

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Adventure and Nature Network Private Limited

### **Report on the Audit of the Ind AS Financial Statements**

#### **Opinion**

We have audited the accompanying Ind AS financial statements of Adventure and Nature Network Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

#### **Emphasis of matter**

We draw attention to Note 2.2 in the financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management. Our opinion is not modified in respect of this matter.

#### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Responsibility of Management for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) 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;
  - (f) This report does not include Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls over financial reporting;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020;



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 33 to the Ind AS financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
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**per Yogender Seth**

Partner

Membership Number: 94524

UDIN: 20094524AAAAFG7285

Place of Signature: Gurugram

Date: December 29, 2020



**Annexure 1 referred to in paragraph 1 of the section on “Report on Other Legal and Regulatory Requirements” of our report of even date.**

**Re: Adventure and Nature Network Private Limited (“the Company”)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given by the management and audit procedures performed by us, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company’s business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, as amended. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013, as amended are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company
- (vii) (a) Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, service tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - (c) According to the information and explanation given to us, there are no dues of income tax, service tax, goods and service tax and custom duty which have not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause 3(ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud / material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013, as amended where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013, as amended.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Yogender Seth**

Partner

Membership Number: 94524

UDIN: 20094524AAAAFG7285

Place: Gurugram

Date: December 29, 2020



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

Particulars	Note No.	31 March 2020	31 March 2019
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	67	145
Intangible assets	6	4	23
Right-of-use assets	34	9,243	-
Financial assets			
Security deposits	7	269	153
Other non-current assets	10	-	303
		<u>9,583</u>	<u>624</u>
<b>Current assets</b>			
Financial assets			
Trade receivables	8	-	35
Cash and cash equivalents	9	270	5,779
Other current assets	10	1,578	3,061
		<u>1,848</u>	<u>8,875</u>
<b>Total assets</b>		<u>11,431</u>	<u>9,499</u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	11	67,600	60,600
Other equity			
Retained earnings	11	(142,966)	(121,541)
<b>Total equity</b>		<u>(75,366)</u>	<u>(60,941)</u>
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	34	8,852	-
Provisions	15	134	156
		<u>8,986</u>	<u>156</u>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	12	35,700	30,000
Lease liabilities	34	330	-
Trade payables(outstanding dues of creditors other than micro enterprises and small enterprises)	13	18,953	24,369
Other financial liabilities	14	16,572	8,660
Provisions	15	254	250
Other current liabilities	16	6,002	7,005
		<u>77,811</u>	<u>70,284</u>
<b>Total liabilities</b>		<u>86,797</u>	<u>70,440</u>
<b>Total equity and liabilities</b>		<u>11,431</u>	<u>9,499</u>
Summary of significant accounting policies	2		

The accompanying notes form an integral part of these financial statements.

For S.R. Batliboi & Associates LLP  
ICAI Firm Registration No.: 101049W/E300004  
Chartered Accountants

per Yogender Sethi  
Partner  
Membership No: 094524



For and on behalf of the Board of Directors of  
Adventure and Nature Network Private Limited

Ajeet Bajaj  
Director  
(DIN: 00570056)

Anuj Kumar Sethi  
Director  
(DIN: 07895546)



Place: Gurugram  
Date: December 29, 2020

Place: Gurugram  
Date: December 29, 2020

Place: Gurugram  
Date: December 29, 2020

**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

Particulars	Note No.	31 March 2020	31 March 2019
<b>Income</b>			
Revenue from operations	17	12,093	10,579
Other income	18	521	5
<b>Total income</b>		<u>12,614</u>	<u>10,584</u>
<b>Expenses</b>			
Marketing and sales promotion expenses		9,352	15,118
Employee benefits expense	19	11,845	15,563
Depreciation and amortisation expense	20	665	146
Finance costs	21	5,524	1,851
Other expenses	22	6,721	3,633
<b>Total expenses</b>		<u>34,107</u>	<u>36,311</u>
<b>Loss before taxes</b>		<b>(21,493)</b>	<b>(25,727)</b>
<b>Tax expense</b>			
Current tax		-	-
Deferred tax		-	-
<b>Loss for the year</b>		<u>(21,493)</u>	<u>(25,727)</u>
<b>Other comprehensive loss</b>	25		
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement gain of defined benefit plans		(68)	(193)
<b>Other comprehensive loss for the year, net of tax</b>		<u>(68)</u>	<u>(193)</u>
<b>Total comprehensive loss for the year</b>		<u>(21,425)</u>	<u>(25,534)</u>
<b>Loss per share</b>	23		
Basic and diluted loss per share (Rs.)		(3.42)	(4.25)
Summary of significant accounting policies	2		

The accompanying notes form an integral part of these financial statements.

For S.R. Batliboi & Associates LLP  
ICAI Firm Registration No.: 101049W/E300004  
Chartered Accountants

per Yogender Seth  
Partner  
Membership No: 094524



Place: Gurugram  
Date: December 29, 2020

For and on behalf of the Board of Directors of  
Adventure and Nature Network Private Limited

Ajeet Bajaj  
Director  
(DIN: 00570056)

Place: Gurugram  
Date: December 29, 2020

Anuj Kumar Sethi  
Director  
(DIN: 07895546)



Place: Gurugram  
Date: December 29, 2020



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
**(Amounts in thousands of Indian Rupees, except per share data and number of shares)**

Particulars	Equity share capital		Other equity		Total
	No of shares	Amount	Retained earnings	Share application money	
Balance as at 1 April 2018	6,060,000	60,600	(95,800)	-	(35,200)
Effect of adoption of new accounting standards (refer note no. 2.4)	-	-	(207)	-	(207)
Balance as at 1 April 2018 (after the effect of adoption of new accounting standards)	6,060,000	60,600	(96,007)	-	(35,407)
Loss for the year	-	-	(25,727)	-	(25,727)
Other comprehensive income (refer note no. 25)	-	-	193	-	193
Remeasurements of defined benefit plans	-	-	(25,534)	-	(25,534)
Total comprehensive income for the year ending 31 March 2019	-	-	(25,534)	-	(25,534)
Balance as at 31 March 2019	6,060,000	60,600	(121,541)	-	(60,941)
Balance as at 1 April 2019	6,060,000	60,600	(121,541)	-	(60,941)
Issue of share capital	700,000	7,000	-	-	7,000
Loss for the year	-	-	(21,493)	-	(21,493)
Other comprehensive income (refer note no. 25)	-	-	68	-	68
Remeasurements of defined benefit plans	-	-	(21,425)	-	(21,425)
Total comprehensive income for the year ending 31 March 2020	-	-	(21,425)	-	(21,425)
Balance as at 31 March 2020	6,760,000	67,600	(142,966)	-	(75,366)

Summary of significant accounting policies 2

The accompanying notes form an integral part of these financial statements.

