounting policy on leases. When these leases are classified as finance leases, the property is capitalised as leasehold property, and is depreciated over the lease term.

Accounting Policies

1.4 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Computer software	3 years

1.5 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when the company becomes a party to the contractual provisions of the instruments.

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Subsequent measurement

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value being included in profit or loss for the period.

Financial liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest method.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Impairment of financial assets

At each reporting date the company assesses all financial assets, other than those at fair value through profit or loss, to determine whether there is objective evidence that a financial asset or group of financial assets has been impaired.

For amounts due to the company, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default of payments are all considered indicators of impairment.

In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator of impairment. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity as a reclassification adjustment to other comprehensive income and recognised in profit or loss.

Impairment losses are recognised in profit or loss.

Accounting Policies

1.5 Financial instruments (continued)

Impairment losses are reversed when an increase in the financial asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the financial asset at the date that the impairment is reversed shall not exceed what the carrying amount would have been had the impairment not been recognised.

Loans to / (from) related parties

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Loans to group companies are classified as loans and receivables.

Loans from group companies are classified as financial liabilities measured at amortised cost.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Accounting Policies

1.5 Financial instruments (continued)

Fair value measurement hierarchy

IFRS 13 requires certain disclosure which require the classification of financial assets and financial liabilities measured at fair value using a fair value measurement hierarchy.

The company determines the fair value of its financial statements on the basis of the following hierarchy:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is derived from prices); and

Level 3 - inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs).

1.6 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities / (assets) for the current and prior periods are measured at the amount expected to be paid to / (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused company credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or

a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

Accounting Policies

1.7 Leases

All lease of low value assets; and
• Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:
• amounts expected to be payable under any residual value guarantee;
• the exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess that option;
• any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:
• lease payments made at or before commencement of the lease;
• initial direct costs incurred; and
• the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease terms.

Finance leases – lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the .

The lease payments are apportioned between the finance charge and reduction of the outstanding liability.The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Accounting Policies

1.8 Impairment of non-financial assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the company also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

1.9 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the year in which they are declared.

1.10 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

1.11 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation 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 obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Accounting Policies

1.11 Provisions and contingencies (continued)

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised.

1.12 Revenue

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period. Stage of completion is determined by the travel dates of bookings completed at reporting date.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.13 Cost of sales

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

1.14 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Accounting Policies

1.15 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Namibia Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- 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; and
- 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.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Namibia Dollars by applying to the foreign currency amount the exchange rate between the Namibia Dollar and the foreign currency at the date of the cash flow.

Notes to the Annual Financial Statements

Figures in Namibia Dollar	2021	2020

2. New Standards and Interpretations

2.1 Standards and interpretations not yet effective

The following standards and interpretations have been published and are mandatory for the company's accounting periods beginning on or after 1 January 2022 or later periods but are not relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	01 January 2022	Unlikely there will be a material impact
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	01 January 2022	Unlikely there will be a material impact
Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)	01 January 2022	Unlikely there will be a material impact
References to Conceptual Framework (Amendments to IFRS 3)	01 January 2022	Unlikely there will be a material impact

3. Property, plant and equipment

	2021			2020		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Right of use asset	71,120	(69,029)	2,091	71,120	(43,928)	27,192
Furniture and fixtures	228,409	(228,353)	56	228,409	(226,706)	1,703
IT equipment	1,003,303	(863,712)	139,591	897,883	(857,319)	40,564
Total	**1,302,832**	**(1,161,094)**	**141,738**	**1,197,412**	**(1,127,953)**	**69,459**

Reconciliation of property, plant and equipment - 2021

	Opening balance	Additions	Depreciation	Total
Right of use asset	27,192	-	(25,101)	2,091
Furniture and fixtures	1,703	-	(1,647)	56
IT equipment	40,564	105,419	(6,392)	139,591
	69,459	**105,419**	**(33,140)**	**141,738**

Reconciliation of property, plant and equipment - 2020

	Opening balance	Disposals	Depreciation	Total
Buildings	502,190	-	(474,998)	27,192
Furniture and fixtures	28,824	(19,599)	(7,522)	1,703
Motor vehicles	1	(1)	-	-
IT equipment	102,189	-	(61,625)	40,564
	633,204	**(19,600)**	**(544,145)**	**69,459**

Notes to the Annual Financial Statements

3. Property, plant and equipment (continued)

Net carrying amounts of leased assets

Buildings	2,091	27,192

4. Intangible assets

	2021			2020		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	1,091,413	(1,091,402)	11	1,091,413	(1,091,402)	11

Reconciliation of intangible assets - 2021

	Opening balance	Total
Computer software	11	11

Reconciliation of intangible assets - 2020

	Opening balance	Impairment loss	Total
Computer software	2,191	(2,180)	11

5. Deferred tax

Deferred tax asset

Accelerated capital allowances for tax purposes	(22,231)	(22,231)
Prepayments	15,206	15,206
Leave provision	30,311	30,311
Revenue received in advance	(27,761)	(27,761)
Lease liabilities	11,264	11,264
Provision for bad debts	25,636	25,636
Total deferred tax asset	**32,425**	**32,425**

Reconciliation of deferred tax asset / (liability)

At beginning of year	32,425	281,997
Taxable / (deductible) temporary difference on health care benefits	-	(249,572)
	32,425	**32,425**

The company has estimated tax loss of N$ 25,118,495 (2020: N$ 21,936,191) available for which no deferred tax asset was recognised.

Notes to the Annual Financial Statements

5. Deferred tax (continued)

Unrecognised deferred tax asset

Assets	32,091	-
Prepayments	105,936	-
Revenue received in advance	(659,953)	-
Leave provision	(35,733)	-
Lease liabilities	(1,584)	-
Tax loss	8,037,919	-
Tax asset not recognised	(7,446,251)	-
	32,425	**-**

6. Trade and other receivables

Trade receivables	6,811	(416)
Prepayments	150,560	84,432
Deposits	22,994	10,043
Value Added Tax	604,514	694,170
	784,879	**788,229**

Split between non-current and current portions

Non-current assets	-	788,229
Current assets	784,879	788,229
	784,879	**1,576,458**

Trade and other receivables additional disclosure

Included in trade and other receivables are foreign debtors which amounts to USD 479 (2020: USD 538) and foreign creditors with debit balance which amounts to USD 9 (2020: USD 9).

Credit quality of trade and other receivables

The credit quality of trade and other receivables that are neither past due nor impaired is assessed as high. The directors consider the carrying value of trade and other receivables which are not past due and not impaired to approximate fair value.

Trade and other receivables past due but not impaired

Trade receivables which are past due are not considered to be impaired due to specific payment arrangements with customers.

The ageing of amounts past due but not impaired is as follows:

Trade and other receivables impaired

All of the company's trade and other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired and a provision of N$ nil (2020: N$ 106,818) has been raised.

The ageing of these receivables is as follows:

Over 6 months	-	106,818

Notes to the Annual Financial Statements

6. Trade and other receivables (continued)

Reconciliation of provision for impairment of trade and other receivables

Opening balance	106,818	106,818
Unused amounts reversed	(106,818)	-
	-	**106,818**

7. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	726	719
Bank balances	1,188,787	692,489
Short-term deposits	324,673	320,736
	1,514,186	**1,013,944**

Included in bank balances above is foreign currency amounts of USD 6,518 and EUR 111 (2020: USD 18,352 and EUR 111).

Included in cash on hand above is foreign currency amounts of EUR 40 (2020: EUR 40).

8. Share capital

Authorised		
3,000 Ordinary shares of N$1.00 each	3,000,000	3,000,000
Issued		
3,000,000 Ordinary shares of N$ 1.00 each	3,000,000	3,000,000
1,000 Preference Shares of N$ 1.00 each issued at a premium of N$ 16,986.12 each	1,000	1,000
Share premium on preference shares	16,986,120	16,986,120
	19,987,120	**19,987,120**

9. Trade and other payables

Trade payables*	8,669,155	8,449,859
Amounts received in advance	2,856,650	1,850,033
Operating lease liability	39,004	-
Accruals	1,576,573	1,503,130
	13,141,382	**11,803,022**

* Included in trade and other payables are foreign creditors which amounts to USD 124 and BWP 7,078 (2020: USD 9,787 and BWP 6,096).

* Included in trade payables is N$ 276,203 (2020: N$ 29,534) relating to interest accrued on the loan from the holding company.

*Included in trade payables is N$ 6,333,818 (2020: N$ 6,392,011) due to the holding company and of this balance, N$ 6,333,818 (2019: N$ 6,392,0111) has been subordinated in favor of other creditors until such time that the company's assets, fairly valued, exceed its liabilities.

Notes to the Annual Financial Statements

10. Loans to (from) group companies

Holding company

Kuoni Private Safaris (Pty) Ltd	4,300,000	2,000,000

The loan bears interest at 7% per annum, is unsecured with no fixed terms of repayment. The loan is repayable in 12 months from date of the agreement. The loan has been subordinated in full in favour of other creditors.

Interest of N$ 276,203 (2020: N$ 29,534) charged on the holding company loan has been included in the trade payables balance.

11. Revenue

Fees received for travelling administration	6,637,550	11,577,224

12. Cost of sales

Rendering of services	5,583,040	8,468,799

Rendering of services		
Fees earned	5,583,040	8,468,799

13. Other operating income

Brochure Contributions	4,820	289,165

14. Other operating gains / (losses)

Gains (losses) on disposals, scrappings and settlements		
Property, plant and equipment	-	10,401
Foreign exchange gains (losses)		
Net foreign exchange gains	10,272	94,832
Total other operating gains / (losses)	**10,272**	**105,233**

15. Operating losses

Loss before investment income and finance costs for the year is stated after charging (crediting) the following, amongst others:

Auditor's remuneration - external		
Audit fees	90,803	137,376
Remuneration, other than to employees		
Consulting and professional services	592,748	22,883
Secretarial services	40,642	25,805
	633,390	**48,688**

Employee costs

Salaries, wages, bonuses and other benefits	2,004,058	2,412,028

Notes to the Annual Financial Statements

15. Operating losses (continued)

Leases

Operating lease charges			
Premises		-	37,319

Depreciation and amortisation			
Depreciation of property, plant and equipment		33,140	544,145
Amortisation of intangible assets		-	2,180
Total depreciation and amortisation		**33,140**	**546,325**

Impairment losses			
Trade receivables		-	303,155

Other			
Other operating (losses) gains	14	10,272	105,233

Other expenses

Employee costs	2,004,058	2,412,028
Accounting and administrative fees	553,773	449,802
Telephone and fax	574,050	792,049
Advertising	186,449	192,401
Depreciation and amortisation	33,140	546,325
Other expenses	484,793	710,477
	3,836,263	**5,103,082**

16. Investment income

Interest income		
From investments in financial assets:		
Bank and other cash	3,937	104,244

17. Finance costs

Shareholder loan	276,203	29,534
Lease liability	13	27,408
Total finance costs	**276,216**	**56,942**

18. Taxation

Major components of the tax expense

Deferred		
Originating and reversing temporary differences	-	249,572

Notes to the Annual Financial Statements

18. Taxation (continued)

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense.

Accounting loss	(3,038,940)	(1,552,957)
Tax at the applicable tax rate of 32% (2020: 32%)	(972,461)	(496,946)
Tax effect of adjustments on taxable income		
Other income	(3,287)	(30,346)
Fines income	-	8,771
Tax losses carried forward	975,748	768,093
	-	**249,572**

No provision has been made for 2021 tax as the company has an estimated tax loss available for set off against future taxable income of N$ (25,118,495) (2020: N$ (21936191)).

