

# ANAND JAIN & CO.

CHARTERED ACCOUNTANTS

Anand Prakash Jain

B.Com. LLB, F.C.A., A.C.S.,

Phone: 9314680888 (Mobile)

Email: [anandjain175@hotmail.com](mailto:anandjain175@hotmail.com)

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RITCO TRAVELS AND TOURS PRIVATE LIMITED

Report on the Audit of the Financial Statements UDIN 20071045AAAAQ9474

### Opinion

We have audited the accompanying financial statements of Ritco Travels and Tours Private Limited, which comprise the Balance Sheet as at March 31, 2020, 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 ended on that date, 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 ("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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2020, the profit / Loss and total comprehensive income/Loss, (financial performance), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Material uncertainty relating to going concern

We draw attention to note No. 29(16) – Other explanatory information relating to impact of global health pandemic Covid19 on the company and its business pointing out the disruptions

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effecting turnover, profitability and cash flows impacting going concern and the efforts of company to handle the situation with expectation of realization of carrying value of receivables and intangible assets and no effect on going concern status of company and its business with events being uncertain at present.

Our opinion is not modified in respect of this matter.

## Information Other than the 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 Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 Responsibility for the Financial Statements

The Company's Board of Directors is 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 financial position, financial performance, total 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;

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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 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 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 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act,

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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. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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.

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- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time
- e) As required by Section 143(3) of the Act, we report that the going concern matter described in material uncertainty related to going concern paragraph above, in our opinion may have an adverse effect on the functioning of the Company
- f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) 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 A".
- h) 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, as the company is a private limited company, provisions of section 197 of the Act are not applicable to the company.
- i) 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 has disclosed the impact of pending litigations on its financial position in its financial statements. Refer note no. 29 to the financial statements.
- ii. The Company did not have material foreseeable losses, if any, on long-term contracts including derivative contracts.

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iii. The Company had no amounts to be transferred to Investor Education and Protection Fund and consequently there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

For ANAND JAIN & CO.  
Chartered Accountants  
Firm's Registration No. 01857C



(ANAND PRAKASH JAIN)

Proprietor

M.No.071045

Place: Jaipur

Date: 05/06/2020



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## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ritco Travels and Tours Private Limited of even date)

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

We have audited the internal financial controls over financial reporting of Ritco Travels and Tours Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the

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internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 internal financial controls system over financial reporting of the Company.

## Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are

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subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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. However Internal Financial Controls Over Financial Reporting needs further improvement.

For ANAND JAIN & CO.  
Chartered Accountants  
Firm's Registration No. 01857C



(ANAND PRAKASH JAIN)  
Proprietor  
M.No.071045  
Place: Jaipur  
Date: 05/06/2020



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**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ritco Travels and Tours Private Limited of even date)**

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. However such records showing full particulars including quantitative details and situation of certain fixed assets are being updated.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of three years. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion, this periodicity of physical verification, is reasonable having regard to the size of the Company and the nature of its assets

(d) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, of immovable properties are held in the name of the Company.

ii. The Company is a service company, primarily rendering tour and travel services. Accordingly it does not have any physical inventories. Accordingly, reporting under clause 3(ii) of the Order is not applicable to the Company and hence not commented upon.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to any company, firm, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, Thus paragraphs 3(iii) (a) to (c) of the order are not applicable and hence not commented upon

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act with respect to grant of loans, making investments, giving guarantees and providing securities, to the extent applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed

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deposits as at March 31, 2020 . As per the information & explanations given to us 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 respect and hence question of its compliance does not arise.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vii. (a) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, Company has generally been regular in depositing with appropriate authorities amount deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, there were no material arrears of undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues as at March 31, 2020 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there were no material dues of income tax, Sales tax/value added tax/ service tax/ goods and service tax, or Customs Duty which have not been deposited with the appropriate authorities as at March 31, 2020 on account of dispute

viii. The Company has not defaulted in repayment of loans or borrowings from financial institutions, bank, government or dues to debentureholders during the year.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion term loans were applied for the purpose for which loans were obtained by the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year. However a petition had been filed by one of the vendors

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against the company under Insolvency and bankruptcy code before NCLT for recovery of a sum of RS 121.52 lacs in earlier years . Company has not made any provision for this liability as in the opinion of the company based on legal view provided by legal experts, the matter is not maintainable.

xi. As the company is a private limited company, hence provisions of Section 197 of the Act are not applicable in respect of the payment of managerial remuneration made by the company.

xii) The Company is not a Nidhi Company and hence reporting under clause 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, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. As per the information provided to us , during the year Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year 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 Companies Act, 2013 are not applicable to the Company.

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

For ANAND JAIN & CO.

Chartered Accountants

Firm's Registration No. 01857C



(ANAND PRAKASH JAIN)

Proprietor

M.No.071045

Place : Jaipur

Date: 05/06/2020



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**Ritco Travels and Tours Private Limited**  
**Balance Sheet as at 31st March 2020**

(Amount in lakhs)

Particulars	Note No.	As at 31 Mar'20	As at 31 Mar'19
<b>ASSETS</b>			
<b>1) Non-current assets</b>			
(a) Property, Plant and Equipment	2	339.14	354.48
(b) Other Intangible assets	3	46.64	55.62
(c) Rental Lease Assets		20.16	-
(d) Financial Assets			
(i) Loans	4	5.19	12.31
(ii) Others	5	-	0.68
(e) Deferred tax assets	6&17	17.81	27.55
(f) Other non current assets	7	0.36	8.34
		<b>429.31</b>	<b>458.97</b>
<b>2) Current assets</b>			
(a) Financial Assets			
(i) Trade Receivable	8	973.98	1,694.98
(ii) Cash and cash equivalents	9	93.05	42.68
	10	25.15	
(iv) Bank balances other than (iii) above			
(iii) Loans	11	475.83	403.10
(b) Current Tax Assets (Net)	12	85.96	90.90
(c) Other current assets	13	41.86	53.98
		<b>1,695.83</b>	<b>2,285.64</b>
<b>Total Assets</b>		<b>2,125.13</b>	<b>2,744.61</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	14	288.89	200.00
(b) Other Equity	15	218.16	299.85
		<b>507.05</b>	<b>499.85</b>
<b>LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	1.56	73.84
(ii) Lease liabilities		7.65	-
(b) Deferred tax liabilities (Net)	17	-	40.36
(c) Other non-current liabilities	18	-	9.96
		<b>9.21</b>	<b>124.16</b>
<b>2 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	1,263.99	1,317.33
(ii) Lease liabilities		15.81	-
Current maturity of lease liabilities			
(iii) Trade payables	20		
(a) total outstanding dues of micro enterprises & small enterprises	i	-	1.53
(b) total outstanding dues of creditors other than micro enterprises & small enterprises	ii	98.21	557.73
(iv) Other financial liabilities (other than those specified in item (c))	21	38.71	75.01
(b) Other current liabilities	22	192.15	169.00
(c) Provisions		-	-
		<b>1,608.87</b>	<b>2,120.60</b>
<b>Total Equity and Liabilities</b>		<b>2,125.13</b>	<b>2,744.61</b>

**Significant Accounting Policies**

**Other Explanatory Information**

The notes 1-30 referred to above form an integral part of the financial statements

As per our report of even date attached

For ANAND JAIN & CO.

FRN 001857C

Chartered Accountants

(Anand Prakash Jain)

Proprietor

M. No. 071045

Place: Jaipur

Date: 05.06.2020

(Dilip Kumar Morwal)

Group Company Secretary

ACS 17572

Place: Jaipur

Date: 05.06.2020

For and on behalf of the Board of Directors of  
Ritco Travels and Tours Private Limited

(Hem Kumar Bhargava)

Director

DIN:-03230480

Place: Jaipur

Date: 05.06.2020

(Manisha Agarwal)

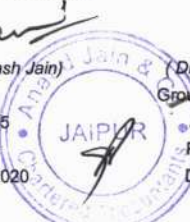
(Non Executive Chairperson)

DIN:-00453971

Place: Jaipur

Date: 05.06.2020

UDIN 20071045AAAAAQ9474



**Ritco Travels and Tours Private Limited**  
**Statement of profit and loss for the Year ended 31st March 2020**

(Amount in lakhs)

PARTICULARS	Note No.	Year ended 31.03.2020	Year ended 31.03.2019
I Revenue from operations	23	658.31	744.26
II Other income	24	12.05	9.08
III <b>Total Income (I + II)</b>		<b>670.37</b>	<b>753.34</b>
IV <b>Expenses:</b>			
Purchase of Stock in Trade			
Employee benefits expense	25	357.10	351.25
Finance costs	26	137.49	123.72
Depreciation and Amortisation	27	43.50	27.79
Vehicle Operating Expenses	28	60.40	54.48
Other expenses	29	183.13	189.59
Provision for Trade Receivable Impairment		104.12	-
<b>Total expenses (IV)</b>		<b>885.73</b>	<b>746.83</b>
V <b>Profit before exceptional items &amp; tax(III-IV)</b>		<b>-215.37</b>	<b>6.51</b>
VI Exceptional Items			
VII <b>Profit/(loss) before tax (V-VI)</b>		<b>-215.37</b>	<b>6.51</b>
VIII Tax expense:			
Current tax		-	1.69
MAT Credit set off/ Carried Forward		-	-1.69
Deferred tax liability		-30.09	3.42
Income tax for earlier year		1.10	1.80
<b>Total Tax Expenses</b>		<b>-28.99</b>	<b>5.23</b>
IX <b>Profit/(loss) for the period from continuing operations (VII-VIII)</b>		<b>-186.38</b>	<b>1.28</b>
X Profit/(Loss) from discontinued operations			
XI Tax expense of discontinued operations			
XII <b>Profit/(Loss) from discontinued operations (after tax) (X-XI)</b>			
XIII <b>Profit/(loss) for the period (IX+XII)</b>		<b>-186.38</b>	<b>1.28</b>
X <b>Other Comprehensive Income</b>			
A(i) Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans transferred to oci		-3.76	1.71
(ii) Income tax on above		0.98	-0.44
<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit(Loss) and Other Comprehensive Income for the period)</b>		<b>-189.16</b>	<b>2.55</b>
XII <b>Earnings per equity share (for continuing operation):</b>			
(1) Basic		-7.12	0.06
(2) Diluted		-7.12	0.06