**Other equity**

**I. Retained Earnings**

Retained Earnings represent cumulative losses of the company. The reserve can be utilized in accordance with the provisions of Companies Act, 2013.

For S.R. Batliboi & Associates LLP  
 ICAI Firm Registration No.: 101049W/E300004  
 Chartered Accountants




per Yogender Seth  
 Partner  
 Membership No: 094524

Place: Gurugram  
 Date: December 29, 2020

For and on behalf of the Board of Directors of  
 Adventure and Nature Network Private Limited

  
 Ajeet Bajaj  
 Director  
 (DIN: 00570056)

  
 Anuj Kumar Sethi  
 Director  
 (DIN: 07895546)



Place: Gurugram  
 Date: December 29, 2020

**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

Particulars	31 March 2020	31 March 2019
<b>Cash flows from operating activities:</b>		
Loss before tax	(21,493)	(25,727)
<b>Adjustments for:</b>		
Depreciation and amortization	665	146
Finance costs	5,509	1,824
Excess provision written back	(383)	-
Gain on disposal of property, plant and equipment	(3)	-
Trade and other receivables provisions/written-off	1,761	-
Unwinding of discount on other financial assets	(30)	-
<b>Operating profit before working capital changes</b>	<u>(13,974)</u>	<u>(23,757)</u>
<b>Working capital changes:</b>		
Decrease/ (increase) in trade receivables	(1,726)	(242)
Decrease/ (increase) in other receivables	1,177	(1,444)
Increase/ (decrease) in trade payables	(5,033)	2,660
Increase/ (decrease) in other payables	2,124	1,361
Increase/ (decrease) in provisions	(16)	87
<b>Net cash used in operating activities</b> (A)	<u>(17,448)</u>	<u>(21,335)</u>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of property, plant and equipment	3	-
<b>Net cash used in investing activities</b> (B)	<u>3</u>	<u>-</u>
<b>Cash flows from financing activities:</b>		
Payment/ (proceeds) of principal portion of lease liabilities	(107)	-
Payment of interest portion of lease liabilities	(657)	-
Proceeds from issue of share capital	7,000	-
Proceeds from borrowings	5,700	22,500
<b>Net cash from financing activities</b> (C)	<u>11,936</u>	<u>22,500</u>
<b>Net increase in cash and cash equivalents</b> (A+B+C)	(5,509)	1,165
Cash and cash equivalents at the beginning of the year	5,779	4,614
<b>Closing cash and cash equivalents at the end of the year</b>	<u>270</u>	<u>5,779</u>
<b>Components of cash and cash equivalents:</b>		
Balances with banks		
On current account	252	5,591
Credit card collection in hand	18	188
<b>Total cash and cash equivalents</b>	<u>270</u>	<u>5,779</u>

Summary of significant accounting policies 2

The accompanying notes form an integral part of these financial statements.

For S.R. Batliboi & Associates LLP  
ICAI Firm Registration No.: 101049W/E300004  
Chartered Accountants

per Yogender Seth  
Partner

Membership No: 094524



For and on behalf of the Board of Directors of  
Adventure and Nature Network Private Limited

Ajeet Bajaj  
Director  
(DIN: 00570056)

Anuj Kumar Sethi  
Director  
(DIN: 07895546)



Place: Gurugram  
Date: December 29, 2020

Place: Gurugram  
Date: December 29, 2020

Place: Gurugram  
Date: December 29, 2020

**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
**(Amounts in thousands of Indian Rupees, except per share data and number of shares)**

**1. Corporate information**

Adventure and Nature Network Private Limited ('the Company') was incorporated on 12 September, 2012. The Company is a joint venture of Yatra Online Private Limited and Snow Leopard Adventures Private Limited. The Company is engaged in the business of providing services relating to transport, travel, tours, tourism and activities such as trekking, cycling, camping, sports activities, etc.

The Company is a private limited company incorporated and domiciled in India and has its registered office at DLF Cross Point, GL 801 & 802, 8th Floor, Phase IV, DLF City, Village Chakarapur, Sarhaul, Shahpur, Gurugram, Haryana- 122002, India.

**2. Summary of significant accounting policies**

**2.1 Basis of preparation**

These financial statements have been prepared to comply in all material respects with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

The financial statements are authorized for issue by the Company's Board of Directors on 29 December, 2020.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied by the Company, to all the periods presented in the said financial statements except in relation to new standards adopted on 01 April 2019 (refer note 2.4).

The preparation of the said financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

All the amounts included in the financial statements are reported in thousands of Indian Rupees ("INR") and are rounded to the nearest thousands, except per share data and unless stated otherwise.

**2.2 Impact of CoVID-19**

The measures implemented to contain the COVID-19 pandemic have had, and are expected to continue to have, a significant negative effect on the business, financial condition, results of operations, cash flows and liquidity position. In particular, such measures have led to unprecedented levels of cancellations and limited new air travel, hotel and holiday bookings. Due to the high degree of cancellations and customer refunds and lower new bookings in the Hotels & Packages segments, the Company is experiencing unfavorable working capital trends and material negative cash flow. This is expected to continue until cancellations stabilize and travel demand begins to recover from current levels, at which time Hotel & Package bookings and cash flow are expected to increase.

The Company had implemented certain measures and modified certain policies in light of the COVID-19 pandemic. For example, the Company had largely automated the re-scheduling and cancellation of bookings and provided the customers greater flexibility to defer or cancel their travel plans. In addition, the Company had also undertaken certain cost reduction initiatives, including implementing salary reductions and freezes and work from home policies, renegotiating fixed costs such as rent, deferring non-critical capital expenditures, reducing the marketing expenses and renegotiating the supplier payments and contracts. The Company expects to continue to adapt these policies and cost reduction initiatives as the situation evolves as well as realise the carrying value of its current and non-current Assets. Although travel restrictions and quarantine orders are gradually being lifted, it remains difficult to predict the duration of the long-term impact from the virus.

**2.3 Basis of preparation-Going Concern**

The Company has accumulated losses aggregating to INR 142,966 as at year-end as against paid up capital and reserve of INR 67,600. Loss for the year amounting to INR 21,493, negative net working capital amounting to INR 75,963 indicating an uncertainty to continue as a going concern.

The Company, basis its business plan and support letter from its joint venture partners does not consider an uncertainty in meeting its obligations in next twelve months. Accordingly, these financial statements have been prepared on going concern basis.