19. Cash used in operations

Loss before taxation	(3,038,940)	(1,552,957)
Adjustments for:		
Depreciation and amortisation	33,140	546,325
Gains on disposals, scrappings and settlements of assets and liabilities	-	(10,401)
Interest income	(3,937)	(104,244)
Finance costs	276,216	56,942
Changes in working capital:		
Trade and other receivables	3,350	925,087
Trade and other payables	1,338,360	(4,707,395)
	(1,391,811)	**(4,846,643)**

20. Related parties

Relationships

Ultimate holding company	Travel Circle International Ltd
Holding company	Kuoni Private Safaris (Pty) Ltd
Related through ultimate shareholding	Travel Corporation (India) Limited SOTC Travel Limited (formerly known as SOTC Travel Private Limited) Horizon Travel services LLC (USA) Travel Circle International (Mauritius) Ltd Asian Trails Holdings Ltd, Mauritius Reem Tours & Travels LLC (Dubai) Gulf Dunes LLC (Dubai) Desert Adventure Tourism LLC, Dubai Kuoni Destination Management (Beijing) Ltd Kuoni Australia Holding Pty Ltd Australia Tours Management Pty Ltd Private Safaris (East Africa) Ltd (Kenya)
Director	Virginia Barnard

Notes to the Annual Financial Statements

20. Related parties (continued)

Related party balances

Loan accounts - Owing (to) by related parties		
Kuoni Private Safaris (Pty) Ltd	(4,300,000)	(2,000,000)
Amounts included in Trade receivable (Trade Payable) regarding related parties		
Kuoni Private Safaris (Pty) Ltd	(6,333,818)	(6,392,011)
Interest Accrued on balance sheet relating to loan		
Kuoni Private Safaris (Pty) Ltd	276,203	29,534

Related party transactions

Interest paid to (received from) related parties		
Kuoni Private Safaris (Pty) Ltd	276,203	29,534
Travel related and finance support fees paid to related parties		
Kuoni Private Safaris (Pty) Ltd	553,773	449,802
Reimbursements for IT, communications, admin and marketing costs		
Kuoni Private Safaris (Pty) Ltd	525,586	588,928
Maintenance of databse fees paid to related parties		
Desert Adventure Tourism LLC, Dubai	-	11,450

Director's emoluments

No emoluments were paid to the director during the current year and in prior year.

Notes to the Annual Financial Statements

21. Risk management

Capital risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal 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 shareholder, return capital to shareholder, issue new shares or sell assets to reduce debt.

The company monitors capital on the basis of budgeted expenditure. The company uses working capital and loan from its shaholder to fund capital and operational expenses. The company also issued preference shares to the shareholder subsequent to year-end for additional capital contribution.

The gearing ratio at 2021 and 2020 respectively were as follows:

Total borrowings			
Loans to (from) group companies	10	4,300,000	2,000,000
Finance lease obligation		4,950	35,199
		4,304,950	**2,035,199**
Less: Cash and cash equivalents	7	1,514,186	1,013,944
Net debt		2,790,764	1,021,255
Total equity		(14,973,093)	(11,934,153)
Total capital		**(12,182,329)**	**(10,912,898)**

Financial risk management

The company is exposed to market risk through its use of financial instruments and specifically to liquidity risk, interest risk and credit risk which results from both its operating and investing activities. The company's risk management is coordinated by its ultimate parent, in co-operation with the board of directors, and focuses on actively securing the company's short to medium term cashflows by minimising the exposure to financial markets and institutions. The company does not engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the company is exposed to are described below.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management does not forsee any material cash expenditure in the near future which could result in the utilisation of the bank account.

The company’s risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through rolling forecast of the company's liquidity reserves (comprise undrawn borrowing facility and cash and cash equivalents).

The table below analyses the company’s financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Notes to the Annual Financial Statements

21. Risk management (continued)

At 31 December 2021	Less than 1 year
Trade and other payables	(13,321,872)
Loan from shareholder	(4,300,000)

At 31 December 2020	Less than 1 year
Trade and other payables	(11,803,022)
Loan from shareholder	(2,000,000)

Trade and other payables

Liquidity gap analyses without subordinated related party balances taken into account

Current assets	2,479,555	1,802,173
Current liabilities	(17,621,872)	(13,803,022)
	(15,142,317)	**(12,000,849)**

Liquidity gap analyses with subordinated related party blances taken into account

Current assets	2,479,555	1,802,173
Current liabilities	(17,621,872)	(13,803,022)
Shareholder subordinated current liability	10,633,818	8,392,011
	(4,508,499)	**(3,608,838)**

Interest rate risk

As the company has no significant interest-bearing assets, the company’s income and operating cash flows are substantially independent of changes in market interest rates.

The company’s interest rate risk arises from financing from a group company. This loan issued at a variable interest rate of 7% exposes the group to cash flow interest rate risk.

The company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the company calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies.

Cash flow interest rate risk

Financial instrument	Current interest rate	Due in less than a year
Trade and other receivables	- %	360,855
Cash and cash equivalents	4.50 %	1,514,186
Trade and other payables	- %	(13,321,872)
Loan from shareholder	7.00 %	(4,300,000)

Notes to the Annual Financial Statements

21. Risk management (continued)

At 31 December 2020

Financial instrument	**Current interest rate**	**Due in less than a year**
Trade and other receivables	- %	94,059
Cash and cash equivalents	4.50 %	1,013,944
Trade and other payables	- %	11,803,022
Loan from shareholder	7.00 %	(2,000,000)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

22. Financial liabilities by category

The accounting policies for financial instruments have been applied to the line items below:

2021

	Financial liabilities at amortised cost	**Total**
Other financial liabilities	4,950	4,950
Trade and other payables	13,321,872	13,321,872
Loan from shareholder	4,300,000	4,300,000
	17,626,822	**17,626,822**

2020

	Financial liabilities at amortised cost	**Total**
Other financial liabilities	35,199	35,199
Trade and other payables	11,803,022	11,803,022
Loan from shareholder	2,000,000	2,000,000
	13,838,221	**13,838,221**

Notes to the Annual Financial Statements

23. Fair value of financial instruments

The company classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements; this is done for instruments recognised at fair value. There has been no change to the valuation technique during the year. The company's fair value hierarchy has the following levels:

-Level 1: Fair value is determined using unadjusted quoted prices in active markets for identical assets or liabilities;

-Level 2: Fair value is determined using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e prices) or indirectly (derived from prices); and

-Level 3: Fair value is determined using a valuation technique and inputs for the asset or liability that are not based on observable market data (unobservable inputs).

24. Going concern

We draw attention to the fact that at 31 December 2021, the company had accumulated losses of N$ (34,960,213) and that the company's total liabilities exceed its assets by N$ (14,973,093).

A material uncertainty exists with regards to the company continuing as a going concern. The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the company to continue as a going concern is dependent on a number of factors. The most significant of these is that:

• the director continue to secure funding for the ongoing operations for the company;
• that the subordination agreement referred to in notes 9 and 10 of these annual financial statements will remain in force for so long as it takes to restore the solvency of the company;
• the shareholders continue to support the company financially to enable it to meet its daily financial obligations.

Detailed Statement of Profit or Loss and Other Comprehensive Income

Figures in Namibia Dollar	Note(s)	2021	2020
Revenue			
Fees received for travelling administration		6,637,550	11,577,224
Cost of sales			
Cost incurred for travelling administration		(5,583,040)	(8,468,799)
Gross profit		**1,054,510**	**3,108,425**
Other operating income			
Brochure Contributions		4,820	289,165
Other operating gains / (losses)			
Gains on disposal of assets		-	10,401
Foreign exchange gains / (losses)		10,272	94,832
	14	**10,272**	**105,233**
Expenses (Refer to page 35)		**(3,836,263)**	**(5,103,082)**
Operating loss	15	**(2,766,661)**	**(1,600,259)**
Investment income	16	3,937	104,244
Finance costs	17	(276,216)	(56,942)
Loss before taxation		**(3,038,940)**	**(1,552,957)**
Taxation	18	-	(249,571)
Loss for the year		**(3,038,940)**	**(1,802,528)**

The supplementary information presented does not form part of the annual financial statements and is unaudited

Detailed Statement of Profit or Loss and Other Comprehensive Income

Figures in Namibia Dollar	Note(s)	2021	2020
Other operating expenses			
Advertising		186,449	192,401
Amortisation		-	2,180
Auditors remuneration - external auditors	15	90,803	137,376
Bad debts		(11,573)	-
Bank charges		61,004	41,387
Commission paid		22,424	223,066
Accounting and administrative fees		553,773	-
Consulting - tax fees		38,975	22,883
Consumables		2,082	2,257
Delivery expenses		52,740	22,751
Depreciation		33,140	544,145
Employee costs		2,004,058	2,861,830
Entertainment		200	10,996
IT charges		-	(7,328)
Insurance		56,345	77,040
Lease rentals on operating lease		-	37,319
Miscellaneous office expenses		9,568	20,068
Motor vehicle expenses		400	1,925
Municipal expenses		-	29,706
Override payable expenses		-	9,800
Printing and stationery		214	5,346
Repairs and maintenance		18,921	11,805
Secretarial fees		40,642	25,805
Security		-	3,988
Subscriptions		3,214	-
Sundry expenses		98,834	-
Telephone and fax		574,050	792,049
Travel - overseas		-	34,287
		3,836,263	**5,103,082**

The supplementary information presented does not form part of the annual financial statements and is unaudited

Sita Lanka
Statement of Profit And Loss for the Period ended 31 March 2022

Currency - LKR

Particulars	Notes	Period ended 31 March 2022
Income		
Revenue from operations	17	-
Other income	18(a)	64.0
Other gains (net)	18(b)	260.2
Total income		**324.2**
Expenses		
Cost of services		-
Employee benefits expense	19	-
Finance Cost	22	26,750.0
Advertisement Expenses		
Depreciation and amortisation expense	20	94,570.8
Other expenses	21	142,482.8
Total expenses		**263,803.5**
Profit before exceptional item		**(263,479.4)**
Add Exceptional items:		
Less Exceptional items:		**-**
(Loss)/Profit before tax		**(263,479.4)**
Less : Tax expense		
Current tax	23	-
Deferred tax	23	-
Total tax expenses		**-**
(Loss)/Profit for the year (A)		**(263,479.4)**
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)		**(263,479.4)**
Earnings/(Loss) per equity share (Face value of INR 1 each)	34	
- Basic earnings/(loss) per share		-
- Diluted earnings/(loss) per share		-

Summary of Significant Accounting Policies **2**

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

-

Sita Lanka
Balance Sheet as at 31st March 2022

Currency - LKR

Particulars	Notes	As at 31st March 2022
ASSETS		
Non-current assets:		
Property, plant and equipment	3	79,629.2
Capital work-in-progress	3	-
Goodwill	4	-
Other intangible Assets	4	40,523.2
Right of Use Assets	4(a)	-
Intangible assets under development		
Investment accounted for using equity method	5	-
Investment in subsidiaries	5	-
Financial assets		
- Non current investments	5	-
- Loans		
- Other financial assets	6(e)	-
Other non-current assets	7	-
Non Current Income Tax assets	9	143,146.5
Deferred tax assets (net)	16	20,862.0
Total non-current assets		**284,160.8**
Current assets:		
Inventories		
Financial assets		
- Investments	6(a)	-
- Trade receivables	6(b)	-
- Cash and cash equivalents	6(c)	(8,949.7)
- Bank balances other than cash and cash equivalents	6(d)	-
- Other financial assets	6(e)	13,520,000.0
Other current assets	8	375,926.1
Total current assets		**13,886,976.4**
TOTAL ASSETS		**14,171,137.2**
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	10(a)	2,500,000.0
Preference share capital	10(a)	43,098,944.0
Other equity		
Share application money pending allotment		-
Reserve and surplus	10(b)	(31,553,460.8)
Total Equity		**14,045,483.2**
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
- Borrowings	11(a)	-
- Other financial liabilities	11(c)	-
Provisions	14	-
Employee Benefit Obligations	15	-
Deferred tax liabilities (net)	16	**20,862.0**
Other non-current liabilities	12	-
Total non-current liabilities		**20,862.0**
Current liabilities		
Financial liabilities		
- Borrowings	11(b)	-
- Trade payables	11(d)	40,000.0
- Other financial liabilities	11(c)	-
Provisions	14	-
Employee Benefit Payable	15	-
Current Income Tax Liabilities	9	64,792.0
Other current liabilities	13	-
Total current liabilities		**104,792.0**
TOTAL LIABILITIES		**125,654.0**
TOTAL EQUITY AND LIABILITIES		**14,171,137.2**
	Check --->	-

Summary of Significant Accounting Policies
The above balance sheet should be read in conjunction with the accompanying notes.