Significant Accounting Policies 1

Other Explanatory Information 30

The notes 1 -30 referred to above form an integral part of the financial statements  
As per our report of even date attached

For ANAND JAIN & CO.  
FRN 001857C  
Chartered Accountants

(Anand Prakash Jain)  
Proprietor  
M. No. 071045  
Place: Jaipur  
Date: 05.06.2020



*Manisha Agarwal*  
(Manisha Agarwal)  
(Non Executive Chairperson)  
DIN:-00453971  
Place: Jaipur  
Date: 05.06.2020

*Hem Kumar Bhargava*  
Hem Kumar Bhargava  
Director  
DIN: 03230480  
Place: Jaipur  
Date: 05.06.2020

*Dilip Kumar Morwal*  
Dilip Kumar Morwal  
Group Company Secretary  
ACS 17572

**RITCO TRAVELS AND TOURS PRIVATE LIMITED**  
**(A WHOLLY OWNED SUBSIDIARY OF TRANSCORP INTERNATIONAL LIMITED)**  
**Cash flow statement for the year ended 31st March, 2020**

	31.03.2020	31.03.2019
	RS. in lacs	Rs. In lacs
<b>Cash Flow from operating activities</b>		
Profit(+) / Loss(-) before tax	-215.37	6.51
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation	43.50	27.79
( Profit )/ Loss on sale of fixed assets	0.00	2.50
Bad debts written off/ provision for impairment	106.50	4.78
Profit on termination of lease	-0.61	0.00
Unspent Liabilities written back/write backs	-22.47	-30.19
Interest Expense	134.23	123.67
Rental Income	-6.00	-4.50
Other borrowing costs	3.26	0.05
Interest Income	-6.05	-4.58
<b>Operating profit before working capital changes</b>	<b>36.99</b>	<b>126.03</b>
<b>Movements in working capital:</b>		
Increase(+) / Decrease(-) in trade payables	-438.57	-496.10
Increase(+) / Decrease(-) in other current liabilities	23.16	14.80
Increase(+) / Decrease(-) in other non-current liabilities	-9.96	-39.26
Decrease(+) / Increase(-) in trade receivables	614.50	323.96
Decrease(+) / Increase(-) in other current assets	12.12	-26.67
Decrease(+) / Increase(-) in other non current assets	7.97	-0.02
Decrease(+) / Increase(-) in other non-current financial assets	0.68	27.11
Decrease(+) / Increase(-) in non-current financial assets-loans	7.12	-0.11
Decrease(+) / Increase(-) in current financial assets- loans	-72.73	-171.53
Defined benefit plan under OCI impact	-3.76	1.71
Increase(+) / Decrease(-) in other current financial liabilities	-9.22	7.67
	<b>168.30</b>	<b>-232.41</b>
Direct taxes paid(Net)	4.29	-21.10
<b>Net cash flow from (+) / used in (-) operating activities (A)</b>	<b>172.59</b>	<b>-253.51</b>
<b>Cash Flow from investing activities</b>		
Purchase of tangible ,intangible and right to use fixed assets	-45.89	-12.04
Termination of lease	3.51	0.00
Investment in bank deposits having original maturity of more than three months	-25.15	0.00
Proceed from sale of PPE	0.00	4.10
Rental Income	6.00	4.50
Loans to employees(net)	0.00	0.11
Interest Income	6.05	4.58
<b>Net cash flow from (+) / used in (-) investing activities (B)</b>	<b>-55.48</b>	<b>1.25</b>
<b>Cash Flow from financing activities</b>		
Proceeds from issue of share capital	88.89	0.00
Securities Premium	111.11	0.00
Lease borrowings	23.46	0.00
Interest paid	-134.23	-123.67
Other Borrowing costs	-3.26	-0.05
Proceeds(+)/Repayment(-) from/of current financial liabilities-borrowings (net)	-80.43	381.64
Proceeds(+)/Repayment(-) from/of non-current financial liabilities- borrowings (net)	-72.28	-23.71
<b>Net cash flow from (+) / used in (-) financing activities (C)</b>	<b>-66.74</b>	<b>234.21</b>
<b>Net increase(+)/decrease (-) in cash and cash equivalents (A+B+C)</b>	<b>50.37</b>	<b>-18.06</b>
Cash and cash equivalents at the beginning of the year	42.68	60.74
Cash and cash equivalents at the end of the year	<b>93.05</b>	<b>42.68</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	3.22	3.89





Balances with banks on current accounts	87.12	34.68
Cheques, drafts on hand	2.71	4.11
<b>Total cash and cash equivalents (Refer note No.9)</b>	<b>93.05</b>	<b>42.68</b>

Notes:

1. The above cash flow statement has been compiled from and is based on the balance sheet as at 31.03.2019 and the related statement of profit and loss for the year ended on that date.
2. The above cash flow statement has been prepared as per the indirect method as set out in Ind As Standard-7 on Cash flow statement as notified under section 133 of the Companies Act,2013.
3. Cash and cash equivalents for the purposes of cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

The accompanying notes 1 to 30 are an integral part of the financial statements

As per our annexed report of even date  
For ANAND JAIN & CO.  
Chartered Accountants  
FRN:001857C

**For & on behalf of Board of Directors of  
Ritco Travels and Tours Private Limited**



**ANAND PRAKASH JAIN**  
PROPRIETOR  
M.NO.-071045  
Place: JAIPUR  
Date:05/06/2020




**Manisha Agarwal**  
Non-Executive Chairperson  
DIN: 00453971



**Hem Kumar Bhargava**  
Director  
DIN: 03230480



**Dilip Kumar Morwal**  
Group Company Secretary  
ACS:17572

**RITCO Tours and Travels Private Limited**  
**Statement of Changes in Equity as at March 31,2020**

**A. Equity Share Capital**

(Amount in lakhs)					
Balance as at April 1, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020	Balance as at April 1, 2018	Changes in equity share capital during the year	Balance as at Mar 31, 2019
200.00	88.89	288.89	200.00	-	200.00

**B. Other Equity**

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserve and surplus			Revaluation Surplus	Re-measurement of the net defined benefit	Total
			Capital Reserve	Securities Premium	General Reserve			
Balance as at the April 1,2019	-	-	-	199.00	-	98.87	1.98	299.85
Total Comprehensive Income for the Year								
Issue of share capital				111.11		-186.38		-189.16
IND AS Adjustment on recognition of Right to use Asset in respect of Leases as per IND AS 116						-		111.11
Balance as at the March 31, 2020	-	-	-	310.11	-	-91.14	-0.81	218.16





## RITCO TRAVELS AND TOURS PRIVATE LIMITED

Balance Sheet as at 31<sup>st</sup> March, 2020 and Statement of Profit and Loss for the year ended on that date.

### Note No. 1 - Corporate Information and Significant Accounting Policies

#### A. Reporting Entity

RITCO Travels And Tours Private Limited ("the company") is a private limited company domiciled in India (CIN: U63040RJ2010PTC032902), having its registered office at "Transcorp Towers", 5th floor, Moti Doongri road, Jaipur-302004. Company is mainly engaged in the business of Travels and Tours related activities. It is a wholly owned subsidiary of Transcorp International Limited.

#### B. Basis of Preparation

##### 1) Statement of Compliance

Ministry of Corporate Affairs notified roadmap to implement Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended. As per the said roadmap, Parent company, M/s Transcorp International limited and its subsidiaries are required to apply Ind AS starting from financial year beginning on or after 1<sup>st</sup> April, 2017. As RITCO Travels And Tours Private Limited is wholly owned subsidiary of Parent company, M/s Transcorp International limited, hence it is also required to apply Ind AS from Financial Year beginning on or after 1<sup>st</sup> April, 2017.

Accordingly, these financial statements of the company have been prepared in accordance with the Ind AS.

These standalone financial statements are prepared on accrual basis of accounting and comply with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable) and applicable provisions of Companies Act, 1956.

##### 2) Basis of measurement

The financial statements have been prepared on historical cost convention except for revalued costs and following material items which have been measured at fair value as required by IND AS-

- Defined benefit plans- Plan assets measured at fair value

##### 3) Functional and Presentation Currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All amounts have been rounded off to the nearest lakhs.

##### 4) Current and Non Current Classification

The company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- o Expected to be realized or intended to be sold or consumed in normal operating cycle,
- o Held primarily for the purpose of trading,
- o Expected to be realized within twelve months after the reporting period, or



- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

- Expected to be settled in normal operating cycle,
- Held primarily for the purpose of trading,
- Due to be settled within twelve months after the reporting period, or
- 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.

The Operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Deferred tax assets and liabilities are classified as Non-Current assets and liabilities.