**2.4 New standards, interpretations and amendments adopted by the Company**

**Ind AS 116 Leases**

Ind AS 116 supersedes Ind AS 17 Leases, including Appendix A of Ind AS 17 Operating Leases-Incentives, Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease and Appendix C of Ind AS 17, determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
**(Amounts in thousands of Indian Rupees, except per share data and number of shares)**

The Company has lease contracts for buildings. Before the adoption of Ind AS, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases. The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

Refer to Note 2.10 for the accounting policy of leases.

**Appendix C to Ind AS 12 *Uncertainty over Income Tax Treatment***

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 *Income Taxes*

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Appendix had an impact on its financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company determined, based on its tax compliance and transfer pricing study, that it is probable that its tax treatments will be accepted by the taxation authorities. The Appendix did not have an impact on the financial statements of the Company.

**Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement**

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to determine the current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event. An entity is also required to determine the net interest for the remainder of the period after the plan amendment, curtailment or settlement using the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event, and the discount rate used to remeasure that net defined benefit liability (asset). The amendments had no impact on the financial statements of the Company as it did not have any plan amendments, curtailments, or settlements during the period.

**2.5 Basis of measurement**

The financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment.

**Fair value measurement**

Fair value is the price at the measurement date at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Company's accounting policies require measurement of certain financial/ non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortized cost are required to be disclosed in the said financial statements.

The Company is required to classify the fair valuation method of the financial/ non-financial assets and liabilities, either measured or disclosed at fair value in the financial statements, using a three level fair value hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The three levels of the fair value hierarchy are described below:

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

**Level 2:** Significant inputs to the fair value measurement are directly or indirectly observable

**Level 3:** Significant inputs to the fair value measurement are unobservable



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

**2.6 Current versus non-current classifications**

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

Deferred tax assets and liabilities, and all assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised 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.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is 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.

**2.7 Property, plant and equipment ('PPE')**

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss at the time of incurrence.

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its PPE.

Particulars	Years
Computers and peripherals	3
Office equipment	5

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at-least as at each reporting date so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effects of any change in the estimated useful lives, residual values and / or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are derecognised from the balance sheet and the resulting gains / (losses) are included in the statement of profit and loss within other expenses / other income. The management basis its past experience and technical assessment has estimated the useful life, which is at variance with the life prescribed in Part C of Schedule II of the Companies Act, 2013 and has accordingly, depreciated the assets over such useful life. The cost of capital work-in-progress is presented separately in the balance sheet.

**2.8 Intangible assets**

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Ind AS – Accounting Policies, Changes in Accounting Estimates & Errors.



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
**(Amounts in thousands of Indian Rupees, except per share data and number of shares)**

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**Research and development costs**

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- Hope the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset.
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life of three years. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

The Company has established the estimated useful lives of different categories of intangible assets as follows:

- a. Computer Software -Softwares are amortized over a period of 3 years
- b. Website – Websites are amortized over a period of 3 years

## 2.9 Impairment of non-financial assets

Assets that are subject to depreciation and amortisation are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable or when annual impairment testing for an asset is required. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Fair value less costs to sell is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, less the costs of disposal. Impairment losses, if any, are recognised in the statement of profit or loss as a component of depreciation and amortisation expense.

## 2.10 Leases

### Leases policy prior to 01 April 2019

The determination of whether an arrangement is a lease is based on whether fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement. Leases where the lessor transfers substantially all the risks and rewards of ownership of the leased asset are classified as finance lease and other leases are classified as operating lease.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless the lease payments increase in line with expected general inflation.

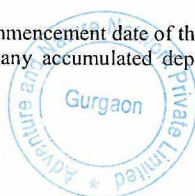
Assets acquired under finance leases are capitalised at the lease inception at lower of the fair value of the leased asset and the present value of the minimum lease payments. Lease payments are apportioned between finance charges (recognised in the statement of profit and loss) and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability for each period.

### Leases policy on or after to 01 April 2019

The Company's lease asset classes primarily consist of leases for buildings, motor vehicles and other equipment. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

### Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
**(Amounts in thousands of Indian Rupees, except per share data and number of shares)**

remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets

The Company applies a single recognition and measurement approach for all leases, except for short-term leases (twelve months or less). The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

## 2.11 Borrowing cost

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

## 2.12 Financial Instruments

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

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

### (i) Financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. Purchase and sale of financial assets are accounted for at trade date.

### Cash and short-term deposits

Cash and short-term deposits in the balance sheet comprise cash in banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### Financial instruments at amortized cost

A financial instrument is measured at the amortized cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category includes cash and bank balances, loans, unbilled revenue, trade and other receivables.

### Financial instruments at Fair Value through Other Comprehensive Income (OCI)

A financial instrument is classified and measured at fair value through OCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest.

Financial instruments included within the OCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from OCI to statement of profit and loss.

### Financial instruments at Fair Value through Profit and Loss

Any financial instrument, which does not meet the criteria for categorization at amortized cost or at fair value through other comprehensive income, is classified at fair value through profit and loss. Financial instruments included in the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
**(Amounts in thousands of Indian Rupees, except per share data and number of shares)**

**De-recognition of financial assets**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

**Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in the statement of profit and loss.

**(ii) Financial liabilities**

All financial liabilities are recognized initially at fair value. The Company's financial liabilities include trade payables and other payables.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

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

**De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

**2.13 Revenue recognition**

We generate our revenue from contracts with customers. We recognize revenue when we satisfy a performance obligation by transferring control of the promised services to a customer in an amount that reflects the consideration that we expect to receive in exchange for those services. The Company has concluded that it is acting as agent in case of sale of tours & activities under IND AS 115 as the supplier/vendor is primarily responsible for providing the underlying travel services and the Company does not control the service provided by the supplier to the traveler.

The Company provides travel products and services to B2C (Business to Customers) customers in India and abroad. The revenue from rendering these services is recognized in the statement of profit or loss and other comprehensive income once the services are rendered. This is generally the case on the date of booking of outbound and inbound tours and packages.

The application of our revenue recognition policies and a description of our principal activities, organized by segment, from which we generate our revenue, are presented below.

**Packages**

Revenue from package services is recognized as an agent on a net commission earned basis. The performance obligations are satisfied on the date of booking of package. We record an allowance for cancellations at the time of booking on this revenue based on historical experience.

**Other Services**

Revenue from other sources primarily comprises of revenue from sale of activities which is being recognized as the services are being performed. Revenue from the sale of activities are recognized as an agent on a net commission earned basis.

Revenue is recognized net of allowances for cancellations, refunds during the period and taxes.

The Company incurs certain marketing and sales promotion expenses and recorded the same as reduction in revenue. This includes the cost for upfront cash incentives as incurred for customer inducement and acquisition for promoting transactions.