Thomas Cook Lanka (Private) Limited
Statement of Profit And Loss for the Period ended 31st March 2022

Currency -

Particulars	Notes	Period ended 31st March 2022
Income		
Revenue from operations	17	101,419,343.4
Other income	18(a)	15,362,532.9
Other gains (net)	18(b)	-
Total income		**116,781,876.4**
Expenses		
Cost of services		
Employee benefits expense	19	30,439,888.5
Finance Cost	22	3,678,447.9
Advertisement Expenses		-
Depreciation and amortisation expense	20	3,953,087.0
Other expenses	21	56,524,588.3
Total expenses		**94,596,011.7**
Profit before exceptional item		**22,185,864.7**
Add Exceptional items:		
Less Exceptional items:		**-**
(Loss)/Profit before tax		**22,185,864.7**
Less : Tax expense		
Current tax	23	-
Deferred tax	23	(9,669.0)
Total tax expenses		**(9,669.0)**
(Loss)/Profit for the year (A)		**22,195,533.7**
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)		**22,195,533.7**
Earnings/(Loss) per equity share (Face value of INR 1 each)	34	
- Basic earnings/(loss) per share		-
- Diluted earnings/(loss) per share		-

Summary of Significant Accounting Policies **2**
The above statement of profit and loss should be read in conjunction with the accompanying notes.

-

Thomas Cook Lanka (Private) Limited
Balance Sheet as at 31st March 2022

Currency -

Particulars	Notes	As at 31st March 2022
ASSETS		
Non-current assets:		
Property, plant and equipment	3	15,569,298.3
Capital work-in-progress	3	-
Goodwill	4	-
Other intangible Assets	4	-
Right of Use Assets	4(a)	345,573.8
Intangible assets under development		
Investment accounted for using equity method	5	-
Investment in subsidiaries	5	**55,481,250.0**
Financial assets		
- Non current investments	5	-
- Loans		
- Other financial assets	6(e)	-
Other non-current assets	7	-
Non Current Income Tax assets	9	**1,343,488.2**
Deferred tax assets (net)	16	9,669.0
Total non-current assets		**72,749,279.4**
Current assets:		
Inventories		
Financial assets		
- Investments	6(a)	-
- Trade receivables	6(b)	-
- Cash and cash equivalents	6(c)	**39,877,252.8**
- Bank balances other than cash and cash equivalents	6(d)	**137,049,764.5**
- Other financial assets	6(e)	**167,159,637.2**
Other current assets	8	**18,820,852.3**
Total current assets		**362,907,506.8**
TOTAL ASSETS		**435,656,786.2**
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	10(a)	**107,679,780.0**
Preference share capital	10(a)	-
Other equity		
Share application money pending allotment		-
Reserve and surplus	10(b)	**94,644,553.7**
Total Equity		**202,324,333.7**
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
- Borrowings	11(a)	-
- Other financial liabilities	11(c)	**74,121,835.9**
Provisions	14	-
Employee Benefit Obligations	15	**5,952,820.0**
Deferred tax liabilities (net)	16	**9,669.0**
Other non-current liabilities	12	-
Total non-current liabilities		**80,084,325.0**
Current liabilities		
Financial liabilities		
- Borrowings	11(b)	-
- Trade payables	11(d)	**19,242,309.8**
- Other financial liabilities	11(c)	**134,005,817.7**
Provisions	14	-
Employee Benefit Payable	15	-
Current Income Tax Liabilities	9	-
Other current liabilities	13	-
Total current liabilities		**153,248,127.5**
TOTAL LIABILITIES		**233,332,452.5**
TOTAL EQUITY AND LIABILITIES		**435,656,786.2**
	Check --->	**-**

Summary of Significant Accounting Policies
The above balance sheet should be read in conjunction with the accompanying notes.

Travel Circle International (Mauritius) Ltd

FINANCIAL STATEMENTS
YEAR ENDED
31 March 2022

Travel Circle International (Mauritius) Ltd

Contents

Travel Circle International (Mauritius) Ltd

Corporate data

			Date appointed
Directors	:	Mr Mohinder Shakeel Dyall	26 May 2017
		Ms Sangeeta Bissessur	11 September 2018

Company Secretary : SANNE Mauritius
Sanne House, Bank Street
TwentyEight Cybercity
Ebene 72201
Republic of Mauritius

Registered Office : C/o SANNE Mauritius
Sanne House, Bank Street
TwentyEight Cybercity
Ebene 72201
Republic of Mauritius

Auditor : Baker Tilly
1st Floor, Cyber Tower One
Ebene 72201
Mauritius

Bankers : The Mauritius Commercial Bank Ltd
Sir William Newton Street
Port Louis
Republic of Mauritius

Axis Bank Limited
Gift City Branch, Unit No. 403
4th Floor, Hiranandani Signature
Gandhinagar, Gujarat – 382355
Republic of India

Standard Chartered Bank
Crescenzo, 6th Floor
Bandra East
Mumbai – 400051
Republic of India

Standard Chartered Bank
Business Centre
Khalid Bin Waleed Road
But Dubaid – P.O Box 999
Dubai
United Arab Emirates

Travel Circle International (Mauritius) Ltd

Commentary of the directors

The directors of **Travel Circle International (Mauritius) Ltd**, the "Company", have the pleasure in submitting their report together with the audited financial statements for the year ended 31 March 2022.

Incorporation

The Company was incorporated in the Republic of Mauritius on 26 May 2017 under the Mauritius Companies Act 2001 as a private company with liability limited by shares.

Principal activity

The principal activity of the Company is to hold investments.

Results and dividends

The results for the year are as shown on page 9.

The directors do not recommend the payment of any dividend for the year under review (2021: USD Nil).

Directors

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

Directors' responsibilities in respect of the financial statements

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

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

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001 and IFRS, as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for Companies holding a Global Business Licence. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

The auditor, **Baker Tilly**, has indicated its willingness to continue in office.

Certificate from the Secretary to the members of Travel Circle International (Mauritius) Ltd

We certify, to the best of our knowledge and belief, that we have filed with the Registrar of Companies all such returns as are required of **Travel Circle International (Mauritius) Ltd** under the Mauritius Companies Act 2001, during the financial year ended 31 March 2022.

____

***for* SANNE Mauritius**
Company Secretary

Registered Office:
Sanne House, Bank Street
TwentyEight Cybercity
Ebene 72201
Republic of Mauritius

Date: 17 June 2022

1st Floor CyberTower One
Ebène 72201, Mauritius

T: +230 460 8800
BRN: F07000610
info@bakertilly.mu
www.bakertilly.mu

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Travel Circle International (Mauritius) Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of *Travel Circle International (Mauritius) Ltd* (the "Company"), which comprise the statement of financial position as at 31 March 2022, 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 on pages 8 to 32 give a true and fair view of the financial position of the Company as at 31 March 2022, and its financial performance and its cash flows for the year then ended in accordance with the requirements of International Financial Reporting Standards, as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Global Business Licence and in compliance with the requirements of the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the Mauritius Companies Act 2001, applicable to a Global Business Company and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so. Those charged with governance are 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

This opinion has been prepared for and only for the Company's shareholder in accordance with Section 205 of the Mauritius Companies Act 2001 and for no other purposes.

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Travel Circle International (Mauritius) Ltd

Report on the Audit of the Financial Statements (Continued)

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

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

► Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

► Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

► Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

► Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

Other information

The directors are responsible for the other information. The other information comprises of corporate data, commentary of the directors and certificate from the secretary.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT
To the Shareholder of Travel Circle International (Mauritius) Ltd

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor and tax advisor.

We have obtained all the information and explanations we have required.

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

Baker Tilly

Baker Tilly

Sin C. Li, CPA, CGMA

Date: 17 June 2022

Licensed by FRC

Travel Circle International (Mauritius) Ltd

Statement of financial position as at 31 March

	Notes	2022 USD	2021 USD
Assets			
Non-current			
Investments in subsidiaries	7	**24,606,816**	24,606,816
Loans	8 (i)	**-**	3,345,000
Non-current assets		**24,606,816**	27,951,816
Current			
Loans	8 (ii)	**49,258,194**	33,782,325
Receivables	9	**127,795**	192,794
Investment in fixed deposits	10	**1,566,260**	1,542,429
Cash and cash equivalents	11	**536,460**	1,173,327
Current assets		**51,488,709**	36,690,875
Total assets		**76,095,525**	64,642,691
Equity and liabilities			
Equity			
Stated capital	12.1	**4,133,001**	4,133,001
Share premium	12.2	**5**	5
Optionally convertible redeemable preference shares	13	**25,910,000**	25,910,000
Accumulated losses		**(3,098,499)**	(2,019,182)
Total equity		**26,944,507**	28,023,824
Liabilities			
Non-current liabilities			
Borrowings	14	**5,000,000**	10,000,000
Current			
Borrowings	14	**43,948,151**	26,374,810
Payables	15	**202,867**	244,057
Current liabilities		**44,151,018**	26,618,867
Total liabilities		**49,151,018**	36,618,867
Total equity and liabilities		**76,095,525**	64,642,691

Approved by the Board on 17 June 2022 and signed on its behalf by:

Director **Director**

The notes on pages 12 to 32 form an integral part of these financial statements.

Travel Circle International (Mauritius) Ltd

Statement of comprehensive income for the year ended 31 March

	Notes	2022 USD	2021 USD
Income			
Interest income	8(iii) & 10(ii)	**1,399,680**	501,507
Net foreign exchange gains		**(103,027)**	1,178,947
Payables written back		**-**	10,089
Total income		**1,296,653**	1,690,543
Expenditure			
Legal and secretarial expenses		**4,814**	75,598
Professional fees		**194,119**	197,790
Fines		**2,717**	137,783
Other expenses		**27,399**	30,272
Audit fees		**3,169**	5,501
Accounting fees		**12,000**	12,000
Processing fees		**65,000**	65,001
Corporate guarantee fees		**37,533**	37,730
Net foreign exchange losses		**-**	-
Interest expense	14(iii)	**2,029,219**	695,656
Total expenditure		**2,375,970**	1,257,331
(Loss)/profit before tax		**(1,079,317)**	433,212
Tax expense	16	**-**	-
(Loss)/profit for the year		**(1,079,317)**	433,212
Total comprehensive (loss)/income for the year		**(1,079,317)**	433,212

The notes on pages 12 to 32 form an integral part of these financial statements.

Travel Circle International (Mauritius) Ltd

Statement of changes in equity for the year ended 31 March

	Stated capital USD	Share premium USD	Optionally convertible redeemable preference shares USD	Accumulated losses USD	Total USD
At 01 April 2021	**4,133,001**	**5**	**25,910,000**	**(2,019,182)**	**28,023,824**
Loss for the year	**-**	**-**	**-**	**(1,079,317)**	**(1,079,317)**
Total comprehensive loss for the year	**-**	**-**	**-**	**(1,079,317)**	**(1,079,317)**
At 31 March 2022	**4,133,001**	**5**	**25,910,000**	**(3,098,499)**	**26,944,507**
At 01 April 2020	4,133,000	-	25,910,000	(2,452,394)	27,590,606
Issue of shares (Notes 12.1 & 12.2)	1	5	-	-	6
Transaction with the shareholders	1	5	-	-	6
Profit for the year	-	-	-	433,212	433,212
Total comprehensive income for the year	-	-	-	433,212	433,212
At 31 March 2021	4,133,001	5	25,910,000	(2,019,182)	28,023,824

The notes on pages 12 to 32 form an integral part of these financial statements.