### **C. Significant Accounting Policies**

A summary of the accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

On transition to IND AS, the company has elected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 16 and Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of Property, Plant and Equipment and Intangible Assets as per the previous GAAP as at 1 April 2016, i.e.; the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

#### **1. Property, Plant and Equipment**

##### 1.1. Initial recognition and measurement

An item of PPE is recognised as an asset if and only if it is probable that future economic benefits associated with them will flow to the company and the cost of item can be measured reliably.

An item of Property, Plant and Equipment is carried at cost less accumulated depreciation and any accumulated impairment losses. Cost includes any cost directly attributable to bringing the asset to the location and operating condition like installation and assembly cost. Any trade discounts and rebates are deducted in arriving at the cost. All cost related to acquisition and installation are capitalized.

Items of Property, Plant and Equipment having different useful lives are recognized separately.

##### 1.2. Subsequent cost

Subsequent expenditure is added to the book value only if it increases the future economic benefits from the existing asset.



### 1.3. Depreciation

Assets are depreciated using straight line method over the estimated useful life of the asset as specified in Part "C" of Schedule II of Companies Act, 2013 after retaining residual value at a maximum of 5% of original cost. Asset's residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets.

### 1.4. De-recognition

An item of Property, Plant and Equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains or losses on disposal/ transfer/ de-recognition of item of Property, Plant and Equipment are determined as difference between net sale proceeds and the carrying amount of Property, Plant and Equipment and is recognized in the statement of profit and loss.

## 2. **Intangible Assets**

### 2.1 Initial Recognition and measurement

Identifiable intangible assets are recognized

- When company controls the asset
- It is probable that future economic benefits will flow to the company
- The cost of the asset can be reliably measured

Intangible assets comprise Website development, software cost and integration cost which are developed and set up for business operations of the company. Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make assets ready for its intended use.

### 2.2 Subsequent Cost

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measurably reliably.

### 2.3 Amortization

Intangible assets are amortized on straight line method basis as per the methodology provided and useful life of the asset mentioned in Schedule II of the Companies Act, 2013. Amortization of intangible assets is included in the head Depreciation and amortization expenses in the statement of profit and loss.

### 2.4 De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains or losses on disposal/ transfer/ de-recognition of intangible assets are determined as difference between net sale proceeds and the carrying amount of intangible asset and is recognized in the statement of profit and loss.



### 3. Right to use Asset

#### Initial recognition

Consequent upon applicability of "IND AS 116- Leases", following the modified retrospective method of transition, right to use asset was recognised in respect of all lease contracts for a period more than one year existing on 1.4.2019 at an amount equal to present value, based on incremental rate of borrowing, of lease liability net of cumulative adjustments. In respect of new lease contracts for a period exceeding one year entered during the accounting period of financial statements, right to use was accounted for at an amount equal to present value, based on incremental rate of borrowing, of lease liability. Right to use assets are amortized on straight line method basis over the useful life of the asset. In case of premature termination of contract as per right available in the lease agreements it is derecognized and difference between lease liability and the value of right to use existing at the time of termination is transferred to statement of profit and loss under the head other operating income. There was no case of modification of the lease contracts. Modification if any will be accounted for as provided in INDAS 116.

### 4. Borrowing Costs

Borrowing costs specifically relating to the acquisition of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing cost consists of interest and other cost that the company incurs in connection with the borrowing funds.

All other borrowing costs are recognized in the Statement of Profit and Loss as expense in the period in which they are incurred.

### 5. Taxation

Income tax expense represents the sum of current tax and deferred tax (including MAT). Current tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax provision is made in accordance with the relevant tax regulations applicable to the company. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current income taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to



the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity. 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.

MAT (Minimum Alternate Tax) is applicable to the company. MAT paid in the year is charged to the Statement of Profit and Loss as current tax. MAT credit available is recognized as an asset only to the extent, there is convincing evidence that the company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. The company reviews the MAT credit entitlement at each balance sheet date and writes down the carrying value of MAT credit entitlement to the extent that there is no longer convincing evidence to the effect that company will pay normal tax during the specified period.

## **6. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at banks being balances with banks in current accounts, cash in hand and cheques/drafts in hand.

## **7. Cash Flow Statement**

Cash flow statement is prepared in accordance with the indirect method prescribed in IND AS 7 "Statement of Cash Flows".

## **8. Foreign Currency Transactions and Translations**

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the year in which it arises.

## **9. Impairment of non-financial assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount (higher of its fair value less costs to disposal or its value in use) is estimated.

An impairment loss is recognized if the carrying amount of an asset or its Cash Generating Unit (CGU) exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if





there has been a change in the estimates used to determine the recoverable amount which is 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.

## **10. Earnings per Share**

Basic earnings per share is calculated by dividing net profit or loss for the period attributable to the equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for the events such as bonus issue, bonus element in a right issue, share split and reverse share split that have changed the number of equity shares outstanding, without a corresponding change in resources. However, it shall not be adjusted for conversion of potential ordinary shares.

Diluted earnings per share is calculated by adjusting profit or loss attributable to ordinary equity shareholders and weighted average number of shares outstanding for the effects of all dilutive potential shares.

## **11. Provisions and Contingencies**

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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. The expense relating to provision is presented in the statement of profit and loss after netting off any amount expected to be recovered from a third party with virtual certainty and can be measured reliably.

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 outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the notes to the financial statements. Contingent liabilities are disclosed on the basis of judgment of management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

## **12. Financial Instruments**

### **a) Financial Assets**

Company's financial assets include trade receivables, security deposits, advances, cash and cash equivalents and short term loans and advances.



### **Initial Recognition and Measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

### **Subsequent Measurement**

The Financial Instrument is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

### **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 following financial assets:

Trade Receivables:

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. However, company's trade receivables generally are of short term nature, hence no expected credit loss is provided. Actual credit loss during the period assessed by management is recognized in statement of profit and loss as bad debts. For the purpose of ECL no separate tracking of changes in credit risk of individual trade receivable and contract asset is done as these do not contain significant financing component. Accordingly impairment is estimated under the simplified approach

Other financial assets:

For recognition of impairment loss on other financial assets and risk exposure, the company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

The estimated impairment losses are recognized as a separate provision for impairment and the impairment losses are recognized in the Statement of Profit and Loss.

### **De-recognition of Financial Assets**

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

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either



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

**b) Financial Liability**

The company's financial liabilities mainly includes, borrowings including deposits, trade payables and other payables.

**Initial Measurement**

All financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liabilities are carried at fair value through profit and loss is expensed in statement of Profit and Loss.

**Subsequent Measurement**

These liabilities include deposits and interest bearing loans and borrowings. Subsequent to initial recognition, these liabilities are measured at amortised cost using effective interest method. Amortised cost is calculated by taking in to account any discount or premium on acquisition and fees or costs that are integral part of EIR. The EIR amortisation is included as finance cost in the statement of profit and loss. This category generally applies to borrowings. Since there are no or immaterial transaction costs in borrowings, EIR has not been calculated.

**De-recognition of financial liabilities**

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 de-recognition 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 and loss.

**13. Fair Value measurement**

In determining the fair value of its financial instruments, the Entity uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. These methods used to determine fair value includes discounted cash flow analysis, available quoted market prices, dealer quotes and other appropriate methods. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.



## 14. Revenue

Company's revenue is arising from sale of services like ticketing, vehicle rentals, tours, hotels and Allied Activities.

For services rendered to clients, the commission received from airlines, hotels etc., transport income and income on tours and other services (net of charges) are accounted for on rendering of service/accrual as per relevant contract terms using best estimate. It is recognised upon transfer of control of services to customers in an amount that reflects the consideration, company expects to receive in exchange for those services. Volume and other discounts as well as pricing incentives to customers are accounted for as reduction of revenue.

Company collects service tax or GST on behalf of the government and therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Revenue from other income comprises interest on bank deposits, loans and advances, rental income from subletting and profit from sale of assets.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

## 15. Dividends

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

Company has not declared or proposed any dividend payable to shareholders.

## 16. Employee Benefits

- a) Short Term Employee Benefits-It includes benefits like salaries, non-vesting compensated absences and various incentives. These are recognized as an expense in the statement of profit and loss of the year in which the related services are rendered.

A liability is recognized for the amount expected to be paid under performance related pay 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 obligation can be estimated reliably.

- b) Long Term Benefit Plans- These are in nature of defined benefit obligations, in respect of Gratuity Liability and Provident/Pension Fund.

The cost of providing gratuity, a defined benefit plan is determined using the projected unit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance sheet date. Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted for in the statement of profit and loss.



The Company's contribution to Provident Fund is charged to the statement of profit and loss each year.

## **17. Use of Estimates and Management judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances.

Actual results may differ from these estimates.

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.

### **a) Useful life of Property, Plant and Equipment**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Useful life of assets is determined in accordance with Schedule II to the Companies Act, 2013. The Company reviews at the end of each reporting date the useful life of property, plant and equipment.

### **b) Useful life of intangible Assets**

Useful life of intangible assets is generally determined in accordance with Schedule II to the companies Act, 2013. In case of linking costs, life is estimated to the best of judgments/estimates by management.

Management believes that assigned useful lives are reasonable. The company reviews at the end of each reporting date the useful life of Intangible Assets.

### **c) Provisions and Contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. If circumstances change following unforeseeable developments, then this likelihood could alter.

### **d) Income Taxes**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets/liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.



**e) Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**f) Defined Benefit Plan**

The cost of defined benefit plan and the present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. 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.