**Contract balances**

**Contract assets**

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





**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
**(Amounts in thousands of Indian Rupees, except per share data and number of shares)**

**Contract liabilities**

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. Contract liabilities are recognized as revenue when the Group performs under the contract.

**Interest income**

Interest income comprises income on term deposits. Interest income is recognized as it accrues in the statement of profit or loss and other comprehensive loss, using the effective interest rate method (EIR).

**2.14 Foreign currency transactions**

The financial statements are presented in Indian Rupees which is the functional and presentation currency of the Company

Transactions in foreign currencies are initially recorded in the relevant functional currency at the rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the statement of profit and loss within finance costs / finance income. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – the resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity. The equity items denominated in foreign currencies are translated at historical cost

**2.15 Employee benefits**

The Company's employee benefits mainly include wages, salaries, bonuses, defined contribution to plans, defined benefit plans and compensated absences. The employee benefits are recognized in the year in which the associated services are rendered by the Company's employees.

**a) Defined contribution plans**

The contributions to defined contribution plans are recognized in profit or loss as and when the services are rendered by employees. The Company has no further obligations under these plans beyond its periodic contributions.

**b) Defined benefit plans**

In accordance with the local laws and regulations, all the employees in India are entitled for the Gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula. The Company provides for the liability towards the said plans on the basis of actuarial valuation carried out as at the reporting date, by an independent qualified actuary using the projected unit-credit method. The obligation towards the said benefits is recognized in the balance sheet, at the present value of the defined benefit obligations less the fair value of plan assets (being the funded portion). The present value of the said obligation is determined by discounting the estimated future cash outflows, using interest rates of government bonds. The interest income / (expense) are calculated by applying the above mentioned discount rate to the plan assets and defined benefit obligations liability. The net interest income / (expense) on the net defined benefit liability is recognised in the statement of profit and loss. However, the related re-measurements of the net defined benefit liability are recognised directly in the other comprehensive income in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions), the return on plan assets (excluding interest). Re-measurements are not re-classified to the statement of profit and loss in any of the subsequent periods.

**2.16 Income taxes**

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

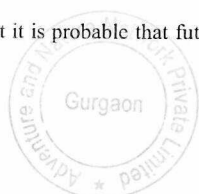
**a) Current tax**

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of the Company's income tax obligation for the period are recognised in the balance sheet as current income tax assets / liabilities. Any interest, related to accrued liabilities for potential tax assessments are not included in Income tax charge or (credit), but are rather recognised within finance costs.

**b) Deferred tax**

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax are not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

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



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
**(Amounts in thousands of Indian Rupees, except per share data and number of shares)**

The unrecognised deferred tax assets / carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Minimum Alternative Tax ('MAT') expense under the provisions of the Income-tax Act, 1961 is recognised as an asset in the statement of financial position when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed on every period end and is written down to reflect the amount that is reasonably certain to be set off in future years against the future income tax liability. MAT credit entitlement is included as part of deferred tax asset.

Income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, (a) the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) when it relate to income tax levied by the same taxation authority and where there is an intention to settle the current income tax balances on net basis.

### 2.17 Earnings / (loss) per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 2.18 Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

### 2.19 Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### 2.20 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value).

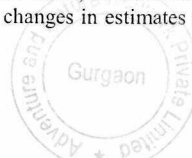
### 2.21 Segment reporting policies

**Identification of segments** – Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

**Segment accounting policies** – The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole

## 3 Critical accounting estimates and assumptions

The estimates used in the preparation of the said financial statements are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the financial statements in the period in which they become known.



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
**(Amounts in thousands of Indian Rupees, except per share data and number of shares)**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Actual results could differ from these estimates.

**a) Measurement of Expected Credit Loss (ECL) for uncollectible trade receivables and advances**

Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed

**b) Defined benefit plan**

The costs of post retirement benefit obligation under the Gratuity plan are determined using actuarial valuations. 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 increase, mortality rates and future pension increases. 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 (refer note no.26).

**c) Property, plant and equipment**

Refer note 2.7 and 5 for the estimated useful life and carrying value of property, plant and equipment respectively.

**d) Impairment of non-financial assets**

The recoverable amount of property, plant and equipment, intangible assets is based on estimates and assumptions, in particular the expected market outlook and future cash flows associated with the business. There is no indication of impairment of assets as at each reporting date. Any changes in these assumptions may have an impact on the measurement of the recoverable amount resulting in impairment.

**e) Fair value of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the present valuation technique. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**f) Estimating the incremental borrowing rate**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available.

**4 Standards issued but not effective until the date of authorisation for issuance of the said financial statements\*\***

The new significant standards, amendments to Standards that are issued but not yet effective until the date of authorisation for issuance of the said financial statements are discussed below. The Company has not early adopted these amendments and intends to adopt when they become effective.

**(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions.**

The amendments to Ind AS 116 provides a practical expedient to lessees in accounting for rent concessions that are a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:

- (i) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- (ii) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments before 30 June 2021 and increased lease payments that extend beyond 30 June 2021).
- (iii) There is no substantive change to other terms and conditions of the lease.



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
**(Amounts in thousands of Indian Rupees, except per share data and number of shares)**

The lessees will apply the practical expedient retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment.

The amendments are applicable for annual reporting periods beginning on or after the 01 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 01 April 2019.

The company is currently evaluation the effect of this amendment.

**(ii) Amendments to Ind AS 103 Business Combinations**

The amendments to the definition of a business in Ind AS 103 help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Company will not be affected by these amendments on the date of transition.

**(iii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material**

The amendments to Ind AS 1 Presentation of Financial Statements and Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors align the definition of 'material' across the standards and clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements.

A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Company's financial statements.



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

**5. Property, plant and equipment**

	Computer and peripherals	Office equipment	Total
<b>Cost</b>			
As at 31 March 2018	1,490	139	1,629
Additions	-	-	-
Disposals	-	-	-
As at 31 March 2019	1,490	139	1,629
Additions	-	-	-
Disposals	-	-	-
As at 31 March 2020	1,490	139	1,629
<b>Depreciation</b>			
As at 31 March 2018	1,314	72	1,386
Charge for the year	76	22	98
Disposals	-	-	-
As at 31 March 2019	1,390	94	1,484
Charge for the year	59	19	78
Disposals	-	-	-
As at 31 March 2020	1,449	113	1,562
<b>Net block value</b>			
As at 31 March 2020	41	26	67
As at 31 March 2019	100	45	145

**6. Intangible assets**

	Website	Computer software	Total
<b>Cost</b>			
As at 31 March 2018	17,185	234	17,419
Additions	-	-	-
Disposals	-	-	-
As at 31 March 2019	17,185	234	17,419
Additions	-	-	-
Disposals	-	-	-
As at 31 March 2020	17,185	234	17,419
<b>Amortization</b>			
As at 31 March 2018	17,177	171	17,348
Charge for the year	8	40	48
Disposals	-	-	-
As at 31 March 2019	17,185	211	17,396
Charge for the year	-	19	19
Disposals	-	-	-
As at 31 March 2020	17,185	230	17,415
<b>Net block value</b>			
As at 31 March 2020	-	4	4
As at 31 March 2019	-	23	23

**7. Security deposits**

Particulars	31 March 2020	31 March 2019
Unsecured, considered good		
<b>Non-current</b>		
Security deposits*	269	153
	269	153

\*Security deposit represents fair value of amount paid to landlord for the leased  
As on March 31, 2020, remaining tenure for security deposits for rented premises is 9 years.