Travel Circle International (Mauritius) Ltd

Statement of cash flows for the year 31 March

	Notes	2022 USD	2021 USD
Operating activities			
(Loss)/profit before tax		**(1,079,317)**	433,212
Adjustments for:			
Net foreign exchange gains		**-**	(1,178,947)
Payables written back		**-**	(10,089)
Receivables written off		**-**	8,562
Interest income	8(iii) & 10 (ii)	**(1,399,680)**	(501,507)
Interest expense		**2,029,219**	695,656
Operating loss before working capital changes		**(449,778)**	(553,113)
Changes in working capital:			
Change in payables		**(41,190)**	202,325
Change in receivables		**64,999**	65,000
Total changes in working capital		**23,809**	267,325
Net cash used in operating activities		**(425,969)**	(285,788)
Investing activities			
Investment in fixed deposits	10	**(1,504,108)**	(1,501,561)
Fixed deposits redeemed	10	**1,504,543**	1,501,562
Net cash generated from investing activities		**435**	1
Financing activities			
Proceeds from issue of shares		**-**	6
Loans from related parties		**3,316,671**	21,000,000
Loans to related parties		**(14,072,128)**	(16,850,000)
Repayment of borrowings – related parties		**(5,792,445)**	(5,000,000)
Repayment of borrowings - bank		**(5,000,000)**	-
Additions in borrowings		**21,690,000**	-
Interest paid		**(353,431)**	(407,975)
Net cash used in financing activities		**(211,333)**	(1,257,969)
Net change in cash and cash equivalents		**(636,867)**	(1,543,756)
Cash and cash equivalents, at beginning of the year		**1,173,327**	2,717,083
Cash and cash equivalents, at end of the year		**536,460**	1,173,327
Cash and cash equivalents made up of:			
Cash at bank (Note 11)		**536,460**	1,173,327

For reconciliation of liabilities arising from financing activities, refer to ***Note 19.***

The notes on pages 12 to 32 form an integral part of these financial statements.

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

1. General information and statement of compliance with the International Financial Reporting Standards ("IFRS")

Travel Circle International (Mauritius) Ltd, the "Company", was incorporated on 26 May 2017 in the Republic of Mauritius under the Mauritius Companies Act 2001 as a private company with liability limited by shares. The Company holds a Global Business Licence issued (formerly Category 1 Global Business Licence) by the Financial Services Commission. The Company's registered office is Sanne House, Bank Street, TwentyEight Cybercity, Ebene 72201, Republic of Mauritius.

The principal activity of the Company is to hold investments.

The Company holds investments in subsidiaries,and is required to present consolidated financial statements. In accordance with the Fourteeth Schedule of the Mauritius Companies Act, Section 212, the Company may not prepare group financial statements as it is a wholly owned subsidiary of another company and, in accordance with Section 211 of the Mauritius Companies Act, content and form of the financial statements, these financial statements present the financial position, financial performance and cash flow of the Company.

2. Application of new and revised IFRS

2.1 New and revised standards that are effective for annual year beginning on 01 April 2021

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, new standards and interpretations which are effective for annual periods beginning on or after 01 January 2021.

Amendments	Effective for accounting period beginning on or after
Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	01 January 2021

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

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

• A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest;
• Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued; and
• Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

Interest Rate Benchmark Reform – Phase 2 introduces amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 and is not mandatorily effective until annual periods beginning on or after 1 January 2021, however, many entities were expected to adopt the amendments early.

The Standard did not have any major impact on the Company's financial statements for the year ended 31 March 2022.

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

2. Application of new and revised IFRS (Continued)

2.2 Standards and amendments to existing standards that are not yet effective and have not been adopted early by the Company

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on the specified dates, but the Company has not early adopted them. The directors have assessed that the below standards would not have an impact on the financial statements.

Amendments	**Effective for accounting period beginning on or after**
IAS 16 Property, Plant and Equipment (Amendment –Proceeds before Intended Use)	01 January 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous Contracts – Cost of Fulfilling a Contract)	01 January 2022
Annual Improvements to IFRS Standards 2018-2020	01 January 2022
IFRS 3 Business Combinations (Amendment – Reference to the Conceptual Framework)	01 January 2022
IFRS 17 Insurance Contracts (including the June 2020 amendments to IFRS 17)	01 January 2023
IAS 16 Property, Plant and Equipment (Amendment –Proceeds before Intended Use)	01 January 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous Contracts – Cost of Fulfilling a Contract)	01 January 2022
Annual Improvements to IFRS Standards 2018-2020	01 January 2022
IFRS 3 Business Combinations (Amendment – Reference to the Conceptual Framework)	01 January 2022
IFRS 17 Insurance Contracts (including the June 2020 amendments to IFRS 17)	01 January 2023
IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current)	01 January 2023
IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendment – Disclosure of Accounting Policies)	01 January 2023
IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment - Definition of Accounting Estimates)	01 January 2023
IAS 12 Income Taxes (Amendment – Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	01 January 2023

The Company is in the process of making an assessment of the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. The amendments are not expected to have any major impact on the Company's financial statement.

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies

3.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

3.2 Investments in subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiaries are initially shown at cost. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to the statement of comprehensive income.

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

The Company does not present consolidated financial statements as it is wholly-owned by a parent company (see Note 7.4).

3.3 Foreign currency

Functional and presentation currency

The financial statements are presented in currency United States Dollar ("USD"), which is also the functional currency of the Company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Continued)

3.4 Revenue recognition

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

Interest income is accounted on an accrual basis unless collectability is in doubt.

3.5 Operating expenses

Operating expenses are accounted on an accrual basis in the statement of comprehensive income.

3.6 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the year of the borrowings using the effective interest method.

Borrowing costs are expensed in the year in which they are incurred.

3.7 Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. When an indication of an impairment loss exists, the carrying amount of the asset is assessed and is written down to its recoverable amount.

3.8 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Continued)

3.8 Financial instruments (Continued)

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs, where appropriate.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss ("FVTPL")
- fair value through other comprehensive income ("FVOCI")

In the current year, the Company does not have any financial assets categorised as FVTPL and FVOCI.

The classification is determined by both:

- the Company's business model for managing the financial asset.
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income, finance costs or other financial items, except for impairment of receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's loans, investment in fixed deposits, cash and cash equivalents and most receivables fall into this category of financial instruments.

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Continued)

3.8 Financial instruments (Continued)

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of these requirements include mainly loans.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

The Company makes use of a simplified approach in accounting for its loans and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

The Company writes off a financial asset when there is information indicating that the borrowers are in severe difficulty and there is no realistic prospect of recovery. Receivables or other financial assets written off are still subject to recovery procedures based on legal advices.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include payables and borrowings.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

All interest-related charges on financial liabilities are included within finance costs or finance income.

Offsetting financial instruments

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

3.9 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

3.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, together with other short term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Continued)

3.11 Equity and reserves

Stated capital is determined using the nominal values of shares that have been issued. The amount received in excess of the nominal values is classified as share premium.

Accumulated losses include all the current and prior years' results as disclosed in the statement of comprehensive income.

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.12 Taxation

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those claims from, or obligations to fiscal authorities relating to the current or prior reporting years, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

3.13 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. At time of effective payment, the provision is deducted from the corresponding expenses.

All known risks at the reporting date are reviewed in detail and provision is made where necessary.

3. Summary of accounting policies (Continued)

3.14 Significant management judgements in applying accounting policies and estimation uncertainties

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Significant management judgements

Determination of functional currency

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

Recognition of deferred tax assets

The extent to which the deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

Impact of COVID-19 and going concern

In January 2020, the World Health Organisation has declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets.

The directors have considered the potential adverse impact of COVID-19 on the Company's investment activities and have exercised significant judgement in assessing that the preparation of these financial statements on a going concern basis is appropriate. In making this assessment, the directors have considered the holding companies' financial capacity to provide continuing financial support to the Company, future investment strategies of the group and global economic conditions.

Notes to the financial statements

For the year ended 31 March 2022

3. Summary of accounting policies (Continued)

3.14 Significant management judgements in applying accounting policies and estimation uncertainties (Continued)

Estimation uncertainties

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of loans

The Company uses the guidance of IFRS 9 to determine the degree of impairment of its loans. Management considers a broader range of information when assessing credit risk and estimating the credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the receivables. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

Impairment of investments in subsidiaries

In assessing impairment, management estimates the recoverable amount of each asset based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. The directors have assessed the recoverable amount of the investments and confirmed that the carrying amounts have not suffered any impairment in value at the reporting date.

4. Financial instrument risk

Risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company risk management policies are designed to identify and analyse these risks, to set up appropriate risk limits and controls, and to monitor the risks.

The Company's risk is managed at group level and focuses on securing the Company's short to medium term cash flows by minimising the exposure to financial risks.

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Continued)

Risk management objectives and policies (Continued)

The Company's financial assets and financial liabilities by category are summarised below:

	2022 USD	2021 USD
Financial assets		
Amortised cost		
Non-current assets		
Loans	**-**	3,345,000
Current		
Loans	**49,258,194**	33,782,325
Cash and cash equivalents	**536,460**	1,173,327
Current assets	**49,794,654**	36,498,081
Total financial assets	**49,794,654**	39,843,081

	2022 USD	2021 USD
Financial liabilities		
Amortised cost		
Non-current		
Borrowings	**5,000,000**	10,000,000
Current		
Borrowings	**43,948,151**	26,374,810
Payables	**202,867**	244,057
	44,151,018	26,618,867
Total financial liabilities	**49,151,018**	36,618,867

** Financial asssets exclude prepayments.*

The most significant financial risks to which the Company is exposed are described below.

4.1 Market risks analysis

Foreign currency exchange risk

The Company's exposure to foreign exchange risk relates mostly to its financial assets and liabilities denominated in Australian Dollars ("AUD").

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Continued)

Risk management objectives and policies (Continued)

4.1 Market risks analysis (Continued)

Foreign currency exchange risk (Continued)

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

	Financial assets 2022 USD	Financial assets 2021 USD	Financial liabilities 2022 USD	Financial liabilities 2021 USD
Australian Dollar ("AUD")	**240,000**	5,977,704	**-**	-
United States Dollar ("USD")	**49,554,654**	33,865,377	**49,151,018**	36,618,867
Total	**49,794,654**	39,843,081	**49,151,018**	36,618,867

It assumes a 10% change in the AUD/USD exchange rates for the year ended 31 March 2022 (2021: 10%). The sensitivity analysis is based on the Company's foreign currency financial instruments held at each reporting date.

If the USD had strengthened against the AUD by 10%, profit would have decreased by USD 24,000 at 31 March 2022 (2021: loss would have increased by USD 597,770). If the USD had weakened by the same percentage against the foreign currency, profit would have increased by USD 24,000 (2021: profit would have increased by USD 597,770).

Interest rate risk

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

The Company has interest-bearing financial assets and financial liabilities in the form of loans and borrowings respectively. The interests thereon are at fixed rate.

4.2 Credit risk analysis

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised overleaf:

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Continued)

Risk management objectives and policies (Continued)

4.2 Credit risk analysis (Continued)

	2022 USD	2021 USD
Non-current assets		
Loans	-	3,345,000
Current		
Loans	**49,258,194**	33,782,325
Cash and cash equivalents	**536,460**	1,173,327
Current assets	**49,794,654**	36,498,081
Total	**49,794,654**	39,843,081

** Financial assets exclude prepayments.*

The directors have assessed the loans due from related parties and concluded that these loans have not suffered from any impairment at the reporting date, hence no expected credit loss is to be recognised. Furthermore, the holding companies have undertaken to make good any loss suffered by the Company in the event of any default arising out from these loans. Also, the Company, acting as an investment vehicle, forms part of a group where the treasury functions are centrally managed and all loans within group companies are managed at the holding company level.

The credit risk for cash and cash equivalents is considered negligible, since the Company transacts with reputable banks.

4.3 Liquidity risk analysis

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages its liquidity needs by carefully monitoring its cash outflows due in day-to-day business and also by securing the financial support of its holding companies and financial institutions.

The Company considers expected cash flows from financial assets in assessing liquidity risk, in particular its cash resources and loans.