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**RITCO TRAVELS AND TOURS PRIVATE LIMITED**  
Notes to Financial statements as at 31st March 2020

**Note 2**  
Non Current Assets- Property, Plant & Equipment

Particulars	Gross Block				Depreciation			Net Block	
	As at 01.04.2019	Additions	Deduction/ Adjustments	As at 31.03.2020	As at 01.04.2019	For the year ending 31 March 2020	Deduction/ Adjustments	As at 31.03.2020	As at 31.03.2019
Building	321.14	-	-	321.14	16.13	5.39		21.52	305.02
Air Conditioner	3.96	1.31		5.28	1.93	0.93		2.86	2.41
Furniture and Fixture	23.46	-		23.46	8.47	2.87		11.35	14.99
Office Equipment	13.79	0.69		14.48	6.27	2.40		8.67	7.53
Computer	20.27	1.21		21.48	13.17	2.61		15.78	7.10
Vehicle	37.38	-		37.38	19.58	4.34		23.91	17.81
<b>Total</b>	<b>420.02</b>	<b>3.21</b>	<b>-</b>	<b>423.23</b>	<b>65.54</b>	<b>18.55</b>	<b>-</b>	<b>84.09</b>	<b>339.14</b>

1. Useful Lives as per Schedule II to the Companies Act, 2013  
 Building 60 Years  
 Air Conditioner 5 Years  
 Furniture and Fixture 10 Years  
 Office Equipment 5 Years  
 Computer 3 Years  
 Vehicle 6 to 8 Years

**Note 3**  
Non Current assets - Intangible Assets

Particulars	Gross Block				Depreciation			Net Block	
	As at 01.04.2019	Additions	Deduction/ Adjustments	As at 31.03.2020	As at 01.04.2019	For the year ending 31 March 2020	Deduction/ Adjustments	As at 31.03.2020	As at 31.03.2019
Website development & Software costs	81.66	-	-	81.66	26.05	8.98		35.03	55.62
<b>Total</b>	<b>81.66</b>	<b>-</b>	<b>-</b>	<b>81.66</b>	<b>26.05</b>	<b>8.98</b>	<b>-</b>	<b>35.03</b>	<b>55.62</b>

Gross Block includes Rs. 50.25 Lakh paid to IRTC towards integration charges which is being amortised over a period of ten years considering the perpetual use of integration facility assuming renewal/extension of agreement for a longer period.

1. Useful Lives as per Schedule II to the Companies Act, 2013  
 Computer Software 6 Years

**RENTAL LEASE ASSETS**

Particulars	Gross Block			Depreciation			Net Block		
	Recognised as At 01.04.2019	Additions	Deduction/ Adjustments	As at 31.03.2020	As at 01.04.2019	For the year ending 31 March 2020	Deduction/ Adjustments	As at 31.03.2020	As at 31.03.2019
RENTAL LEASE ASSETS	30.49	8.56	5.93	33.11	-	15.98	3.03	20.16	-







**RITCO TRAVELS AND TOURS PRIVATE LIMITED**  
Notes to financial statements as at 31st March 2020

Particulars	(Amount in lakhs)	
	As at 31 Mar'20	As at 31 Mar'19
<b>Note 4</b>		
<b>Non Current Financial Assets- Loans</b>		
<b>Unsecured, considered good</b>		
Security Deposits	5.19	12.31
<b>Total</b>	<b>5.19</b>	<b>12.31</b>
<b>Note5</b>		
<b>Non Current Financial Assets- Others</b>		
Other bank balances	-	0.68
<b>Total</b>	<b>-</b>	<b>0.68</b>
<b>Note 6</b>		
<b>Deferred Tax Asset</b>		
MAT Credit Entitlement	27.55	27.55
<b>Total</b>	<b>27.55</b>	<b>27.55</b>
<b>Note 7</b>		
<b>Other Non Current Assets</b>		
Prepaid expenses	0.36	0.02
Capital Advances	-	8.32
<b>Total</b>	<b>0.36</b>	<b>8.34</b>
<b>Note 8</b>		
<b>Current Financial Assets</b>		
<b>Trade Receivables</b>		
Unsecured, Considered good	1,078.09	1,694.98
Unsecured which have significant increase in credit risk	-	
Unsecured with Credit Impairment	-	
Less:- Provision for Impairment	-104.12	
<b>Total</b>	<b>973.98</b>	<b>1,694.98</b>
<b>Note 9</b>		
<b>Cash and Cash Equivalents</b>		
<b>Balances with banks</b>		
- In current accounts	86.35	34.68
- In Cash credit account	0.77	-
Cheques, drafts on hand	2.71	4.11
Cash on hand	3.22	3.90
<b>Total</b>	<b>93.05</b>	<b>42.68</b>
<b>Note 10</b>		
<b>Bank Balances Other the cash and cash Equivalents</b>		
<b>Balances with banks</b>		
Deposit with original maturity more than three month and maturing with in twelve months ( including Interest Accrued) (Under lien for cash credit limit with BOB)	25.15	-
	<b>25.15</b>	<b>-</b>



**RITCO TRAVELS AND TOURS PRIVATE LIMITED**  
**Notes to financial statements as at 31st March 2020**

(Amount in lakhs)

Particulars	As at 31 Mar'20	As at 31 Mar'19
<b>Note 11</b>		
<b>Current Financial Assets -Loans</b>		
<b>Unsecured, considered good</b>		
Security Deposits ( Includes Rs. 1 crore under Joint bank Guarantee agreement with TAFI) (See Note No. 29(9))	103.62	101.75
<b>Loans and advances to related parties /Others</b>		
<b>Others:</b>		
<b>Loans and advances to others</b>		
Advances recoverable in cash or in kind or for value to be received or pending adjustments	372.21	301.35
<b>Total</b>	<b>475.83</b>	<b>403.10</b>
<b>Note 12</b>		
<b>Current Tax Assets (Net)</b>		
TDS Receivable	85.96	93.04
Current Tax Liabilities (Net)	-	2.14
<b>Total</b>	<b>85.96</b>	<b>90.90</b>
<b>Note13</b>		
<b>Other Current Assets</b>		
Other Advances	36.65	44.39
Prepaid expenses	5.21	9.59
<b>Total</b>	<b>41.86</b>	<b>53.98</b>



**RITCO TRAVELS AND TOURS PRIVATE LIMITED**  
Notes to financial statements as at 31st March 2020

Particulars	(Amount in lakhs)			
	As at 31 Mar'20		As at 31 Mar'19	
	Number	Amount	Number	Amount
Authorised Equity shares of Rs. 10 each	3,000,000	300.00	3,000,000	300.00
	<b>3,000,000</b>	<b>300.00</b>	<b>3,000,000</b>	<b>300.00</b>
Issued, subscribed and paid up Equity shares of Rs. 10 each	2,888,888	288.89	2,000,000	200.00
	<b>2,888,888</b>	<b>288.89</b>	<b>2,000,000</b>	<b>200.00</b>

(i) Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 Mar'20		As at 31 Mar'19	
	Number	Amount	Number	Amount
	Equity shares outstanding at the beginning of the year	2,000,000	200.00	2,000,000
Add : Issued during the year	888,888	88.89	-	-
Shares outstanding at the end of the period	<b>2,888,888</b>	<b>288.89</b>	<b>2,000,000</b>	<b>200.00</b>

(ii) Rights, preferences and restrictions attached to equity shares:

eligible to one vote per fully paid equity share held. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares is possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Shares held by holding company

Particulars	As at 31 Mar'20		As at 31 Mar'19	
	Number	Amount	Number	Amount
	Equity shares of Re. 10 each fully paid up held by Transcorp International Limited, the holding company including its nominees	2,888,888	288.89	2,000,000

(iv) Particulars of shareholders holding more than 5% shares in the Company

Transcorp International Limited, Holding Company	2,888,888	100%	2,000,000	100%
	<b>2,888,888</b>	<b>100%</b>	<b>2,000,000</b>	<b>100%</b>

(v) As per record of the company, including its register of shareholder/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.