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

**8. Trade receivables**

Particulars	31 March 2020	31 March 2019
Unsecured, considered good	-	35
<b>Total</b>	<b>-</b>	<b>35</b>

A trade receivable is a right to consideration that is unconditional upon passage of time. Trade receivables are non-interest bearing. The trade receivables primarily consist of amounts receivable from B2C customers for cost of package bookings. There are no dues from directors or other officers of the company, either severally or jointly with any other person or any trade or other receivables due from firms or private companies respectively, in which any director is a partner or a director.

**9. Cash and cash equivalents**

Particulars	31 March 2020	31 March 2019
Balances with bank		
- on current accounts	252	5,591
Credit card collection in hand*	18	188
	<b>270</b>	<b>5,779</b>

\* Credit card collections in hand represents the amount of collections from credit cards swiped by the customers which is outstanding as at the year end and credited to bank accounts subsequent to the year end.

**10. Other assets**

Particulars	31 March 2020	31 March 2019
<b>Non-current</b>		
Fair value adjustments*	-	303
	<b>-</b>	<b>303</b>
<b>Current</b>		
Advance to vendor	2,069	812
Provisions for doubtful advances	(1,423)	-
Advances to vendors (net of provision)	645	812
TDS recoverable	2	-
Prepaid expenses	106	100
Due from employees	12	10
Balances with statutory authorities	813	2,100
Fair value adjustments*	-	39
	<b>1,578</b>	<b>3,061</b>

\*Fair value adjustment represents unamortised portion of the difference between the fair value of the financial assets (security deposit) on initial recognition and the amount paid. Due to adoption of Ind AS 116 prepayments are transferred to Right of use assets (refer note 34). The management does not consider, there to be significant concentration of credit risk relating to other current assets.

**11. Equity share capital**

Particulars	31 March 2020	31 March 2019
<b>Authorised shares</b>		
31 March 2020:10,000,000 (31 March 2019: 10,000,000) equity shares of Rs. 10 each	100,000	100,000
<b>Issued, subscribed and fully paid-up shares</b>		
31 March 2020:6,760,000(31 March 2019:6,060,000) equity shares of INR 10 each	67,600	60,600
	<b>67,600</b>	<b>60,600</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the period	6,060,000	60,600	6,060,000	60,600
Issued during the period	700,000	7,000	-	-
<b>Outstanding at the end of the period</b>	<b>6,760,000</b>	<b>67,600</b>	<b>6,060,000</b>	<b>60,600</b>



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

**b. Terms/rights attached to equity shares**

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to cast one vote per share. The company has not paid any dividend during the year ended as on 31 March 2020 & 31 March 2019.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c. Shares held by holding/ultimate holding Company and/or their subsidiaries/associates**

The Company is a joint venture of Yatra Online Private Limited and Snow Leopard Adventures Private Limited. The details of shares held by the joint venture partners as at the year-end is as under:

Particulars	31 March 2020	31 March 2019
<b>Equity share of Rs. 10 each fully paid up</b>		
Yatra Online Private Limited	33,800	30,300
Snow Leopard Adventures Private Limited	33,800	30,300

**d. Details of shareholders holding more than 5% shares in the Company**

Name of the Share holder	As at 31st March, 2020		As at 31st March, 2019	
	Nos.	% holding	Nos.	% holding
<b>Equity share of Rs. 10 each fully paid up</b>				
Yatra Online private Limited	3,380,000	50.00%	3,030,000	50.00%
Snow Leopard Adventures Private Limited	3,380,000	50.00%	3,030,000	50.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**12. Borrowings**

Particulars	31 March 2020	31 March 2019
<b>Current</b>		
Inter-corporate deposit(unsecured)*	35,700	30,000
	<u>35,700</u>	<u>30,000</u>

\* Loan of Rs 34,200 taken from Yatra Online Private Limited & Rs 1,500 from Snow Leopard Adventures Private Limited, is unsecured loan, which shall be payable at the end of 12 month from the date of disbursement. Rate of interest applicable on the loan is @15.75% p.a. Refer note no 29.

**13. Trade payables (outstanding dues of creditors other than micro enterprises and small enterprises)**

Particulars	31 March 2020	31 March 2019
<b>Current</b>		
Total outstanding dues of trade payables other than micro enterprises and small enterprises (Refer note no. 32)	18,953	24,369
	<u>18,953</u>	<u>24,369</u>

The Company's exposure to currency and liquidity risks related to trade payables are disclosed in Note 27.

\* Trade payables includes payable to related party (refer note 29) INR 1,122 (31 March 2019:- INR NIL )

**14. Other financial liabilities**

Particulars	31 March 2020	31 March 2019
<b>Current</b>		
Due to employees	435	465
Other liabilities	8,238	4,733
Refunds payable to customers	1,821	1,750
Interest accrued but not due on inter-corporate deposit (net of tax deducted at source)	6,078	1,712
	<u>16,572</u>	<u>8,660</u>



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

**15. Provisions**

Particulars	31 March 2020	31 March 2019
<b>Provision for employee benefits</b>		
<b>Current</b>		
Gratuity	40	23
Compensated absences	214	227
	<b>254</b>	<b>250</b>
<b>Non-current</b>		
Gratuity	134	156
	<b>134</b>	<b>156</b>

**16. Other current liabilities**

Particulars	31 March 2020	31 March 2019
Statutory dues payable*	217	276
Advances from customers (refer note no. 17)	5,785	6,729
	<b>6,002</b>	<b>7,005</b>

\*Statutory dues payable include tax deducted at source and other dues payable.

**17. Revenue from operations**

**17.1 Disaggregation of revenue**

In the following table, revenue is disaggregated by product type

Particulars	31 March 2020	31 March 2019
Packages	11,786	9,709
Other services	307	870
	<b>12,093</b>	<b>10,579</b>

**17.2 Contract balances**

**Contract liabilities**

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer.

Contract liabilities primarily relate to the consideration received from customers for travel bookings in advance of the Company's performance obligations which was earlier classified as "advance from customers".