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

4. Financial instrument risk (Continued)

Risk management objectives and policies (Continued)

4.3 Liquidity risk analysis (Continued)

The following are the contractual maturities of financial liabilities:

31 March 2022	Carrying amount USD	Contractual cash flows USD	Less than one year USD	1-5 years USD
Borrowings	**48,948,151**	**48,948,151**	**43,948,151**	**5,000,000**
Payables	**202,867**	**202,867**	**202,867**	**-**
	49,151,018	**49,151,018**	**44,151,018**	**5,000,000**

31 March 2021	Carrying amount USD	Contractual cash flows USD	Less than one year USD	1-5 years USD
Borrowings	36,374,810	37,616,566	27,412,119	10,204,447
Payables	244,057	244,057	244,057	-
	36,618,867	37,860,623	27,656,176	10,204,447

5. Capital management policies and procedures

The Company's capital management objectives are:

- to ensure its ability to continue as a going concern; and
- to provide an adequate return to shareholders and stakeholders.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The Company sets the amount of capital in proportion to its overall financing structure, that is, equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid, reduce capital, issue new shares, or sell assets to reduce debts.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital:

5. Capital management policies and procedures (Continued)

	2022 USD	2021 USD
Debt	**38,939,570**	15,008,735
Cash and cash equivalents	**(536,460)**	(1,173,327)
Net debt	**38,403,110**	13,835,408
Equity	**26,944,507**	28,023,824
Total capital	**65,347,617**	41,859,232
Gearing ratio	**58.77%**	33.05%

Debt includes loans from banks but excludes loans from related parties (Note 14).

6. Fair value measurement

6.1 Fair value measurement of financial instruments

The Company's financial assets and liabilities are measured at their carrying amounts, which approximate their fair values.

The Company, acting as an investment vehicle in the group, has invested in a number of unquoted companies engaged in diversified business activities. The Company's policy is to revalue its financial assets on an annual basis for financial reporting purposes in collaboration with its holding company. The valuation is discussed at appropriate authority level and due consideration is given to impairment losses. The directors consider that it is not relevant and practicable to adjust for any fair value movement at the Company's level given the business model in which the Company operates within the group.

6.2 Fair value measurement of non-financial assets and non-financial liabilities

The Company's non-financial assets consist of investments in subsidiaries, investment in fixed deposits and prepayments and it did not have any non-financial liabilities.

For non-financial assets, fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis.

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

7. Investments in subsidiaries

7.1 Movement during the year

	2022 USD	2021 USD
At 01 April and 31 March	24,606,816	24,606,816

7.2 Details pertaining to the investments are as follows:

Name of companies	Country of Incorporation	% Holding
Kuoni Australia Holding Pty Ltd	Australia	100%
Asian Trails Holdings Ltd	Republic of Mauritius	100%
Reem Tours and Travel LLC (Note 7.5)	United Arab Emirates	100%
Gulf Dunes LLC (Note 7.5)	United Arab Emirates	100%
Desert Adventures Tourism LLC (Note 7.5)	United Arab Emirates	100%
Kuoni Private Safaris (Pty) Ltd	Republic of South Africa	100%
Private Safaris (EA) Ltd	Kenya	100%
DEI Holdings Limited	United Arab Emirates	51%

7.3 As the Company forms part of a group, the impairment assessment for financial reporting is done at group level. The directors consider that these investments have not suffered any impairment at the reporting date.

7.4 No consolidated financial statements have been prepared as the directors of the Company have taken advantage of the exemption under the Mauritius Companies Act 2001, which exempts a company holding a Global Business License from preparing consolidated financial statements when it is a wholly owned or a virtually wholly owned subsidiary of any company.

7.5 The Company holds 49% each of the shares of Reem Tours and Travel LLC, Gulf Dunes LLC and Desert Adventures Tourism LLC and the remaining shares are indirectly held by the Company through distinct nominees. The Company maintains beneficial ownership of these investments.

7.6 The Company has not received any dividend income during the current financial year (2021: USD nil).

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

8. Loans

	2022 USD	2021 USD
Non-current		
Loan to a related company (Note (i))	**-**	3,345,000
Current		
Loans to related companies (Note (ii))	**49,258,194**	33,782,325
Total	**49,258,194**	37,127,325

(i) The loan is unsecured, receivable over a period of twelve months and interest-free.

(ii) The loans are unsecured, receivable within twelve months, partly interest-free and partly bear interest.

(iii) Interest accrued on the loans to related companies for the year amounted to USD 1,375,848 (2021: USD 476,120).

(iv) Expected credit losses

The Company applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all its loans receivable as these items do not have a significant financing component.

The directors consider no expected credit loss is to be recognised for the loans receivable as the borrowers form part of the same group of companies and the holding companies have undertaken to make good of any loss suffered by the Company in the event of any default arising out from these loans receivable.

9. Receivables

	2022 USD	2021 USD
Prepayments	**127,795**	192,794

10. Investment in fixed deposits

	2022 USD	2021 USD
At 01 April 2021	**1,542,429**	1,517,043
Investment during the year	**1,504,108**	1,502,561
Redeemed during the year	**(1,504,543)**	(1,502,562)
Interest element	**24,266**	25,387
At 31 March 2022	**1,566,260**	1,542,429

(i) At 31 March 2021, the Company held fixed deposits with maturity dates of 03 August 2021 and 03 February 2022 and interest rates which vary from 0.1% to 3%.

(ii) Interest accrued on the investment in fixed deposits for the year amounted to USD 24,266 (2021: USD 25,387).

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

11. Cash and cash equivalents

	2022 USD	2021 USD
Cash at bank (USD)	**536,460**	1,173,327

12.1 Stated capital

	2022 USD	2021 USD
4,133,001 ordinary shares of USD 1 each	**4,133,001**	4,133,001

Pursuant to board meeting held on 25 January 2021, the Board approved the issue of 1 ordinary share of par value USD 1 to Thomas Cook (Mauritius) Holding Company Limited, at a price of USD 6.18, thus resulting in a premium of USD 5.18 (Note 12.2).

12.2 Share premium

	2022 USD	2021 USD
Share premium	5	**5**

13. Optionally convertible redeemable preference shares ("OCRPS")

	2022 USD	2021 USD
Nominal value	**23,649,535**	23,649,535
Share premium (Note 13.3)	**2,260,465**	2,260,465
Total	**25,910,000**	25,910,000

13.1 The OCRPS are redeemable at the option of the issuer anytime during the tenure of these shares. At the end of 20 years from date of issue, the OCRPS shall be converted into ordinary shares.

13.2 The OCRPS carry the following rights:

- to receive notice of and attend shareholder meetings generally and class meetings of the OCRPS but no right to vote on any matters to be considered by the shareholders generally, provided that each OCRPS shall have the right to vote on any matter to be considered by holders of the OCRPS shares.

- right to dividend out of profits, only if, dividend is also declared to equity shareholders. OCRPS dividend would be non-cumulative. However, the Board would have the right to change the dividend rights at any time during the tenure of the OCRPS.

13.3 In prior years, 3,139,535 OCRPS have been issued at a premium of USD 0.72 per share, resulting in a premium of USD 2,260,465.

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

14. Borrowings

	2022 USD	2021 USD
Non-current		
Loans from banks (Note (i))	**5,000,000**	10,000,000
Current		
Loans from banks (Note (i))	**5,008,581**	5,008,735
Loans from related parties (Note (ii))	**38,939,570**	21,366,075
Total current	**43,948,151**	26,374,810
Total borrowings	**48,948,151**	36,374,810

(i) The loans from the banks are interest-bearing and secured by a fixed charge on the Company's investment in DEI Holdings Limited and Desert Adventures Tourism LLC, a corporate guarantee by Thomas Cook (India) Limited.

(ii) The loans from the related parties are interest-bearing, unsecured and repayable within twelve months. The directors consider the carrying amount of the loans to be a reasonable approximation of the fair values.

(iii) Interest accrued on the loans for the year amounted to USD 2,029,219 (2021: USD 695,656).

15. Payables

	2022 USD	2021 USD
Accruals	**87,792**	229,057
Due to a related party	**115,075**	15,000
Total	**202,867**	244,057

The amount due to the related party is interest-free, unsecured and repayable within twelve months.

16. Taxation

16.1 Income tax expense

The taxation of income and capital gains of the Company are subject to the fiscal laws and practice of the Republic of Mauritius and the countries in which the Company invests. The following is a summary in the key jurisdictions based on the taxation laws and practice currently in force; these may be subject to change.

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

16. Taxation (Continued)

16.1 Income tax expense (Continued)

The Company holds a Global Business Licence for the purpose of the Financial Services Act 2007. Pursuant to the enactment of the Finance Act 2018, with effect as from 01 January 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Companies which had obtained their Global Business Licence on or before 16 October 2017, including the Company, have been grandfathered and would benefit from the deemed tax credit regime up to 30 June 2021.

Accordingly, the Company is entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritian tax ("Deemed tax credit") on its foreign source income resulting in an effective tax rate on net income of up to 3%, up to 30 June 2021. Further, the Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition, there is no withholding tax payable in Mauritius in respect of payments of dividends to shareholders or in respect of redemptions or exchanges of shares.

Post 30 June 2021 and under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the Financial Services Commission, the Company would be entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of the income of the Company from tax in Mauritius, with the remaining 20% of the income to be subject to a 15% tax, resulting in effective tax rate on of 3%.

At 31 March 2022, the Company had no income tax liability due to accumulated tax losses of USD 1,725,155 (2021: USD 1,455,881) carried forward.

16.2 Income tax reconciliation

The tax on the Company's (loss)/profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

	2022 USD	2021 USD
(Loss)/profit before tax	**(1,079,317)**	433,212
Tax at 3%	**(32,380)**	12,996
Non-allowable expenses	**57,633**	6,024
Exempt income	**(33,592)**	(35,368)
Deferred tax not recognised	**8,339**	16,348
Tax expense	**-**	-

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

17. Related party transactions

During the year ended 31 March 2022, the Company had transactions with related entities. The nature, volume of transactions and balances with related parties are as follows.

Name of related party	Nature of transactions	Volume of transactions USD	Debit/(credit) balances at 31 March 2022 USD	Debit/(credit) balances at 31 March 2021 USD
Asian Trails Holdings Ltd	Borrowings	53,944	-	(53,944)
PT Asian Trails Indonesia	Borrowings	6,823	-	(6,823)
Asian Trails (Vietnam) Co. Ltd	Borrowings	4,185	-	(4,185)
Thomas Cook (India) Limited	Borrowings	**(23,249,553)**	**(37,970,899)**	(14,721,346)
SOTC Travel Limited	Borrowings	**5,623,019**	-	(5,623,019)
Thomas Cook (Mauritius) Holding Company Limited	Borrowings	**(11,913)**	**(968,671)**	(956,758)
Asian Trails Holdings Ltd	Loan receivable	**8,391,745**	**21,747,751**	13,356,006
DEI Holdings Limited	Loan receivable	**4,211,813**	**14,449,571**	10,237,758
Desert Adventures Tourism LLC	Loan receivable	**(1,780,697)**	**2,029,587**	3,810,284
Kuoni Australia Holding Pty. Ltd	Loan receivable	**445,066**	**6,422,770**	5,977,704
Private Safaris Africa	Loan receivable	**576,734**	**1,438,045**	861,311
Private Safaris (EA) Ltd	Loan receivable	**182,599**	**282,599**	100,000
Horizon Travel Services	Loan receivable	**103,609**	**2,887,871**	2,784,262
Thomas Cook (Mauritius) Holding Company Limited	Payables	**(100,075)**	**(115,075)**	(15,000)
SOTC Travel Limited	OCRPS	-	**(11,600,000)**	(11,600,000)
Thomas Cook (India) Limited	OCRPS	-	**(14,310,000)**	(14,310,000)

The terms and conditions are described in Notes 8, 13, 14 and 15 to these financial statements.