**RITCO TRAVELS AND TOURS PRIVATE LIMITED**  
Notes to financial statements as at 31st March 2020

Particulars	(Amount in lakhs)			
	As at 31.03.2020		As at 31.03.2019	
	Non Current	Current	Non Current	Current
<b>Note 15</b>				
<b>Other Equity</b>				
Securities Premium Account	310.11		199.00	
Retained Earnings	-91.14		98.87	
Other Reserves- FVTOCI Reserve	-0.81		1.98	
<b>Total</b>	<b>218.16</b>		<b>299.85</b>	
<b>Note 16</b>				
<b>Non Current Financial Liabilities- Borrowings</b>				
<b>Secured - Term Loans from banks</b>				
<b>HDFC Bank Limited</b>				
Against hypothecation of specific vehicle and repayable in 36 monthly instalments of Rs.13800 (previous year ranging from Rs. 13800 to Rs. 25610) from the date of loan inclusive of interest @ 10.76 % ( Previous year ranging from 10.51% to 10.76%)	1.56	1.40	2.97	5.51
Previous Year against exclusive charge of specific building ,repayable in 106 monthly instalment from the date of loan of Rs 1,91,550 exclusive of interest at 9.45%	-	-	70.87	22.99
<b>Total</b>	<b>1.56</b>	<b>1.40</b>	<b>73.84</b>	<b>28.49</b>
<b>Note 17</b>				
<b>Deferred tax liability</b>				
Deferred tax liability	40.36		36.94	
Deferred tax liability/ (Assets on OCI)	-0.53			
Difference between accounting and tax				
- Depreciation	1.73		3.71	
Deferred tax assets				
Employee benefits	-1.48		-0.26	
Disallowances under Section 43B	-0.07		-0.03	
Current Year Loss	-30.28			
<b>Net Deferred Tax Liability</b>	<b>-30.09</b>		<b>-</b>	
<b>Total</b>	<b>9.73</b>	<b>-</b>	<b>40.36</b>	<b>-</b>
<b>Note 18</b>				
<b>Other non-current liabilities</b>				
Income received but not accrued	-		9.96	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9.96</b>	<b>-</b>
<b>Note 19</b>				
<b>Current Financial Liabilities- Borrowings</b>				
<b>Secured- Cash Credits from Banks</b>				
<b>HDFC Bank Limited</b>				
Secured by Hypothecation of all current assets of company , equitable mortgage of specific immovable property of company and also specific immovable property of holding company and corporate guarantee of holding company. Satisfaction of charge filing in this respect is pending for want of documents from Bank	-		789.30	
<b>Bank of Baroda</b>				
Secured by Hypothecation of all stocks, book debts and movable fixed assets present and future of company , equitable mortgage of specific immovable property of company ,specific immovable property of holding company and Lien on Fixed Deposit and corporate guarantee of holding company.	775.21			
<b>Unsecured</b>				
<b>From Related Parties</b>				
Transcorp International Ltd - Holding Company (Net of amount recoverable against services rendered)	254.06		470.64	
Ayan Fintrade Pvt. Ltd.	25.87		51.34	
Bhabani Pigments Pvt. Ltd.	200.00			
Interest accrued but not Due- Bhabani Pigments Pvt Ltd.	3.79			
<b>Security Deposits</b>				
Deposits from Holding Company	1.00		1.00	
Deposits from others	4.05		5.05	
<b>Total</b>	<b>1,263.99</b>		<b>1,317.33</b>	<b>-</b>



**RITCO TRAVELS AND TOURS PRIVATE LIMITED**  
**Notes to financial statements as at 31st March 2020**

Particulars	(Amount in lakhs)	
	As at 31 Mar'20	As at 31.03.2019
<b>Note 20</b>		
<b>Trade Payables</b>	-	-
Trade Payables		
(a) Total outstanding dues of micro enterprises & small enterprises	-	1.53
b) Total outstanding dues of creditors other than micro enterprises & small enterprises	98.21	557.73
<b>Total</b>	<b>98.21</b>	<b>559.26</b>

\*The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. No such information is available with the management and consequently, there are no overdues outstanding to micro and small enterprises as defined under Micro, Small and Medium enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act..

Details of dues to MSME's is as per information available with the Company:

a) the principal amount and the interest due thereon ( to be shown separately) remaining unpaid to any supplier at the end of each accounting year.;

Principal Amount	-	1.53
Interest Due	-	-

b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ( 27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.;

c) the amount of interest due and payable for the period of delay in making payment ( which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.;

d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and

e) the amount 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 Micro, Small and Medium Enterprises Development Act, 2006.

**Note 21**

**Current Liabilities - Other Financial Liabilities**

Current maturities of Long term Borrowings	1.40	28.49
Expenses and other payables	37.30	46.52
<b>Total</b>	<b>38.71</b>	<b>75.01</b>

**Note 22**

**Other Current Liabilities**

TDS /PF/ESI /Bonus and other statutory obligations	31.41	49.40
Income received but not accrued	20.53	27.04
Advance from customers ( Including Rs. 1300 from Holding Company)	140.21	92.56
<b>Total</b>	<b>192.15</b>	<b>169.00</b>



**Ritco Travels and Tours Private Limited**  
**Statement of profit and loss for the Year ended 31st March 2020**

**Note No.22**

**Revenue from operations**

(Amount in lakhs)

Particulars	Year ended	Year ended
	31.03.2020	31.03.2019
Sale of services	574.94	711.52
Other Operating Revenue	83.38	32.74
<b>Total</b>	<b>658.31</b>	<b>744.26</b>

**Details of Services rendered**

Ticketing	416.48	511.88
Tours, Hotels & Allied Activities	58.89	76.28
Vehicle Rentals	86.91	75.41
Others	12.67	47.95
<b>Total</b>	<b>574.94</b>	<b>711.52</b>

**Details Of Other Operating Revenue**

Unspent Liabilities Written Back/Claims (Net)	22.47	30.19
Foreign Exchange Revenue	-	1.06
Others	60.91	1.49
<b>Total</b>	<b>83.38</b>	<b>32.74</b>

**Note no. 23**

**Other Income**

Particulars	Year ended	Year ended
	31.03.2020	31.03.2019
Interest income--		
Others Interest	6.05	4.58
Rent Income	6.00	4.50
<b>Total</b>	<b>12.05</b>	<b>9.08</b>

**Note No. 24**

**Employee benefits**

Particulars	Year ended	Year ended
	31.03.2020	31.03.2019
Salaries, bonus and other allowances	324.22	318.20
Contribution to provident and other funds Including Charges	20.66	19.01
Gratuity	5.69	5.05
Staff Recruitment and training Expenses	2.44	2.90
Staff welfare	4.09	6.08
<b>Total</b>	<b>357.10</b>	<b>351.25</b>

**Note no. 25**

**Finance cost**

Particulars	Year ended	Year ended
	31.03.2020	31.03.2019
Interest expense	134.23	123.67
Other borrowing costs	3.26	0.05
<b>Total</b>	<b>137.49</b>	<b>123.72</b>



**Ritco Travels and Tours Private Limited**  
**Statement of profit and loss for the Year ended 31st March 2020**

**Note No. 26**  
**Depreciation and amortisation**

Particulars	(Amount in lakhs)	
	Year ended 31.03.2020	Year ended 31.03.2019
On Property, Plant & Equipment	18.55	18.42
On Intangible Assets	8.98	9.38
On Rental Lease Assets	15.98	-
<b>Total</b>	<b>43.50</b>	<b>27.79</b>

**Note no. 27**  
**Vehicle Operating Expenses**

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
	Vehicle Trip Expenses	55.50
Vehicle Taxes	0.05	0.15
Vehicle Insurance	1.15	1.33
Vehicle repairs and Maintenance	1.67	0.96
Input GST	2.03	1.12
<b>Total</b>	<b>60.40</b>	<b>54.48</b>

**Note No. 28**  
**Other expenses**

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
	Rent Paid	2.48
Repairs and Maintenance	37.65	36.35
Insurance	0.77	0.94
Rates & Taxes	2.72	0.20
Electricity & Water	9.09	10.75
Printing & Stationery	3.01	3.75
Travelling and Conveyance	37.05	33.67
Communication costs	12.19	10.15
Legal and Professional Charges	28.46	20.24
Directors Sitting Fees	0.40	0.58
Audit Fees	3.60	3.00
Tax Audit Fees	0.75	0.75
Review Fees	0.47	-
Bad & Doubtful Debs / w/off	2.39	4.77
Bank Charges	1.95	0.83
Miscellaneous Expenses	5.95	1.11
Commission, brokerage ,Discounts & Write offs	28.07	28.48
Membership and Subscriptions	5.38	5.26
Advertisement & Publicity	0.76	5.14
<b>Total</b>	<b>183.13</b>	<b>189.59</b>



**Note 29 : Other Explanatory Information**

1 Company is engaged in business in India only, which in the context of Ind AS 108 "Operating Segments" is considered the only geographical segment. Company is engaged in the business of Travels, Tours and allied activities, being the only segment.

2 Legal and professional charges includes Rs. 0.70 lakhs (Previous year- Rs. 0.54 lakhs) paid to auditors for other services.

3 Trade payables, GST payable, trade receivables, and advances, are subject to reconciliation/confirmation. Branch and head office balances are at different stages of reconciliation. Management expects no material impact of same on financial statements.

**4 Disclosure as per Ind AS 16: Property, Plant and Equipment**

Capital and other Commitments:

Rs. Nil (Previous year 12.06 lakhs, Advance given Rs. 8.32 lakhs, Net Rs. 3.74 lakhs)

**5 Disclosure as per Ind AS 12: Income Taxes**

(a) Income Tax Expense

(f) Income Tax recognised in the statement of profit and loss

Particulars	(Rs. In Lakhs)	
	31 March, 2020	31 March, 2019
<b>Current Tax expense</b>		
Current Year		1.69
MAT credit carried forward		(1.69)
Adjustment for earlier years	1.10	1.80
<b>Total current Tax Expense</b>	<b>1.10</b>	<b>1.80</b>
<b>Deferred Tax Expense</b>		
Origination and reversal of temporary differences	0.19	3.71
Less: Deferred Tax asset for Deferred Tax Liability	(30.28)	0.29
<b>Total Deferred Tax Expense</b>	<b>(30.09)</b>	<b>3.42</b>
<b>Total Income Tax Expense</b>	<b>(28.99)</b>	<b>5.22</b>

(ii) Income Tax recognised in other comprehensive income

Particulars	(Rs. In Lakhs)		
	31 March, 2020	31 March, 2019	
	Before tax	Tax expense / (benefit)	Net of Tax
Net actuarial gains/(losses) on defined benefit plans	(3.76)	(0.98)	(2.78)
<b>Total</b>	<b>(3.76)</b>	<b>(0.98)</b>	<b>(2.78)</b>
		Before tax	Tax expense / (benefit)
		1.71	0.44
		1.71	0.44
			Net of Tax
			1.27
			1.27

(iii) Calculation of Income Tax Expense

Particulars	(Rs. In Lakhs)	
	As at 31st March 2020	As at 31st March 2019
Profit before tax		6.51
Tax using company's domestic tax rate 26 % (P.Y. 25.75%)	(215.37)	1.69
MAT credit adjustments	0.00	(1.69)
Add: Earlier Year tax	1.10	1.80
Add: Others- on expenses not allowed in Income Tax/ others	(30.09)	3.42
<b>Tax as per Statement of Profit &amp; Loss</b>	<b>(28.99)</b>	<b>5.22</b>
<b>Effective Rate of Tax</b>	<b>0.00%</b>	<b>80.38%</b>

Applicable tax rate is taken as 26% due to consequent increase in cess.