	31 March 2020	31 March 2019
Advance from customers (refer to note 16)	5,785	6,729

As at April 1, 2019, INR 6,729 of advance consideration received from customers for package was reported within contract liabilities, INR 6,729 of which was applied to revenue during the year ended March 31, 2020. As at March 31, 2020, the related balance was INR 5,785.

No information is provided about remaining performance obligations at March 31, 2020 that have an original expected duration of one year or less, as allowed by IND AS 115.

**18. Other income**

Particulars	31 March 2020	31 March 2019
Excess provision written back*	383	-
Gain on sale of property, plant and equipment (net)	3	-
Unwinding of discount on other financial assets	30	5
Miscellaneous income	105	-
	<b>521</b>	<b>5</b>

\*Excess provision written back represents trade payables, that through the expiry of time, the Company has no further legal obligation to vendors.





**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

**19. Employee benefits expense**

Particulars	31 March 2020	31 March 2019
Salaries, wages and bonus	11,060	14,465
Contribution to provident and other funds (refer note no. 26)	528	585
Gratuity expense (refer note no. 26)	63	145
Staff welfare expenses	194	368
	<b>11,845</b>	<b>15,563</b>

**20. Depreciation and amortisation expense**

Particulars	31 March 2020	31 March 2019
Depreciation of tangible asset	78	98
Amortization of intangible assets	19	48
Depreciation of right-of-use assets	568	-
	<b>665</b>	<b>146</b>

**21. Finance costs**

Particulars	31 March 2020	31 March 2019
Interest on borrowings*	4,852	1,824
Interest on lease liabilities	657	-
Bank charges	15	27
	<b>5,524</b>	<b>1,851</b>

\* Represents the interest on intercorporate borrowings from related parties (refer note no. 29)

**22. Other expenses**

Particulars	31 March 2020	31 March 2019
Postage and communication charges	128	52
Power & fuel	211	-
Rates and taxes	644	484
Repair and maintenance	380	-
Legal and professional fees	1,355	1,022
Payment to auditor (Refer details below)	300	400
Payment gateway charges	1,337	1,454
Exchange difference (net)	6	-
Provision for doubtful debts	1,761	-
Sundry balances written off	-	54
Rent	-	9
Travelling and conveyance	497	155
Miscellaneous expenses	102	3
	<b>6,721</b>	<b>3,633</b>
<b>Break up of payment to auditor</b>		
Audit fee	200	300
Tax audit fee	100	100
	<b>300</b>	<b>400</b>

**23. Loss per share**

Particulars	31 March 2020	31 March 2019
Loss before tax	(21,493)	(25,727)
Weighted average number of equity shares outstanding used in computing Basic and diluted loss per share	6,293,425	6,060,000
Basic and diluted loss per share	(3.42)	(4.25)



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

**24. Capital management**

For the purpose of the Company's capital management, capital includes issued capital and other reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder's value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2020 and 31 March 2019.

The Company monitors capital using a debt equity ratio, which is debt divided by total equity.

Particulars	31 March 2020	31 March 2019
Interest bearing loans and borrowings (Note no. 12)	35,700	30,000
Less: cash and cash equivalents	(270)	(5,779)
<b>Net debt</b>	<b>35,430</b>	<b>24,221</b>
Equity	75,366	60,941
<b>Total capital</b>	<b>75,366</b>	<b>60,941</b>
<b>Total capital and net debt</b>	<b>110,796</b>	<b>85,162</b>
Gearing ratio	31.98%	28.44%

**25. Components of other comprehensive income**

The following table summarizes the changes in the accumulated balances for each component of accumulated other comprehensive income attributable to Adventure and Nature Network Private Limited.

Particulars	31 March 2020	31 March 2019
<b>Actuarial loss on defined benefit plan:</b>		
Actuarial loss on obligation	(68)	(193)
Income tax expense	-	-
<b>Total</b>	<b>(68)</b>	<b>(193)</b>

**26. Employment benefit plan**

Particulars	31 March 2020	31 March 2019
Defined benefit plan(refer note no. 15)	174	179
Liability for compensated absences(refer note no. 15)	214	227
	<b>388</b>	<b>406</b>

The Company's gratuity scheme for its employees in India, is a defined benefit plan. Gratuity is paid as a lump sum amount to employees at retirement or termination of employment at an amount based on the respective employee's eligible salary and the years of employment with the Company. The following table sets out the disclosure in respect of the defined benefit plan.

The measurement date for the company's defined benefit gratuity plan is March 31 of each year.

**Movement in obligation**

Particulars	31 March 2020	31 March 2019
<b>Present value of obligation at beginning of year</b>	<b>179</b>	<b>228</b>
Interest cost	11	15
Current service cost	52	130
Actuarial (gain)/ loss on obligation		
-Financial assumptions	(47)	0
-Experience assumptions	(21)	(193)
<b>Present value of obligation at closing of year</b>	<b>174</b>	<b>179</b>



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

<b>Unfunded liability</b>		
<b>Particulars</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Current	40	23
Non-current	134	156
	174	179
<b>Components of cost recognized in profit or loss</b>		
<b>Particulars</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Current service cost	52	130
Net interest cost	11	15
	63	145
<b>Amount recognized in other comprehensive income</b>		
<b>Particulars</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Actuarial loss on obligation		
-Financial assumptions	(47)	0
-Experience assumptions	(21)	(193)
	(68)	(193)

The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

<b>Particulars</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
Discount rate	5.60%	6.75%
Future salary increase	0% for first year, 5% thereafter	11.00%
Average expected future working life (years)	2.54	2.38
Retirement age (years)	58 years	58 years
Mortality table	IALM (2012-14) Ultimate	IALM (2006-08) Ultimate
Withdrawal rate (%)		
Ages		
Upto 30 years	70%	70%
From 31 to 44 years	30%	30%
Above 44 years	3%	3%

\*Indian Assured Lives Mortality (2006-08) Ultimate represents published mortality table used for mortality assumption.

**Sensitivity analysis**

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

<b>Particulars</b>	<b>31 March 2020</b>	<b>31 March 2019</b>
<b>a) Impact of the change in discount rate</b>		
a) Impact due to increase of 0.50 %	(171)	(175)
b) Impact due to decrease of 0.50 %	177	184
<b>b) Impact of the change in salary increase</b>		
a) Impact due to increase of 0.50 %	177	184
b) Impact due to decrease of 0.50 %	(171)	(175)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. These analysis are based on a change in a significant assumption, keeping all other assumptions constant and may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31 March 2020	31 March 2019
Year 1	40	23
Year 2	35	27
Year 3	28	36
Year 4	28	28
Year 5	22	27
Year 6-10	31	55
<b>Total expected payments</b>	<b>184</b>	<b>196</b>

**Defined contribution plan**

During the year, the Company has recognized the following amounts in the Statement of profit and loss:

Particulars	31 March 2020	31 March 2019
Employers' Contribution to Employee's Provident Fund	511	571
Employers' Contribution to Employee's State Insurance	3	7
Employers' Contribution to Labour Welfare Fund	14	7
	<b>528</b>	<b>585</b>

**Amounts recognized in other comprehensive income**

Actuarial loss on obligation\*

\*Refer to Note 25 for the movement during the year.