18. Reconciliation of liabilities arising from financing activities

2022	At 01 April 2021 USD	Cash flows USD	Non-cash flows USD	At 31 March 2022 USD
Loans from related parties	**21,366,075**	**15,897,555**	**1,675,940**	**38,939,570**
Loans from banks	**15,008,735**	**(5,000,000)**	**(154)**	**10,008,581**
Total	**36,374,810**	**10,897,555**	**1,675,786**	**48,948,151**

2021	At 01 April 2020 USD	Cash flows USD	Non-cash flows USD	At 31 March 2021 USD
Loans from related parties	64,952	21,000,000	301,123	21,366,075
Loans from banks	20,022,177	(5,407,975)	394,533	15,008,735
Total	20,087,129	15,592,025	695,656	36,374,810

Travel Circle International (Mauritius) Ltd

Notes to the financial statements

For the year ended 31 March 2022

19. Holding companies

The holding companies are SOTC Travel Limited and Thomas Cook (India) Limited, companies incorporated in the Republic of India and Thomas Cook (Mauritius) Holding Company Limited, a company incorporated in the Republic of Mauritius.

20. Major events during the year – COVID-19

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe. The outbreak was identified first in China towards of end December 2019 and on 11 March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too, the extent of which is dependent on a number of factors, including the formulation of a viable vaccine and governments' response to combat the spread of the virus in the intervening period. This event is a significant event considering the spread of virus all over the world and re-introduction of lockdown measures in March 2021 and period subsequent to that. Due to this significant event, there could be low to severe direct and indirect effects developing with companies across multiple industries and the world.

Associated with the COVID-19 virus, the directors have considered possible events and conditions for the purpose of identifying whether these events and conditions affect or may affect the future performance of the Company. In making this assessment, the directors have considered the period up to 12 months after the end of the reporting period, as well as the period up to 12 months.

The directors of the Company will continue to monitor the impact of COVID-19 has on them and reflect the consequences as appropriate in its accounting and reporting.

Hence, it is considered that there is no material adverse impact of COVID-19 on the financial statements.

21. Contingencies and capital commitments

The Company does not have any contingent liability and capital commitment at year.

22. Events after reporting date

There has been no significant event after the reporting date which requires disclosures or amendments to the financial statements.

DESERT ADVENTURES TOURISM
(PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
TOGETHER WITH THE INDEPENDENT
AUDITOR'S REPORT

DESERT ADVENTURES TOURISM
(PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN

FOR THE YEAR ENDED DECEMBER 31, 2021

INDEPENDENT AUDITORS' REPORT

TO THE GENERAL ASSEMBLY OF
DESERT ADVENTURES TOURISM (PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN
FOR THE YEAR ENDED DECEMBER 31, 2021

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **DESERT ADVENTURES TOURISM – Jordan (private shareholding company) (the 'Company')**, which comprise the Statement of Financial Position as of December 31, 2021, the Statements of Profit or Loss and Other Comprehensive Income, Changes in Owners' Equity and Cash Flows for the year then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board of Accountant Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note (2-e) of the financial statements, which indicates that the Company incurred a net loss of JOD (363,156) during the year ended 31 December 2021. As stated in Note (2-e), these events or conditions, along with other matters as set forth in Note (2-e), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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 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 business, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITORS' REPORT

TO THE GENERAL ASSEMBLY OF
DESERT ADVENTURES TOURISM (PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN
FOR THE YEAR ENDED DECEMBER 31, 2021

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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

The Company maintains proper accounting records. The accompanying financial statements are, in all material aspects, in agreement with the Company's accounting records, and we recommend that the Company's General Assembly approves these financial statements after consider the other matter paragraph.

KPMG
Kawasmy and partners

Hatem Kawasmy
License No. (656)

شركة
القواسمي وشركاه
KPMG
Kawasmy & Partners
Company

Amman – Jordan
September 19, 2022

DESERT ADVENTURES TOURISM
(PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN

STATEMENT OF FINANCIAL POSITION

In Jordanian dinar		As of December 31,	
	Note	**2021**	**2020**
Assets			
Current assets			
Cash and cash equivalents	4	297,964	14,660
Trade receivables and other receivables balances	5	127,291	368,623
Due from related parties	9-1	842	482,877
Total Current assets		**426,097**	**866,160**
Non-Current asset			
Property and equipment	6	31,181	15,710
Total Non-Current asset		**31,181**	**15,710**
Total assets		**457,278**	**881,870**
Liabilities and Owners' Equity			
Current Liabilities			
Trade payables and other credit balances	7	343,897	481,281
Due to related parties	9-2	12,325	4,932
Income tax provision	8	72,592	24,208
Lease liability	13	9,804	5,180
Total Current liabilities		**438,618**	**515,601**
Non-Current Liabilities			
Lease liability	13	**15,547**	-
Total Non-current liabilities		**15,547**	-
Total Liabilities		**454,165**	**515,601**
Owners' Equity			
Paid up capital		100,000	100,000
Statutory reserve	10	25,000	25,000
Retained earnings		(121,887)	241,269
Net Owners' Equity		**3,113**	**366,269**
Total Owners' Equity and Liabilities		**457,278**	**881,870**

The notes on pages (7) to (33) are an integral part of these financial statements and should be read with them and with the independent auditor's report.

The financial statements on pages (3) to (6) were approved by the board on September 19, 2022.

Chairman of Board of Directors **Financial Manager** **General Manager**

DESERT ADVENTURES TOURISM
(PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In Jordanian dinar		For the year ended December 31,	
	Note	2021	2020
Revenue	11	303,235	1,538,228
Cost of revenue	11	(279,405)	(1,443,372)
Gross profit		**23,830**	**94,856**
Administrative expenses	12	(166,405)	(201,061)
Expected credit loss expense on advances	5	(231,144)	(758)
Loss from operations		**(373,719)**	**(106,963)**
Finance cost		(1,221)	(390)
Other income	12.1	60,168	-
Loss before income tax		**(314,772)**	**(107,353)**
Income tax			
Current tax expense	8	-	-
Change in estimate relating to prior years	8	(48,384)	(24,208)
Loss for the year		**(363,156)**	**(131,561)**
Other comprehensive income		-	-
Total comprehensive (loss) profit for the year		**(363,156)**	**(131,561)**

The notes on pages (7) to (33) are an integral part of these financial statements and should be read with them and with the independent auditor's report.

The financial statements on pages (3) to (6) were approved by board on September 19, 2022.

Chairman of Board of Directors **Financial Manager** **General Manager**

DESERT ADVENTURES TOURISM
(PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN

STATEMENT OF CHANGES IN OWNERS' EQUITY

In Jordanian dinar	Paid up Capital	Retained Earnings	Statutory Reserve	Total
Changes for the year ended December 31, 2021				
Balance at January 1, 2021	100,000	241,269	25,000	366,269
Total comprehensive loss for the year	-	(363,156)	-	(363,156)
Balance as of December 31, 2021	**100,000**	**(121,887)**	**25,000**	**3,113**
Changes for the year ended December 31, 2020				
Balance at January 1, 2020	100,000	372,830	25,000	497,830
Total comprehensive loss for the year	-	(131,561)	-	(131,561)
Balance as of December 31, 2020	**100,000**	**241,269**	**25,000**	**366,269**

The notes on pages (7) to (33) are an integral part of these financial statements and should be read with them and with the independent auditor's report.

DESERT ADVENTURES TOURISM
(PRIVATE SHAREHOLDING COMPANY)
AMMAN – JORDAN

STATEMENT OF CASH FLOWS

In Jordanian dinar		For the year ended December 31,	
	Note	2021	2020
Cash flows from operating activities			
Loss for the year after income tax		(363,156)	(131,561)
Adjustments for:			
Current tax expense	8	48,384	24,208
Interest expense on lease liability	13	146	390
Reversal of provisions		(60,168)	-
Depreciation expense	6	13,554	14,002
Expected credit loss expense	5	231,144	758
		(130,096)	**(92,203)**
Changes in:			
Trade receivables and other debit balances		10,188	1,924,861
Trade payables and other credit balances		(77,216)	(1,533,133)
Due from related parties		482,035	109,618
Due to related parties		7,393	(209,161)
Net cash from operating activities before income tax paid		292,304	199,982
Tax paid	8	-	(42,046)
Net cash from operating activities		**292,304**	**292,361**
Cash flows from investing activities			
Acquisition of property and equipment	6	-	(1,734)
Funds provided to a related party - net		-	(592,495)
Net cash used in investing activities		**-**	**(594,229)**
Cash flows from financing activity			
Payment of lease liability	13	(9,000)	(15,764)
Cash used in financing activity		**(9,000)**	**(15,764)**
Net increase / (decrease) in cash and cash equivalents		283,304	(452,057)
Cash and cash equivalents at the beginning of the year		14,660	466,717
Cash and cash equivalents at the year end	4	**297,964**	**14,660**

The notes on pages (7) to (33) are an integral part of these financial statements and should be read with them and with the independent auditor's report.

1. GENERAL

Desert Adventures Tourism PSC was incorporated on 16 September 2010 as a Private Shareholding Company in the Hashemite Kingdom of Jordan, under number (767), with a paid up capital of JD 100,000, divided into 100,000 shares, distributed as the below schedule. The Company's parent Company is Desert Adventures Tourism LLC (Dubai) and the Ultimate Parent of the Company is Fairfax Financial Holdings Limited with a registered address at 95 Wellington Street West, Suite 800, Toronto, Ontario, Canada.

The shareholding in the Company was as follows:

Shareholder	Share
Desert Adventures Tourism LLC (Dubai)	50%
Loai Khalid Ahmed Najdawi	50%

The principal business activity of the Company is organizing leisure and individual business tours. The Company secures access to hotel accommodation and other activities and services from hotels and other service providers at competitive rates which are offered at preferential rates to tour operators, travel agents and other wholesalers.

The registered address of the Company is Amman – Mecca Street, Jordan.

Loai Khalid Ahmed Najdawi is holding these shares for the beneficial interest of the Parent Company. The financial statements were authorised and approved by the board on September 19, 2022, and subject to general assembly approval.

2. BASIS OF PREPARATION

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs").

(b) Basis of measurement

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

(c) Functional and presentation currency

The financial statements are presented in Jordanian Dinar, which is also the Company's functional currency.

(d) Use of estimates and judgments

In preparing the financial statements, management has made judgements and estimates that affect the application of the Company's 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 estimates are recognised prospectively.

2. BASIS OF PREPARATION (CONTINUED)

(d) Use of estimates and judgments (continued)

Judgments

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

- Revenue recognition: whether revenue is recognised over time or at a point in time. Revenue from hotel accommodation (both separate and sold as part of tour package) is recognized when the control is transferred to the customer. 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 travel of the tour. 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 travel.

- Classification of financial assets: Valuation of the business model under which the asset is to be held and determining whether the contractual terms of the SPPI are on the outstanding balance.
- The development of new criteria to determine whether financial assets have declined significantly since initial recognition and determine the methodology of future expectations and methods of measuring expected credit loss.

Estimates

Information about assumptions and estimation uncertainties at 31 December 2021 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Revenue recognition: estimate of expected returns.
- Impairment of financial instruments: input and measurement of expected credit loss and future expectations. The measurement of the expected credit loss allowance for financial assets measured at amortized cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses).

  Elements of the ECL models that are considered accounting judgments and estimates include:
  - Development of ECL models, including various formulas and choice of inputs
  - The segmentation of financial assets when their ECL is assessed on a collective basis; and
  - Determination of associations between macroeconomic scenarios and, economic inputs, and their effect on probability of default (PDs), exposure at default (EADs) and loss given default (LGDs).

  Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models. The Company's policy is to regularly review its models in the context of actual loss experience and adjust when necessary.
- Measurement of defined benefit obligations: key actuarial assumptions.
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized.
- Impairment test of intangible assets and property, plant and equipment: key assumptions underlying recoverable amounts.
- Going concern: whether there are material uncertainties that may cast significant doubt on the entity's ability to continue as a going concern (Note 2-e).

2. BASIS OF PREPARATION (CONTINUED)

(d) Use of estimates and judgments (continued)

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer. The valuation team 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 valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's audit committee.

When measuring the fair value of an asset or a liability, the Company 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 level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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.

In particular, information about significant areas of uncertain estimations and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are summarized as follows:

- Measurement of expected credit loss allowance for receivables and contract assets, including the assumptions in determining weighted average loss rate.