## Disclosure as per Ind AS 19 'Employee Benefit'

## A) Defined contribution plan

During the year company has recognised the following amounts in the statement of profit and loss account.

Particulars	(Rs. In Lakhs)	
	2019-20	2018-19
Benefits(Contributed to)		
Provident & Pension fund	18.16	16.15
Employee state insurance	1.20	1.59
<b>Total</b>	<b>19.36</b>	<b>17.74</b>

## B) Defined benefits plan

## Gratuity

The company has a defined benefit gratuity plan. Every employee who has rendered continuous service of 5 years or more is entitled to gratuity at 15 days salary (15/26\* last drawn basic salary) for each completed year of service subject to maximum of rupees 20 lakhs on superannuation, resignation, termination, disablement, or on death.

## Reconciliation of opening and closing balances of the present value of the defined benefit obligation :

Particulars	(Rs. In Lakhs)	
	31 March, 2020	31 March, 2019
Present Value of obligation as at period closing 31st March, 2019	30.29	26.48
Current service cost	6.20	4.93
Interest cost	2.32	2.04
Past Service Cost	0.00	0.00
Actuarial (gain)/loss	3.63	(2.05)
Benefit paid	(8.65)	(1.11)
<b>Present value of obligation as at period ended 31st March, 2020</b>	<b>33.79</b>	<b>30.29</b>

## Changes in the Fair Value of Plan Assets

Particulars	(Rs. In Lakhs)	
	31 March, 2020	31 March, 2019
Fair value of plan assets, beginning of the year	36.96	32.43
Fund Opening Difference	0.00	(0.47)
Return on plan assets, (excluding amount included in net interest expense)	2.70	2.44
Fund Management Charges	0.00	(0.29)
Employer's contributions	0.00	3.96
Benefits paid	(8.65)	(1.11)
<b>Fair value of plan assets, end of the year</b>	<b>31.01</b>	<b>36.96</b>

## Amount recognized in the balance sheet consists of:

Particulars	(Rs. In Lakhs)	
	31 March, 2020	31 March, 2019
Present value of defined benefit obligation	33.79	30.29
Fair value of plan assets	31.01	36.96
<b>Net liability</b>	<b>2.78</b>	<b>(6.67)</b>



**Net Interest cost recognised in Profit or Loss :**

Particulars	(Rs. in Lakhs)	
	31 March, 2020	31 March, 2019
Interest Expenses	2.31	2.04
Interest Income	2.83	2.50
<b>Net Interest</b>	<b>(0.52)</b>	<b>(0.46)</b>

**Amount recognized in other comprehensive income consists of:**

Particulars	(Rs. in Lakhs)	
	31 March, 2020	31 March, 2019
Actuarial Gain/(Loss) on Obligation	(3.63)	2.05
Actuarial Gain/(Loss) on Asset	(0.13)	(0.35)
<b>Total Actuarial Gain/(Loss) recognised in (OCI)</b>	<b>(3.76)</b>	<b>1.71</b>

**Bifurcation of Actuarial (Gain)/Loss on obligation :**

Particulars	(Rs. in Lakhs)	
	31 March, 2020	31 March, 2019
Actuarial (gains)/losses arising from changes in demographic assumptions	0.02	0.00
Actuarial (gains)/losses arising from changes in financial assumptions	3.24	0.22
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	0.37	(2.28)
<b>Total Actuarial (Gain)/Loss</b>	<b>3.63</b>	<b>(2.06)</b>

**Return on Plan Assets excluding net Interest Consists( Actuarial gain/loss on plan asset)**

Particulars	(Rs. in Lakhs)	
	31 March, 2020	31 March, 2019
Actual Return on plan assets	2.70	2.16
Interest Income included in Net Interest	2.83	2.50
<b>Return on Plan Assets excluding net Interest</b>	<b>(0.13)</b>	<b>(0.35)</b>

**Information for funded plans with a defined benefit obligation less than plan assets:**

Particulars	(Rs. in Lakhs)	
	31 March, 2020	31 March, 2019
Defined benefit obligation	33.79	30.29
Fair value of plan assets	31.01	36.96
<b>Net Asset/(liability)</b>	<b>(2.78)</b>	<b>6.67</b>

**Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:**

Particulars	(Rs. in Lakhs)	
	31 March, 2020	31 March, 2019
<b>Present value of obligation as at period ended 31st March, 2020</b>	<b>33.79</b>	<b>30.29</b>
Fair value of plan assets at period end	31.01	36.96
Funded status excess of Actual over estimated.	(2.78)	6.67
<b>Assets/(Liabilities) recognized in the Balance Sheet</b>	<b>(2.78)</b>	<b>6.67</b>



Particulars	[Rs. In Lakhs]	
	31 March, 2020	31 March, 2019
<b>Cost recognized for the period (included under Salaries, Wages, Allowances, Bonus and Gratuity)</b>		
Cost Recognized in Statement of Profit & Loss		
Current Service Cost	6.20	4.93
Interest cost (Net)	2.32	2.04
Expected return on plan assets	(2.83)	(2.50)
Difference in Opening Liability	0.00	0.47
Other Cost (being LIC expenses & GST)	0.00	0.11
Past Service Cost	0.00	0.00
<b>Total</b>	<b>5.69</b>	<b>5.05</b>
<b>Cost recognized in statement of other comprehensive income</b>		
Actuarial (gain)/loss	3.76	(1.71)
<b>Net cost recognised for the period</b>	<b>9.45</b>	<b>3.34</b>

**Q) Defined benefit obligation**

**I) Actuarial assumption**

The following were the principal actuarial assumption at the reporting date.

Particulars	31.03.2020	31.03.2019
Discount rate*	6.80%	7.65%
Expected return on plan assets**		
Gratuity		
Salary escalation rate***	7.00%	7.00%
Valuation Methodology	Projected Unit Credit Method	Projected Unit Credit Method

\* The discount rate assumed is determined by reference to market yield available on government bonds, at the accounting date.

\*\* The expected rate of return on plan assets is determined considering several applicable factor mainly the composition of plan assets held, assessed risk of assets management and historical return from plan assets.

\*\*\* The estimates of future salary increase considered in actuarial valuation, taking account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis.

**II) Sensitivity analysis**

Reasonable possible change at the reporting date to one of the relevant actuarial assumption, holding other assumption constant, would have effected the defined benefit obligation by the amount shown below.

Particulars	[Rs. In Lakhs]	
	31.03.2020	
	Increase	Decrease
Discount rate (0.50% movement)	(2.03)	2.25
Salary escalation rate (0.50% movement)	2.23	(2.04)



III) Expected Maturity analysis of the defined benefits plan in future years

(Rs. in Lakhs)

	First Year	Second year	Third to Fifth year	More than 5 Years
31-Mar-20				
Gratuity	0.52	7.15	3.00	23.11
<b>Total</b>	<b>0.52</b>	<b>7.15</b>	<b>3.00</b>	<b>23.11</b>
31-Mar-19				
Gratuity	0.56	0.51	6.94	22.27
<b>Total</b>	<b>0.56</b>	<b>0.51</b>	<b>6.94</b>	<b>22.27</b>

IV) Risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows-

- Salary increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Z Disclosure as per Ind AS 24: Related Parties

Related Party disclosures

- Holding Companies**
  - Transcorp International Limited
- Fellow Subsidiary of Holding Companies**
  - Transcorp Estates Private Limited
- Associates/Investing Party of Holding Company**
  - Transcorp Enterprises Limited
  - TCI Bhoruka Projects Ltd.
  - Bhoruka Investment Ltd.
- Enterprise over which KMP or relatives of KMP have control/significant influence with whom there were transactions during the year:**
  - TCI Express
  - Ayan Fintrade Pvt. Ltd.
  - TCI Infrastructure Finance Limited
  - M/s Ashok Kumar Ayan Kumar



(v) Key Management Personnel and person having significant influence

- Mrs. Mamsha Agarwal
- Mr. Purushottam Agarwal
- Mr. Rajneesh Singhvi
- Mr. Hem Kumar Bhargav
- Mr. Praveen Ghandhi (Additional Director)
- Mrs. Yashaswini Pandey
- Mrs. Sangeta Bahl
- Mr. Gopal Krishan Sharma (KMP of holding Company)

(vi) Relatives of Key management personnel and person having significant influence:

- Mrs. Avani Kanoi

A) Related parties where control exist:

Transcorp International Limited-Holding Company

Particulars	31.3.2020	31.3.2019
<b>I. Sale/purchase of services:</b>		
Services rendered	42.69	36.92
Services taken (net)	19.32	10.50
<b>II. Loans and advances in nature of loans taken (Repayable on demand)</b>		
Balance at the beginning of accounting year	470.64	341.76
Balance at the end of accounting year	254.06	470.64
Loan taken during the year	2,304.50	3,200.00
Maximum amount outstanding	531.09	583.59
Loans repaid	2,345.73	3,105.86
Share allotted by conversion of loan into capital	200.00	-
Interest paid (Gross)	27.39	38.38
TDS	2.74	3.84
<b>IV. Other transactions:</b>		
*Guarances Received for credit facilities from bank	775.00	1,057.00
Guarantee in favor of TAFI	1,000.00	1,000.00
Rent received	6.00	4.50
Rent paid	1.80	1.80
Sharing of expenses	3.89	9.42

**Outstanding:**

- \*Guarances Received for credit facilities from bank
- Guarantee in favor of TAFI
- Security Deposit Received - Balance outstanding
- \*]Up to the amount utilised/outstanding

	775.00	800.00
	1,000.00	1,000.00
	1.00	1.00

B) Associates/Investing party of Holding Co.