	31 March 2020	31 March 2019
	(68)	(193)

**27. Financial risk management, objective and policies**

The Company's activities are exposed to variety of liquidity risk. The Company is not exposed to any foreign currency risk, credit risk & interest risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company reviews and agrees on policies for managing each of these risks which are summarized below:

**a) 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. The Company is exposed to insignificant credit risk from its operating activities (primarily trade receivables) and financial institutions since company receives all its outstanding dues in advance against the sales of services.

**b) Liquidity risk**

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

The Company manages liquidity by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

The following tables set forth the Company's financial liabilities based on expected and undiscounted amounts as at 31 March 2020 and 2019.

**As at 31 March 2020**

	Carrying amount	Contractual cash flows*	Within 1 year	1 -5 Years	More than 5 years
Borrowing	35,700	35,700	35,700	-	-
Lease liabilities	9,182	9,182	330	2,924	5,928
Trade payables	18,953	18,953	18,953	-	-
Other financial liabilities	16,572	16,572	16,572	-	-
<b>Total</b>	<b>80,407</b>	<b>80,407</b>	<b>71,555</b>	<b>2,924</b>	<b>5,928</b>

**As at 31 March 2019**

	Carrying amount	Contractual cash flows*	Within 1 year	1 -5 Years	More than 5 years
Borrowing	30,000	30,000	30,000	-	-
Trade payables	24,369	24,369	24,369	-	-
Other financial liabilities	8,660	8,660	8,660	-	-
<b>Total</b>	<b>63,029</b>	<b>63,029</b>	<b>63,029</b>	<b>-</b>	<b>-</b>

Based on the past performance and current expectations, the Company believes that the cash and cash equivalent and cash generated from operations will satisfy the working capital needs, funding of operational losses, capital expenditure, commitments and other liquidity requirements associated with its existing operations through at least the next 12 months. In addition, there is a commitment of continued financial support from the shareholders, as and when required.

\*Represents undiscounted cash flows of interest and principal



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

**28. Fair value measurement**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are carried in the financial statements.

*Fair values*

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

	Carrying value		Fair value	
	31 March		31 March	
	2020	2019	2020	2019
<b>Financial assets</b>				
<b>Assets carried at amortized cost</b>				
Other financial assets	269	153	269	153
<b>Total</b>	<b>269</b>	<b>153</b>	<b>269</b>	<b>153</b>

**Fair value hierarchy**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	As at 31 March 2020			
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value is disclosed</b>				
Other financial assets	-	269	-	269
<b>Total assets</b>	<b>-</b>	<b>269</b>	<b>-</b>	<b>269</b>
	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
<b>Assets for which fair value is disclosed</b>				
Other financial assets	-	153	-	153
<b>Total assets</b>	<b>-</b>	<b>153</b>	<b>-</b>	<b>153</b>

There were no transfers between Level 1, Level 2 and Level 3 during the year.

**Valuation Techniques and significant unobservable inputs**

The following tables show the valuation techniques used in measuring Level 3 fair values at 31 March 2020 and 31 March 2019 as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
A. Financial Instruments for which fair value is disclosed:			
Other financial assets	Discounted cash flows	Prevailing interest rate in market, future cash flows.	-

**29. Related party Disclosure**

**a) Name of the related parties and related party relationship**

- |  |   |
|--|---|
| (i) Joint venture partners (Venturer)    | Yatra Online Private Limited<br>Snow Leopard Adventures Private Limited |
| ii) Subsidiary of joint venture partner: | TSI Yatra Private Limited   |



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

**b) Related parties with whom transactions have taken place during the year:-**

	31 March	
	2020	2019
<b>Joint venture partners</b>		
Allotment of share capital	7,000	-
Purchase transactions	-	2
Reimbursement of expenses paid	525	196
Amount owed to related parties	903	385
<b>Subsidiary of joint venture partner</b>		
Purchase transactions	1,766	-
Commission received	45	-
Reimbursement of expenses paid	326	19,676
Amount owed to subsidiary of joint venture partner	1,118	-
<b>Loan taken &amp; repaid</b>		
<b>Joint venture partners</b>		
Opening balance	31,712	7,570
Loan taken	5,700	22,500
Interest paid/ accrued (net of TDS)	4,367	1,642
Amount owed to/(owed by) related parties	41,779	31,712

**30. Segment information**

For management purposes, the Company is organized into Lines of Business (LOBs) based on its products and services and has following reportable segments. The LOBs offer different products and services, and are managed separately because the nature of products and methods used to distribute the services are different. For each of these LOBs, Chief Executive Officer (CEO) reviews internal management reports. Accordingly, the Chief Executive Officer (CEO) is construed to be the Chief Operating Decision Maker (CODM). Segment revenue less service cost from each LOB's are reported and reviewed by the CODM on a monthly basis.

The following summary describes the operations in each of the Company's business segments:

1. Packages: The Company provides holiday packages to its customers and allow customers to book the same through online and offline platform.
2. Other operations primarily include the income from sale of activities business to its clients . The operations do not meet any of the quantitative thresholds to be a reportable segment for any of the periods presented in these financial statements.

**Information about reportable segments:**

Particulars	Packages		Others		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Revenue	24,404	13,199	326	950	24,730	14,149
<b>Segment results</b>	<b>24,404</b>	<b>13,199</b>	<b>326</b>	<b>950</b>	<b>24,730</b>	<b>14,149</b>
Other income					521	5
Unallocated expenses					(40,555)	(37,884)
<b>Operating loss (before depreciation and amortization)</b>					<b>(15,304)</b>	<b>(23,730)</b>
Finance costs					(5,524)	(1,851)
Depreciation and amortization					(665)	(146)
<b>Loss before tax</b>					<b>(21,493)</b>	<b>(25,727)</b>
Tax expense					-	-
<b>Net Loss</b>					<b>(21,493)</b>	<b>(25,727)</b>

**Reconciliation of information on Reportable Segments to IFRS measures:**

Particulars	Packages		Others		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Revenue	24,404	13,199	326	950	24,730	14,149
Less:- Customer inducement and acquisition costs**	(12,617)	(3,489)	(20)	(81)	(12,637)	(3,570)
<b>Segment results</b>	<b>11,787</b>	<b>9,710</b>	<b>306</b>	<b>869</b>	<b>12,093</b>	<b>10,579</b>
Unallocated expenses					(40,555)	(37,884)
Add: Customer inducement and acquisition costs**					12,637	3,570
<b>Unallocated expenses</b>					<b>(27,918)</b>	<b>(34,314)</b>



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

\*\*For purposes of reporting to the CODM, certain promotion expenses including upfront cash incentives, customer inducement and acquisition costs for promoting transactions across various booking platforms, which are reported as a reduction of revenue, are added back to the respective segment revenue lines and marketing and sales promotion expenses. For reporting in accordance with IND AS, such expenses are recorded as a reduction from the respective revenue lines. Therefore, the reclassification excludes these expenses from the respective segment revenue lines and adds them to the marketing and sales promotion expenses (included under Unallocated expenses).