2. BASIS OF PREPARATION (CONTINUED)

(d) Use of estimates and judgments (continued)

Measurement of fair values (continued)

- Management recognizes income tax expense for the year based on management's estimate for taxable profit in accordance with the prevailing laws, regulations and IFRSs.
- Management periodically reassesses the economic useful life of property, plant and equipment, intangible assets, refundable cases and glass bottles based on the general condition of these assets and the expectation of their useful economic lives in the future.
- Management frequently reviews the lawsuits raised against the Company based on a legal study prepared by the Company's legal advisors. This study highlights potential risks that the Company may incur in the future.
- Management estimates the provision to decrease inventory to net realizable value if the cost of inventory may not be recoverable, damaged, wholly or partially obsolete, and it selling price to fall below cost or any other factors that causes the recoverable amount to be lower than its carrying amount.

Management believes that its estimates and judgments are reasonable and adequate.

(e) Going concern basis of accounting

The outbreak of the COVID-19 pandemic and the measures adopted by government in countries worldwide to mitigate the pandemic's spread have significantly impacted the Company. These measures required the Company to hold the travel booking in various locations several months during the year. This has negatively impacted the Company's financial performance for the year and also its liquidity positions. During the year, total revenue has decreased by JOD 1,234,993, which amounted to JOD 303,235 as of December 31, 2021 (JOD 1,538,228 as of December 31, 2020). The Company incurred a net loss of JOD 363,156 during the year ended 31 December 2021.

There is still significant uncertainty over how the outbreak will impact the Company's business in future periods. Management has closely monitored the situation and has activated it's business continuity plan and other risk management practices to manage any potential disruptions that the Corona Virus (COVID - 19) outbreak may cause to the Company's business, operations and financial performance. In addition to the above, the ultimate company Thomas Cook India Limited (TCIL) is committed to continue supporting the principal activities of DAT Jordan and provide the financial support for the company.

As a result, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. These consolidated financial statements have been prepared on a going concern basis and do not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Company in these financial statements for the year ended December 31, 2021 are the same as those applied by the Company in its financial statements for the year ended December 31, 2020.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

a. Revenue recognition

The Company generates revenue primarily from wide range of tourism and related services. Revenue includes hotel accommodation, transfers, visa services and other tourism and travel-related services. The revenue from rendering these services is recognized in profit or loss at the fair value of the consideration received or receivable.

Contract balances results from contracts with customers include receivables, contract assets and contract liabilities.

The contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognized over time.

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue when it transfers control - at a point in time or over time - over a good or service to a customer in accordance with IFRS 15 as follows:

1 Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations.

2 Identify the performance obligations in the contract.

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

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

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

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

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

The following table provides information about the nature and timing of the satisfaction of performance obligation 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 IFRS 15
- **Tourism & related services** including: - Hotel accommodation - Visas - Transfers - Meet and greet and; - Excursions	Control of travel related services is considered transferred to customer at the travel in date i.e. in case of: - Visas at the date of issuance; - Hotel accommodation on the date hotel check in; - Transfers on the date of arrival; - Meet and greet on the date of arrival; and - Excursions on the date excursions Invoices are usually payable within 30 days. Booking cancellations vary depending on the timing of the season during the year.	Revenue is recognized at a point in time i.e. the time of travel in date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. **Financial instruments**

Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company 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

Financial assets

On initial recognition, a financial asset is classified as and measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company 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 amortized 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 Company 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 Company 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Classification and subsequent measurement (continued)

Financial assets (continued)

Financial assets – Business model assessment
The Company 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. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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 Company'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 Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

- **Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest (continued)**

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

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 recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized 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 recognized in profit or loss. Other net gains and losses are recognized 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 recognized 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 recognized in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

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, 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 gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition

Financial assets

The Company derecognizes 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 Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Derecognition (continued)

Financial assets (continued)

The Company enters into transactions whereby it transfers assets recognized 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 are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized 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) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company 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.

c. **Foreign currency transactions**

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs

d. Property, Plant and equipment

- Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.
- Cost includes expenditures that are directly attributable to the acquisition of the property, plant and equipment.
- When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separated items of property, plant and equipment.
- Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the statement of profit or loss and other comprehensive income.

Subsequent cost

- The cost of replacing an item of property 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 Company and its cost can be measured reliably. The costs of day-to-day servicing of property and equipment are recognized in the profit or loss as incurred.
- Ongoing costs of repair and maintenance of property, plant and equipment are expensed in the statement of profit or loss and other comprehensive income as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, Plant and equipment (continued)

Depreciation
Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Property and equipment	Depreciation rate%
Office Decoration and Accessories	33
Office Equipment	35
Furniture and Fixture	15

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

e. Intangible Assets
Intangible assets that are acquired through other than acquisition are recognized at cost less accumulated amortization.

Intangible assets, which have finite useful lives, are amortized over their useful lives. Amortization is recognized in the statement of profit or loss and other comprehensive income; however, intangible assets without definite useful lives should not be amortized and are required to be tested for impairment as of the date the financial statement. Impairment loss shall be recognized in the statement of profit or loss and other comprehensive income.

Intangible assets arising from Company operation are not capitalized and should be recognized in the statement of profit or loss and other comprehensive income when incurred.

Intangible assets are assessed at each reporting date to determine whether there is any objective evidence that they are impaired as well as the useful lives of the intangible asset are annually reassessed and any adjustments raised are recognized in the subsequent years.

f. Impairment
Non-derivative financial assets
Financial instruments

The Company recognizes loss allowances for ECLs on:
- Financial assets measured at amortised cost;
- Debt investments measured at FVOCI; and
- Contract assets.

The Company also recognises loss allowances for ECLs on lease receivables, which are disclosed as part of trade and other receivables.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and 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.

The Company assumes that the credit risk on trade receivables has increased significantly if it is more than 90 days past due i.e. 120 days from the invoice date.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f. Impairment (continued)
Non-derivative financial assets – (continued)

Financial instruments (continued)

The Company considers trade receivables to be in default when:
- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

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

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization
- The disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.
For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI.

Write-off
The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f. Impairment (continued)

Non-derivative financial assets – (continued)

Financial instruments (continued)

Financial assets not classified as at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objective evidence that financial assets were impaired included:

- default or delinquency by a debtor;
- restructuring of an amount due to the Company on terms that the Company would not consider otherwise;
- indications that a debtor or issuer would enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- observable data indicating that there was a measurable decrease in the expected cash flows from a Company of financial assets.

Financial assets measured at amortized cost

The Company considered evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet individually identified. Assets that were not individually significant were collectively assessed for impairment. Collective assessment was carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Company used historical information on the timing of recoveries and the amount of loss incurred, and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss was calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognized in profit or loss and reflected in an allowance account. When the Company considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss was reversed through profit or loss.

Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets, investment property and inventories to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f. Impairment (continued)

Non-derivative financial assets – (continued)

Non-financial assets

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

g. Provisions

A provision is recognized, if as a result of a past event, the Company 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 rate that reflects current market assessments of the time value of money and the risks specific to the liability.

h. Income Tax and National Contribution

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in statement of income except to the extent that it relates to a business combination, or items recognized directly in equity or in other statement of profit or loss and other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect to previous years.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be 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.

Current tax payable is in accordance with prevailing income tax law in Jordan.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. Intercompany recharges

Intercompany expenses are recharged to related parties at arm's length price. Charges mainly includes Salaries and Other Admin expense including IT system cost as paid by / charged to the Company.

j. Contract assets

The contract assets are recognized for the Company's rights to consideration for services provided to the customer but not billed at the reporting date. The amount is netted with the expected credit losses, if any. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customers.

k. Leases

At inception of a contract, the Company assesses whether a 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As a lessee (continued)

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments.

Lease payments included in the measurement of the lease liability comprise the following:

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

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

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a revised in-substance fixed lease payment.

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

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'Lease Laiblity' in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.
When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As a lessor (continued)

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease. If an arrangement contains lease and non-lease components, then the Company applies IFRS 15 to allocate the consideration in the contract.

The Company applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'. Generally, the accounting policies applicable to the Company as a lessor in the comparative period were not different from IFRS 16 except for the classification of the sub-lease entered into during current reporting period that resulted in a finance lease classification.

Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements:

The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements.

- Onerous contracts – Cost of fulfilling a contract (Amendments to IAS 37);
- Annual improvements to IFRS Standards 2018-2020
- Property, plant and equipment: Proceeds before intended use (Amendments to IAS 16);
- Reference to conceptual framework (Amendments to IFRS 3);
- Classification of liabilities as current or non-current (Amendments to IAS 1); and
- IFRS 17 *Insurance Contracts* and amendments to IFRS 17 *Insurance Contracts.*
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Deferred tax related to assets and liabilities arising from a Single Transaction (Amendments to IAS 12).
- Sale of grant between an Investor and an affiliate company or a joint venture (Amendments to IFRS 10 and IAS 28)

4. CASH AND CASH EQUIVALENTS

In Jordanian dinar	As of December 31,	
	2021	**2020**
Cash at hand	2,027	12,036
Cash at bank	295,937	2,624
	297,964	**14,660**

5. TRADE RECEIVABLES AND OTHER DEBIT BALANCES

	As of December 31,	
	2021	**2020**
Trade receivables	1,182	2,236
Provision for expected credit loss *	(758)	(758)
	424	**1,478**
Advances to suppliers	325,217	325,939
Provision for expected credit loss *	(231,144)	-
Advances to suppliers	**94,497**	**325,939**
Prepaid expenses and other debit balances	7,794	16,206
Cash margins	25,000	25,000
	127,291	**368,623**

*The following table illustrates the movement on the provision for expected credit loss:

Jordanian Dinar	As of December 31,	
	2021	**2020**
Balance at the beginning of the year	758	1,584
Charge for expected credit loss	231,144	758
Write-off	-	(1,584)
Balance at the end of the year	**231,902**	**758**

6. PROPERTY AND EQUIPMENT

In Jordanian dinar	Office Premises*	Office Equipment	Furniture and Fixture	Total
Cost				
Balance at January 1, 2020	27,032	11,985	12,080	51,097
Additions	-	134	1,600	1,734
Balance at December 31, 2020	**27,032**	**12,119**	**13,680**	**52,831**
Balance at January 1, 2021	27,032	12,119	13,680	52,831
Additions	29,025	-	-	29,025
Disposal	(27,032)	-	-	(27,032)
Balance at December 31, 2021	**29,025**	**12,119**	**13,680**	**54,824**
Accumulated Depreciation				
Balance at January 1, 2020	7,603	3,648	11,868	23,119
Depreciation for the year	10,133	3,595	274	14,002
Balance at December 31, 2020	**17,736**	**7,243**	**12,142**	**37,121**
Balance at January 1, 2021	17,736	7,243	12,142	37,121
Depreciation for the year	10,092	3,188	274	13,554
Disposal	(27,032)	-	-	(27,032)
Balance at December 31, 2021	**796**	**10,431**	**12,416**	**23,643**
Net book value as at December 31, 2021	**28,229**	**1,688**	**1,264**	**31,181**
Net book value as at December 31, 2020	9,296	4,876	1,538	15,710

* Other premises represents right of use assets which is derived from lease contracts for a period of 3 years. The present value is determined using incremental borrowing rate of 3.6%.

7. TRADE PAYABLES AND OTHER CREDIT BALANCES

In Jordanian dinar	As of December 31, 2021	2020
Hotels and excursion payables	27,101	92,046
Trade payables	141,802	246,569
Advances from customers	139,047	119,038
Accrued expenses	35,948	23,628
	343,898	**481,281**

8. INCOME TAX

In Jordanian dinar	As of December 31, 2021	2020
Reconciliation of effective tax rate		
Loss before tax	(314,772)	(107,353)
Tax effect of:		
Depreciation of right of use asset	10,092	10,133
Non-deductible expenses	40,795	48,457
Non-deductible income	(60,168)	
Contractual rent	(9,000)	(15,761)
	(333,053)	**(64,524)**
Tax expense for the year		
Current year	-	-
Change in estimate relating to prior years*	48,384	24,208
Total income tax expense	**48,384**	**24,208**

The current taxes are calculated at an income tax rate of 20% in addition to the national contribution at 1% in accordance with the income tax law prevailing in the Hashemite Kingdom of Jordan in starting January 1, 2019.