I. Bhoruka Investment Limited

**Related party transactions:**

**I. Loans and advances in nature of loans taken:**

- Balance at the beginning of accounting year
- Balance at the end of accounting year
- Loan taken during the year
- Maximum amount outstanding
- Loan repaid during the year
- Interest

	-	-
	-	-
	-	-
	-	-
	-	-



<b>II. Sale/purchase of services</b>			
Services rendered	0.06	0.24	
<b>2. TCI Bhoornika Projects Ltd</b>			
<b>I. Loans and advances in nature of loans taken:</b>			
Balance at the beginning of accounting year	-	-	
Balance at the end of accounting year	-	-	
Loan taken during the year	-	-	
Maximum amount outstanding	-	-	
Loan repaid during the year	-	-	
Interest	-	-	
<b>II. Sale or purchase of services</b>			
Services rendered	-	0.11	
Closing balance of services rendered (Dr.)	-	-	
Sharing of Services	-	-	
<b>3. Transcorp Enterprises Limited</b>			
<b>Related party transactions:</b>			
Sharing of expenses(net)	0.71	0.45	
Services Taken	-	2.24	
Services rendered	0.08	-	
Closing amount (Cr.)	1.09	-	
Balance at the beginning of accounting year	-	-	
Balance at the end of accounting year	-	-	
Loan taken during the year	-	-	
Maximum amount outstanding	-	-	
Repaid during the year	-	-	
Interest (Gross)	-	-	
<b>4. Ayan Fintrade Private Limited</b>			
<b>Related party transactions:</b>			
<b>I. Loans and advances in nature of loans taken:</b>			
Balance at the beginning of accounting year	51.34	-	
Balance at the end of accounting year	25.87	51.34	
Loan taken during the year	20.00	50.00	
Maximum amount outstanding	51.34	51.34	
Repaid during the year	51.34	-	
Interest (Gross)	6.52	1.49	
ITDS	0.65	0.15	
<b>5. TCI Express</b>			
<b>Related party transactions:</b>			
Services rendered	6.99	18.60	
Closing Balance Receivable of Service Rendered	1.32	4.24	
<b>6. TCIFL</b>			
<b>Related party transactions:</b>			
Services rendered	-	0.22	
Closing Balance Receivable of Service Rendered	0.02	0.02	
<b>C) Fellow Subsidiary of Holding Company</b>			
Transcorp Estates Private Limited			
<b>Related party transactions:</b>			
Services rendered	-	4.20	
Rent paid	1.98	1.89	
closing balance payable	0.18	-	
<b>D) Persons or Relatives of persons having significant influence in Holding Company</b>			



**Related Party Transaction**

<b>Mrs. Ayani Khandel</b>		
Salary Paid	11.28	10.87
Rent Paid	-	-
Services rendered	-	-
<b>Mr. Gopal Krishan Sharma</b>		
Services rendered	4.55	1.12

**E) Key management personnel**

<b>Ms. Sangeeta Bahl</b>		
Salary Paid	37.98	20.35
<b>Ms. Yashaswani Pandey</b>		
Salary Paid	-	1.06

**F) Directors**

**Mrs. Manisha Agarwal (DIN: 00453917)**

Sitting fees paid	0.10	0.13
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**Mr. Rajnish Singhvi**

Sitting fees paid	-	0.10
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**Mr. Praveen Gandhi**

Services Taken	8.25	12.75
Sitting fees paid	0.10	0.13

**Sitting fees paid to other directors**

**Name of Director**

Dr. Purushottam Agarwal	0.10	0.10
Mr. Hem Bhargava	0.10	0.13

**G. Firm/body corporate where relatives of persons having significant influence in Holding company are partners or are having significant influence**

**M/s Ashok Kumar Ayem Kumar**

Commission earned on Insurance	0.97	7.51
Commission Paid on Segments	5.52	10.60

**Disclosure as per Ind AS 33 : Earnings per Share  
Basic and diluted earnings per share**

Particulars	31 March 2020	31 March 2019
Profit attributable to equity shareholders (used as numerator) (Rs.)	-186.38	1.28
Weighted average number of equity shares for Basic and Diluted EPS (used as denominator) (Nos.)	2,616,879	2,000,000
Earnings per share	-7.12	0.06



**Disclosure as per Ind AS 37: Provisions, Contingent Liabilities/Contingent Liability**

**Contingent Liability**

**(a) Claims against the company not acknowledged as debt**

i) Amount disputed Rs. 2.87 Lakhs (Previous year Rs. 2.87 Lakhs), out of this deposited with court Rs. 0.33 Lakhs (Previous Year Rs. 0.33 Lakhs) in respect of claims made by Customer and others.

ii) TDS default up to FY 2019-20 is Rs. 1.80 Lakhs (Up to FY 2018-19 Rs. 1.80 Lakhs)

iii) Claim by Akbar Travel of India Pvt Limited ( as per the petition filed by it against the company before National Company Law Tribunal, Jaipur under Insolvency & Bankruptcy Code, 2016) for Rs. 121.52 Lac. related to Air tickets made by it for its clients.

**b) Liability under joint bank guarantee entered with TAFI for covering credit limit from IATA for Rs. 1000 lakhs (PY 1000 lakhs)**

Company has executed "Joint Bank Guarantee" agreement with TAFI and furnished a sum of Rs. 100 Lakh (PY 100 Lakhs) as deposit with them for making good the default by Company or other participating members in payment obligation to IATA. Amount of liability under the agreement, if any, is unascertainable at present. Holding company and one of the director are guarantor to this agreement.

**c) Liability in respect of call back of segment incentives due to non achievement/fulfilment of agreed targets and liquidated damages Rs. 59.18 Lac**

Disclosure as per Ind AS 108: Operating Segments is given in consolidated financial statements

**Financial Risk Management**

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The most significant financial risks to which the Company is exposed to are described as follows:-

**i. Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk - currency rate risk, interest rate risk and other price risks, such as investment price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and other financial instruments. This is based on the financial assets and financial liabilities held as at March 31, 2020 and March 31, 2019. Company do not have investments

**ii. Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

**iii. Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

**iv. Physical risk**

It is the risk of theft, robbery or fakeness of cash and cash equivalents.

**Risk Management framework**

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the Board of Directors under policies approved by identifying, evaluating and hedging financial risks. The board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, and credit risk, investment of excess liquidity, adequate and proper insurance covers and proper and adequate training of personnels.





#### Financial Risk Management

##### i. Market risk

##### Interest Rate Risk:

Interest rate risk is the risk that the fair value of the future cash flows of the financial instrument will fluctuate because of changes in market interest rates. In order to manage the interest rate risk, Board of Directors performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed interest rate and floating rate financial instruments in its total portfolio. Since the company only has nil/fixed interest rate instruments, it is not exposed to significant interest rate risk as at the respective reporting periods.

Particulars	31-Mar-20	31-Mar-19
<b>Financial Assets</b>		
Security Deposits	108.81	114.06
Advances recoverable in cash or kind or for value to be received or pending adjustments	372.21	685.40
Loans to Employees	0.00	0.00
Other Bank Balances	25.15	0.68
<b>Total</b>	<b>506.17</b>	<b>800.14</b>
<b>Financial Liabilities</b>		
Term Loans	2.97	102.33
Cash Credit	775.21	789.30
Loans repayable on demand	483.73	521.98
Security Deposits	5.05	6.05
<b>Total</b>	<b>1266.96</b>	<b>1419.66</b>

##### ii. Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and other financial instruments. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorizes a loan or receivable for write off when management is of the opinion that all the possible efforts have been undertaken for recovery but the recovery is not possible. 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 to be recognized in profit and loss. Continuous efforts are made to ensure timely payment from the customers. The carrying amount of financial assets as appearing in Balance Sheet represents the maximum credit exposure.

##### Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored.

The Company has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent.

Exposure to credit risk is to be shown in case where ECL or lifetime ECL is recognized.

##### Provision for expected credit losses

Company is not separately tracking changes in credit risk of individual trade receivables and contract assets for the purpose of ECL, as these do not contain significant financing component. Therefore company has chosen to calculate impairment under the simplified approach on trade receivables and contract assets as the impairment amount represents "lifetime" expected credit loss. Accordingly, expected credit loss is recognised on total receivables.

The ageing of trade receivable is as below:

Particulars	Neither due nor impaired	Within 6 months	6 Month to 12 Months	Above 12 months	Total
<b>Trade Receivables</b>					
As at March 1, 2019		1219.47	52.91	422.60	1694.98
Unsecured					
As at March 31, 2020		387.87	60.82	629.40	1078.09
Unsecured					

Actual credit loss during the period assessed by management Rs. 2.39 lakhs (Previous Year - Rs. 4.78 lakhs) is recognised in Statement of Profit and loss as bad debts. Additionally management after due consideration recognised impairment in trade receivables for RS.104.12 lacs, by making provision for same.