Assets and liabilities are used interchangeably between segments and these have not been allocated to the business segments.

**Geographical Segment:**

Given that company's products and services are available on a technology platform to customers globally, consequently the necessary information to track accurate geographical location of customers is not available.

Non-current assets are disclosed based on respective physical location of the assets

	Non-Current Assets*	
	31 March 2020	31 March 2019
India	9,314	168
<b>Total</b>	<b>9,314</b>	<b>168</b>

\* Non-current assets presented above represent property, plant and equipment, right-of-use assets and intangible assets.

**Major Customers:**

Considering the nature of business, customers normally include individuals. Further, none of the corporate and other customers account for more than 10% or more of the Company's revenues.

**31. Income taxes**

a) The major components of income tax expense for the years ended March 31, 2020 and 2019 are:

	31 March	
	2020	2019
<b>Current income tax</b>		
- For the year	-	-
<b>Deferred tax</b>		
- Origination and reversal of temporary differences	-	-
<b>Income tax expense</b>	-	-

b) Reconciliation of tax expense and accounting profit multiplied by tax rate of each jurisdiction in which the Company operates:

	31 March	
	2020	2019
Profit/ (Loss) before tax	(21,493)	(25,727)
Tax expense @ company's domestic tax rate of 26% (31 March 2019: 26%)	(5,588)	(6,689)
Effect of:		
Non-deductible expenses	39	4
Change in unrecognized temporary differences	380	(478)
Current year losses for which no deferred tax asset was recognized	5,169	7,163
Others	-	0
<b>Income tax expense</b>	-	-

c) Unrecognized deferred tax assets

	31 March	
	2020	2019
Deductible temporary differences	1,440	1,104
Tax losses carry forward & unabsorbed depreciation	35,550	28,818
<b>Deferred tax assets</b>	<b>36,990</b>	<b>29,922</b>

No deferred tax asset have been recognized on deductible temporary differences of INR 5,541(31 March 2019: INR 4,244) and tax losses INR 136,729 (31 March 2019: INR 112,135), as it is not probable that taxable profit will be available in near future against which these can be utilized. Out of these tax losses, unabsorbed depreciation of INR 16,090 (31 March 2019: INR 12,379) is available indefinitely for offsetting against future taxable profit & tax losses are available as an offset against future taxable profit expiring at various dates through financial year 2028.



**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

**32. Micro, small and medium enterprises disclosure**

As per information available with the management, the dues payable to enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" are as follows:

Particulars	31 March 2020	31 March 2019
The principal amount remaining unpaid to any supplier as at the end of each accounting year	-	-
The interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
The amount of interest paid by the buyer in terms of section 16 along with the amounts of payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

This has been determined on the basis of responses received from vendors on specific confirmation sought by the Company in this regard.

**33. Commitment and contingencies**

*a) Contingent liabilities*

i) Claims not recognized as liability were INR 4,459 as at March 31, 2020 (INR 3,904 as at March 31, 2019).

These represents claim made by the customers due to service related issues, which are contested by the Company and are pending in various district consumer redressal forums in India. The management does not expect these claims to succeed and accordingly no provision has been recognized in the financial statements.

*b) Operating lease commitment – Company as lessee*

During the year ended March 31, 2020, there was INR NIL as rent expense in profit or loss in respect of operating leases (March 31, 2019: INR 9).

The future minimum lease payment obligation as lessee as under:

	31 March	
	2020	2019
Within one year	-	766
After one year but not more than five years	-	6,736
More than five years	-	9,221
<b>Total</b>	-	<b>16,723</b>

**34. Leases**

The Company has lease contracts of buildings used in its operations. Leases of buildings generally have lease terms upto 9 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

	Amount
	Buildings
Balance as of 1 April 2019	-
Additions	9,811
Deletions	-
Depreciation (Refer note 20)	(568)
<b>Balance as of 31 March 2020</b>	<b>9,243</b>

The following are the amounts recognised in profit or loss:

	Amount
Depreciation expense of right-of-use asset (Refer note 20)	568
Interest expense on lease liabilities (Refer note 21)	657
<b>Total amount recognised in profit or loss</b>	<b>1,225</b>





**Adventure and Nature Network Private Limited**  
**Balance sheet as at 31 March 2020**  
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

The following is the break-up of current and non-current lease liabilities as of 31 March 2020

	Amount
Current lease liabilities	330
Non-current lease liabilities	8,852
<b>Total</b>	<b>9,182</b>

The following is the movement in lease liabilities during the year ended 31 March 2020:

	Amount
Balance as of 1 April 2019	-
Additions	9,289
Finance cost accrued during the year (Refer note 21)	657
Deletions	-
Payment of lease liabilities	(764)
<b>Balance as of 31 March 2020</b>	<b>9,182</b>

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2020 on an undiscounted basis

	Amount
Less than one year	1,613
One to five years	9,292
More than five years	5,506
<b>Total</b>	<b>16,411</b>

**35. Previous year comparatives**

Certain reclassifications have been made in the financial statements of prior periods to conform to the classification used in the current period. The impact of such reclassifications on the financial statements is not material.

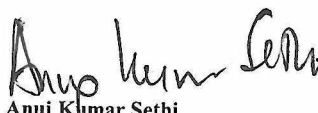
For S.R. Batliboi & Associates LLP  
ICAI Firm Registration No.: 101049W/E300004  
Chartered Accountants

per Yogender Seth  
Partner  
Membership No: 094524



For and on behalf of the Board of Directors of  
Adventure and Nature Network Private Limited

  
Ajeet Bajaj  
Director  
(DIN: 00570056)

  
Anuj Kumar Sethi  
Director  
(DIN: 07895546)

Place: Gurugram  
Date: December 29, 2020

Place: Gurugram  
Date: December 29, 2020

Place: Gurugram  
Date: December 29, 2020