The movement on income tax provision during the year was as follows:

In Jordanian dinar	As of December 31, 2021	2020
Balance at the beginning of the year	24,208	42,046
Provision for the year*	48,384	24,208
Tax paid during the year	-	(42,046)
Balance at the end of the year	**72,592**	**24,208**

* This adjustment in tax expense pertains to non-deductible expenses of 2018 that was disallowed by the income tax department and accordingly management had recorded a provision for JOD 24,208 in last year. Similarly, in 2021, management has booked tax provision related to non-deductible expenses pertaining to 2019 following the same basis.

Tax status of the Company is as follow:

(i) The Company filed its income tax returns on timely basis for the years 2016, 2017, 2019, 2020 and 2021 and 2016, 2017 & 2018 has been assessed by the income tax department until the date of these financial statements. Further, management has not recorded deferred tax asset related to the carry forward of unutilized tax losses.

9. RELATED PARTIES BALANCES AND TRANSACTIONS

Related parties represent parent and affiliate companies, directors and key management personnel of the Company.

The Company, in the ordinary course of business, enters into transactions with other business enterprises that fall within the definition of a related party contained in International Accounting Standard No. 24. Such transactions are made on terms and conditions agreed between the related parties

9-1) DUE FROM RELATED PARTIES

In Jordanian dinar	Nature of relationship	As of December 31, 2021	2020
Desert Adventures Tourism L.L.C	Parent Company	-	482,877
Muscat Desert Adventures Tourism LLC	Related through Common Ownership	842	-
		842	**482,877**

9-2) DUE TO RELATED PARTES

In Jordanian dinar	Nature of relationship	As of December 31, 2021	2020
Desert Adventures Tourism L.L.C	Parent Company	**12,325**	-
Muscat Desert Adventures Tourism LLC	Related through Common Ownership	-	4,932
		12,325	**4,932**

9-3) TRANSACTIONS WITH RELATED PARTIES

Transaction terms and pricing policies are approved by management. Transactions included in the statement of profit or loss and other comprehensive income are as the below:

For the year ended 31 December 2021

Jordanian Dinar	Relationship	Expenses
Muscat Desert Adventures Tourism LLC	Related through common ownership	17,757
Desert Adventures Tourism L.L.C.	Parent Company **	23,040

For the year ended 31 December 2020

Jordanian Dinar	Relationship	Expenses
Muscat Desert Adventures Tourism LLC	Related through common ownership	25,416
Desert Adventures Tourism LLC	Parent Company **	115,201

**Management fee represents the amount charged for the central functions which is allocated based on financial and non-financial basis.

9. RELATED PARTIES BALANCES AND TRANSACTIONS (continued)

9-3) TRANSACTIONS WITH RELATED PARTIES (continued)

Key Management Salaries & Benefits

Transactions with related parties included in the statement of profit or loss and other comprehensive income are as follows:

In US Dollar	2021	2020
Salaries	28,200	20,471
Allowances	1,998	4,944

10. STATUTORY RESERVE

The accumulated amount in this account represents 10% of annual net profit before income tax, which has been deducted during the previous years, in accordance to the article number (85) of the Jordanian companies law number (22), 1997 which state that: "the private share holding companies should reserve 10% of its annual net income to the statutory account, and it shall maintain reserving every year at any percentage not exceeding 25% of its capital". The Company has incurred loss in current year and the reserve has reached its limit hence no further transfer to reserve has been made in current year.

11. REVENUE AND COST OF REVENUE

	For the year ended December 31, 2021		
In Jordanian dinar	Revenue	Cost of revenue	Gross profit
Tourism Group Revenue (Hotels)	176,452	(167,780)	8,672
Excursions, transfers and other revenue	126,783	(111,625)	15,158
	303,235	**(279,405)**	**23,830**

	For the year ended December 31, 2020		
In Jordanian dinar	Revenue	Cost of revenue	Gross profit
Tourism Group Revenue (Hotels)	1,256,593	(1,189,317)	67,276
Excursions, transfers and other revenue	281,635	(254,055)	27,580
	1,538,228	**(1,443,372)**	**94,856**

12. ADMINISTRATIVE EXPENSES

	For the year ended December 31,	
In Jordanian dinar	2021	2020
Management fee	40,797	48,456
Staff salaries and related benefits	56,089	89,410
Social security	13,773	14,163
Office expenses	7,912	8,008
Depreciation (refer note 6)	13,554	14,002
Legal and professional fees	21,526	7,088
Others	12,754	19,934
	166,405	**201,061**

12.1 OTHER INCOME

In Jordanian dinar	For the year ended December 31, 2021	2020
Reversal of provisions	60,168	-

This pertains to the reversal of accruals on account of discount offered by suppliers during COVID.

13. LEASES

The Company has leased office area. The lease period is for 36 months.

i. Right-of-use-assets

Right of use assets related to leased properties are presented as property and equipment (see note 6).

In Jordanian Dinar	Office premises	Total
2021		
Balance as at 1 January	9,296	9,296
Addition during the year	29,025	29,025
Depreciation charge for the year	(10,092)	(10,092)
Balance as at 31 December	**28,229**	**28,229**

In Jordanian Dinar	Office premises	Total
2020		
Balance as at 1 January	19,429	19,429
Depreciation charge for the year	(10,133)	(10,133)
Balance as at 31 December	**9,296**	**9,296**

ii. Lease liability

In Jordanian Dinar	Office premises	Total
2021		
Balance as at 1 January	5,180	5,180
Addition during the year	29,025	29,025
Interest on lease liability	146	146
Payments during the year	(9,000)	(9,000)
Balance as at 31 December	**25,351**	**25,351**

In Jordanian Dinar	Office premises	Total
2020		
On initial application of IFRS 16	20,554	20,554
Interest on lease liability	390	390
Payments during the year	(15,764)	(15,764)
Balance as at 31 December	**5,180**	**5,180**

iii. Amounts recognised in statement of profit or loss

In Jordanian Dinar	2021	2020
2020 - Leases under IFRS 16		
Interest on lease liability	146	390
Depreciation charged right of use	10,092	10,133

13. LEASES (continued)

iv. Lease liability

In Jordanian Dinar	2021	2020
Lease liability	25,351	5,180
Less: current portion	(9,804)	5,180
Non-current lease liability	**15,547**	**-**

14. BANK GUARANTEES

As of the date of the financial statements, the Company has the below Guarantees:

Jordanian Dinar	As of December 31,	
	2021	2020
Guarantees *	25,000	25,000
	25,000	**25,000**

* These Guarantees are issued for the favor of the Ministry of Tourism with an amount of JD 25,000 *(2020: JD 25,000)*.

15. FINANCIAL RISK MANAGEMENT

Overview

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

Risk management framework
The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The management is responsible for developing and monitoring the Company's risk management policy.

The Company's risk management policies are established to identify and analyze the risk 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.

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 cash at bank, trade and other receivables and amount due from a related party. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables The Company's cash and cash equivalents are held with bank and financial institution counterparties, which have good market credibility and stability.

15. FINANCIAL RISK MANAGEMENT (continued)

Credit Risk (continued)

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

In Jordanian dinar	As of December 31,	
	2021	2020
Trade and other receivables *	33,218	26,478
Due from related parties	842	482,877
Cash at bank	295,938	2,624
	329,998	**511,979**

* Prepayments and advances are excluded.

At 31 December 2021, the Company's exposure of credit risk to trade receivables by geographical region was as follows:

In Jordanian dinar	As of December 31,	
	2021	2020
Geographical regions		
Middle East	142	782
Europe	251	1454
Others	789	-
Grand total	**1,182**	**2,236**

The ageing of trade receivables at the reporting date was:

Impairment losses

Expected credit losses assessment for individual customers as at 31 December 2021.

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise large number of trade balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics - geographic region and industry.

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 31 December 2021.

	Gross carrying Amount	Loss allowance JOD	Credit impaired
0-59 days	371	-	No
60-89 days	47	-	No
90- 120 days	764	758	Yes
Total	**1,182**	**758**	-

15. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit Risk (continued)

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Exposure is segmented by geographical region and an ECL rate is calculated for each segment based on delinquency status and actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables. Scalar factors are based on GDP.

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 always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company ensures that it has sufficient cash on demand to meet expected operational expenses, 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 company maintains line of credit from its bank for sudden cash requirements.

The following are the contracted maturities of financial liabilities, including estimated interest payments:

Non-derivative financial liabilities:

In Jordanian dinar	Carrying value	Contractual Cash flows	12 Month or Less	More than one year
As of December 31, 2021				
Trade payables and other credit balances (excluding advances)	204,851	(204,851)	(204,851)	-
Due to related parties	12,325	(12,325)	(12,325)	-
Lease liability	25,351	(26,670)	(10,605)	(16,065)
	242,527	**(243,846)**	**(227,781)**	**(16,065)**

In Jordanian dinar	Carrying value	Contractual Cash flows	6 Month or Less	More than one year
As of December 31, 2020				
Trade payables and other credit balances (excluding advances)	362,243	(362,243)	(362,243)	-
Due to related parties	4,932	(4,932)	(4,932)	-
Lease liability	5,180	(5,180)	(5,180)	-
	372,355	**(372,355)**	**(372,355)**	-

15. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rate and equity prices will affect the company's profit 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.

Currency risk
Most of the company's financial assets and liabilities are in Jordanian Dinar. Most of the company's transactions in general are in Jordanian Dinar and US Dollar. Due to the fact that the Jordanian Dinar is pegged with US Dollar, the Company's management believes that the foreign currency risk is not material on the financial statements.

Interest rate risk
The Company does not have any financial assets or liabilities that bear interest as of year-end.

Capital management
The company's policy concerning capital management is to maintain a strong capital base to maintain partners, creditors and market confidence and to sustain future development of the business.

The management monitors the return on capital, which the management defined as net operation income divided by total partners' equity.

There have been no changes in the Company's approach to capital management during the year neither the Company is subject to externally imposed capital requirements.

Debt to Capital Ratio	**As of December 31,**	
Jordanian Dinar	**2021**	**2020**
Total debt	438,618	515,601
(Less) Cash at bank	(295,938)	(2,624)
Net debt	**142,680**	**512,977**
Net owners' equity	3,113	366,269
Adjusted capital	3,113	366,269
Debt-to–adjusted Capital Ratio	**4583.36%**	**140.05%**

16. FAIR VALUES

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

Fair value hierarchy
The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for financial assets.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instrument evaluated based on:
Prices quoted in active markets for similar instruments or through the use of valuation model that includes inputs that can be traced to markets,
Level 3: inputs for the asset or liability that are not based on observable market data.

- **Financial Instruments measured at fair value:**
The Company does not measure financial instruments at fair value except for financial assets at fair value through other comprehensive income.

- **Financial Instruments not measured at fair value:**
This instrument measured at amortized cost and its fair value doesn't materially differ of it's amortized cost.

In Jordanian dinar		Fair Value		
	Book value Fair value	Level (1)	Level (2)	Level (3)
December 31, 2021				
Trade receivables and other receivables	127,291	-	127,291	-
Cash and cash equivalents	297,964	297,964	-	-
Trade payables and other payables	(343,898)	-	(343,898)	-
Lease liability	(25,351)	-	(25,351)	-
Income tax provision	(72,592)	-	(72,592)	-
Due to related parties	(12,325)	-	(12,325)	-
December 31, 2020				
Trade receivables and other receivables	368,623	-	368,623	-
Cash and cash equivalents	14,660	14,660	-	-
Trade payables and other payables	(481,281)	-	(481,281)	
Lease liability	(5,180)	-	(5,180)	-
Income tax provision	(24,208)	-	(24,208)	-
Due to related parties	(4,932)	-	(4,932)	-