**Reconciliation of impairment loss provision:**

Particulars	Trade Receivables	Other Balances
Balance As at March 31, 2019	-	-
Impairment loss recognised amounts written off as bad debts	106.51	4.78
Provision made	2.39	4.78
Balance As at March 31, 2020	104.12	-

**Financial instruments and cash deposits**

The cash and cash equivalents as well as deposits in current accounts with bank are held with banks of high rating. The banks are also chosen as per the geographical and other business convenience and needs.

The company maintains significant cash and deposit balances.

**iii. Liquidity Risk**

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements.

The company does not anticipate any problem in obtaining external funding in the foreseeable future when the need arises.

**Financing Arrangements**

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	03/31/2019	03/31/2019
Fixed-rate borrowings		
Bank overdraft (cash credit)	0	210.7
<b>Total</b>	0	<b>210.7</b>

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date:

Particulars	As at 31-3-2020				Total/ Carrying Amount
	On demand	<6 months	6-12 months	>1 year	
Interest bearing borrowings (including current maturities) and security deposits	1,263.98	0.68	0.72	1.56	1,266.94
Other liabilities	140.22	42.79	-	9.11	192.12
Trade and other payables	98.21	-	-	-	98.21
<b>Total</b>	<b>1,502.41</b>	<b>43.47</b>	<b>0.72</b>	<b>10.67</b>	<b>1,557.27</b>

Particulars	As at 31-3-2019			Total/ Carrying Amount
	On demand	<6 months	6-12 months	
Interest bearing borrowings (including current maturities) and security deposits	1,317.33	14.78	13.71	1,419.66
Other liabilities	119.6	49.40	-	169.00
Trade and other payables	605.78	-	-	605.78
<b>Total</b>	<b>2,042.71</b>	<b>64.18</b>	<b>13.71</b>	<b>2,194.44</b>



iv. Physical Risk :- The company has taken adequate money insurance policy for covering loss which may be incurred due to risk of theft, robbery etc. The company provides training to staffs for recognising the valid currency note for covering loss which may be incurred due to fake currency.

12

**Fair Value Measurements**

(a) Financial Instruments by category

Particulars	31 March 2020		
	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>			
Trade Receivables (net of impairment)			973.97
Loans and security deposits			481.02
Cash and cash equivalents			93.05
Other Financial Assets(FDR with Bank)			25.15
	-	-	<b>1,573.19</b>
<b>Financial Liabilities</b>			
Borrowings			1,290.41
Trade paybles			98.21
Other Financial Liabilities			37.30
	-	-	<b>1,425.92</b>

Particulars	31 March 2019		
	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>			
Trade Receivables (net of impairment)			1,694.98
Loans			415.40
Cash and cash equivalents			42.68
Other Financial Assets			0.68
<b>Total</b>	-	-	<b>2,153.74</b>
<b>Financial Liabilities</b>			
Borrowings			1,419.66
Trade paybles			559.26
Other Financial Liabilities			46.52
<b>Total</b>	-	-	<b>2,025.44</b>

b) Fair Value hierarchy

Financial assets and liabilities measured at Fair value	Level 1	Level 2	Level 3	Total
	As at 31 March 2020	There are no such instruments		
Financial Assets				
Financial Liabilities				-
As at 31 March 2019	There are no such instruments			
Financial Assets				
Financial Liabilities				-



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-** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. Listed and actively traded equity instruments are stated at the last quoted closing price on the National Stock Exchange of India Limited (NSE).

**Level 2-** The fair value of financial instruments that are not traded in 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. The fair value of the financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

There has been no transfer in either direction in this year or the previous year.

**c) Valuation technique used to determine fair value:**

Specific Valuation techniques used to fair value the financial instruments include:

- (i) For Financial instruments other than at (ii) and (iii) - the use of quoted market prices.
- (ii) For Financial liabilities (public deposits, long term borrowings) Discounted Cash Flow; appropriate market borrowing rate of entity as on each balance sheet date used for discounting.
- (iii) For financial assets (loans) discounted cash flow; appropriate market borrowing rate of the entity as on each balance sheet date is used for discounting.

**d) Fair value of financial assets and liabilities measured at amortized cost**

Particulars	Level	31 March 2020		31 March 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Assets</b>					
Loans	3	481.02	481.02	415.40	415.40
Trade Receivables (net of impairment)	3	973.97	973.97	1,694.98	1,694.98
<b>Financial Liabilities</b>					
Loans- Borrowing from banks	3	778.18	778.18	891.63	891.63
Other Borrowings including lease payables	3	512.24	512.24	528.03	528.03
Trade Payables	3	98.21	98.21	559.26	559.26
Expenses and other payables	3	37.30	37.30	46.52	46.52

**Capital Risk Management**

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, less cash and short term deposits. The primary objective of the Company's Capital Management is to maximize shareholder value.

Particulars	As at 31-3-20	As at 31-3-19
Total debt (other than security deposit)	1,285.36	1,413.61
Less: cash and cash equivalents	93.05	42.68
<b>Net Debt</b>	<b>1,192.31</b>	<b>1,370.93</b>
Equity	507.05	499.85
<b>Net debt to equity ratio</b>	<b>2.35</b>	<b>2.74</b>



**14** **IND AS 115-** Revenue is recognised upon transfer of control of services to customers in an amount that reflects the consideration, company expect to receive in exchange for those services. The company account for volume and other discounts as well as pricing incentives to customers as a reduction of revenue. The company presents revenue net of indirect taxes in statement of Profit & Loss. The Company's segment revenue is recognised ratably over the term of the underlying segment agreement based on the performance obligation completed as per agreement. Amounts relating to pending performance obligation and period is treated as unearned revenue and is shown as Current/Non Current Liability according to the period of the agreement. Similarly productivity linked bonus (PLB) receivable under the agreements are recognised based on the performance achieved till the end of the accounting period as per the terms of the agreements.

**Dis-aggregation of Revenue**

a) Revenue from ticketing tours, vehicle rentals, hotels and other services	Rs. 449.13
b) Revenue from Segment achievement	Rs. 16.43
c) Revenue relating to Productivity Linked Bonus in the area of the ticketing	Rs. 109.38

**Contract Balances**

Unearned Revenue shown as current or non current liability -	Rs. 20.53
Receivables (Productivity Linked Bonus) -	Rs. 382.67
Opening Balance	Rs. 109.38
Revenue Recognised	Rs. 378.83
Closing Balance (Net of Payment Received)	Rs. 378.83

As regards above receivables, management has reviewed about impairment and has recognised impairment along with other trade receivables.

**15** **IND AS 116-** Company has adopted "Ind AS 116- Lease" with effect from 1.4.2019 by applying the same to all lease contracts existing on 1st April, 2019 using the modified retrospective method of transition where at the initial application the lease liability is measured at the present value of remaining lease payments and right to use asset is recognised at an amount equal to lease liability net of cumulative adjustments to retained earnings on the date of initial application. Accordingly comparative figures for earlier periods have not been restated. On transition the adoption of new standard resulted into recognition of right to use assets of Rs.39.04lacs (net of cumulative adjustments to retained earnings for Rs. 3.64 lacs.) and lease liability of Rs. 42.68lacs. Amount of impact of adoption of this new standard on profit/loss for the year is immaterial.

**16** **IMPACT OF GLOBAL PANDEMIC KNOWN AS COVID-19**

Global health pandemic covid19 has contributed to a significant decline in global and local economic activities. Company's business is also severely impacted. Measures taken to contain the spread of virus including travel bans, quarantines and social/physical distancing worldwide have triggered significant disruptions to company's business leading to operating loss and negative cash flows impacting its going concern assumption. However the travel and hospitality industry has weathered many catastrophic events such as 9/11 and the great recession in the year 2008 and in every circumstance, it has climbed back and flourished. Company has taken various measures including reduction in all costs whether operating or fixed and revisiting its sales strategies with reduced credit periods. To fund the liquidity shortfall for the time being, various options are being considered including the availing of moratorium period for payment of interest from bankers as well as fresh low cost borrowings. Company has assessed the recoverability of receivables and intangible assets by considering internal and external sources of information including credit reports, economic forecasts and industry reports upto the date of approval of these financial results. Looking to above facts and estimates the company expects to recover the carrying amount of these assets and do not see any impact on going concern assumption or status of the company. The business of the company as well as its efforts to bring the business to the normalcy will depend on future developments which are uncertain. The eventual outcome of the global health pandemic may be different from those estimated as on the date of approval of these financial results and the company will continue to monitor all material uncertainties and to the changes to the future economic conditions

**17** Previous Year's figures have been regrouped, rearranged or recasted wherever considered necessary.

As per our annexed report of even date  
**For ANAND JAIN & CO.**  
**Chartered Accountants**  
 FRN:001857C

*Anand*  
**(Anand Prakash Jain)**  
 Proprietor  
 M.NO.-71045  
 Place: JAIPUR  
 Date:05.06.2020



**For & on behalf of Board of Directors of**  
**Ritco Travels and Tours Private Limited**

*Manisha Agrawal*  
**Manisha Agrawal**  
 Non-Executive Chairperson  
 DIN: 00453971

*Hem Kumar Bhargava*  
**Hem Kumar Bhargava**  
 Director  
 DIN: 03230480

*Philip Kumar Morwal*  
**Philip Kumar Morwal**  
 Group Company Secretary  
 ACS:17572

