

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Middle East Travel Management Company Private Limited

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Middle East Travel Management Company Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the 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 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 profit and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (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 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 financial statements.

**Emphasis of matter**

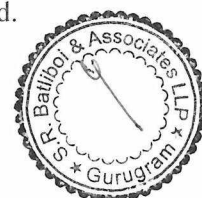
We draw attention to Note 2.1 in the financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the management. Our opinion is not modified in respect of this matter.

**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 financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether 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 Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including cash flows in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

1. As required by the Companies (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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.;
  - (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;



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

Chartered Accountants

- (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;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - 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: 094524

UDIN: 20094524AAAAEW3063

Place of Signature: Gurugram

Date: December 28, 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: Middle East Travel Management Company 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 current 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: 094524

UDIN: 20094524AAAAEW3063

Place: Gurugram

Date: December 28, 2020



**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**

**Balance Sheet as at March 31, 2020**

(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

I. EQUITY AND LIABILITIES	Note	March 31, 2020	March 31, 2019
<b>Shareholders' funds</b>			
Share capital	3	12,891	12,891
Reserves and surplus	4	29,062	24,130
<b>Total Shareholders' funds</b>		<b>41,953</b>	<b>37,021</b>
<b>Non - current liabilities</b>			
Other long-term liabilities	5	326	-
Long-term provisions	6	326	328
<b>Total non-current liabilities</b>		<b>652</b>	<b>328</b>
<b>Current liabilities</b>			
Trade payables	7	308	1,096
Other current liabilities	7	4,015	5,601
Short-term provisions	6	705	779
<b>Total current liabilities</b>		<b>5,028</b>	<b>7,476</b>
<b>Total equity and liabilities</b>		<b>47,633</b>	<b>44,825</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	8	57	321
Intangible assets	9	8	478
Deferred tax asset (net)	10	652	922
Long-term loans and advances	11	2,013	1,281
<b>Total non-current assets</b>		<b>2,730</b>	<b>3,002</b>
<b>Current assets</b>			
Trade receivables	12	22,165	26,659
Cash and bank balances	13	18,473	11,008
Short-term loans and advances	11	179	1,629
Other current assets	14	4,086	2,527
<b>Total current assets</b>		<b>44,903</b>	<b>41,823</b>
<b>Total Assets</b>		<b>47,633</b>	<b>44,825</b>
Summary of significant accounting policies	2.2		

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

As per our report of even date

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 28, 2020



For and on behalf of the Board of Directors of  
Middle East Travel Management Company Private Limited

Manish Amin  
Director  
(DIN:07082303)

Gautam Kaul  
Director  
(DIN:03566667)



**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

	Note	March 31, 2020	March 31, 2019
<b>Income</b>			
Revenue from operations	15	47,648	54,055
Other income	16	741	336
<b>Total revenue</b>		<b>48,389</b>	<b>54,391</b>
<b>Expenses</b>			
Employee benefit expense	17	28,646	34,687
Depreciation and amortisation expenses	8 & 9	722	1,048
Finance costs	19	25	26
Other expenses	18	12,041	11,598
<b>Total expenses</b>		<b>41,434</b>	<b>47,359</b>
<b>Profit before tax</b>		<b>6,955</b>	<b>7,032</b>
<b>Tax expenses :</b>			
Current tax		1,507	2,234
Adjustment of tax relating to earlier Periods		246	-
Deferred tax charge/(credit)		270	(483)
<b>Total Tax Expense</b>		<b>2,023</b>	<b>1,751</b>
<b>Profit for the year</b>		<b>4,932</b>	<b>5,281</b>
<b>Earnings per share</b>			
Basic & diluted earnings per equity share	20	3.83	4.10
Summary of significant accounting policies	2.2		

The accompanying notes form an integral part of these financial statements.  
As per our report of even date

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

For and on behalf of the Board of Directors of  
Middle East Travel Management Company Private Limited

per Yogender Seth  
Partner  
Membership No: 094524



Place: Gurugram  
Date: December 28, 2020

Manish Amin  
Manish Amin  
Director  
(DIN:07082303)

Gautam Kaul  
Gautam Kaul  
Director  
(DIN:03566667)





**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Cash Flow Statement for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

Particulars	March 31, 2020	March 31, 2019
<b>A. Cash flows from operating activities</b>		
Profit before tax	6,956	7,032
Adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization	722	1,048
(Profit)/ loss on sale of property, plant and equipment	(53)	37
Interest income	(677)	(336)
Unrealised foreign exchange gain difference (net)	(267)	354
<b>Operating profit before working capital changes</b>	<b>6,680</b>	<b>8,135</b>
Movements in working capital :		
Decrease/ (Increase) in trade receivables	4,762	(2,763)
(Increase) in loans and advances	(587)	(2,013)
(Decrease)/ Increase in trade payables	(787)	732
(Decrease)/ Increase in provisions	251	193
(Decrease)/ Increase in other current liabilities	(1,588)	407
<b>Cash generated from operations</b>	<b>8,731</b>	<b>4,691</b>
Direct taxes paid (net of refunds)	(1,952)	(2,206)
<b>Net cash flow from operating activities (A)</b>	<b>6,779</b>	<b>2,485</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-	(40)
Proceeds from sale of property, plant and equipment	65	-
Investment in term deposits	(5,075)	(7,000)
Proceeds from term deposits	-	4,500
Interest received	621	311
<b>Net cash used in investing activities (B)</b>	<b>(4,389)</b>	<b>(2,229)</b>
<b>C. Cash flows from financing activities</b>		
<b>Net cash from financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>2,390</b>	<b>256</b>
Cash and cash equivalents at the beginning of year (refer note 13)	4,008	3,752
<b>Cash and cash equivalents at the end of year (refer note below)</b>	<b>6,398</b>	<b>4,008</b>
<b>Notes:</b>		
<b>Components of cash and cash equivalents:</b>		
Balance with banks:		
- in current accounts	2,189	4,005
- remittance in transit	4,200	-
Cash on hand	9	3
<b>Total cash and cash equivalents (note 13)</b>	<b>6,398</b>	<b>4,008</b>
Summary of significant accounting policies	2.2	

As per our report of even date

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 28, 2020



For and on behalf of the Board of Directors of  
Middle East Travel Management Company Private Limited

Manish  
Manish Amin  
Director  
(DIN:07082303)

Gautam Kaul  
Gautam Kaul  
Director  
(DIN:03566667)





**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

**1. Corporate Information**

Middle East Travel Management Company Private Limited ('Company' or 'METM') is incorporated in India on January 17, 2012. METM is a wholly owned subsidiary of Asia Consolidated DMC Pte. Limited, Singapore. The Company provides back office support services to its Holding company.

**2. Basis of preparation**

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 read together with the Companies (Accounting Standards) Amendment Rules, 2006 (as amended from time to time). The financial statements have been prepared on an accrual basis and under the historical cost convention.

The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company (SMC).

The financial statements are authorized for issue by the Company's Board of Directors on December 28, 2020.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

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 2.2.

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.

**2.1 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.

**2.2 Summary of significant accounting policies**

**a. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the



**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b. Property, Plant and Equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation. The cost comprises purchase price, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Gains or losses arising from derecognition of property, plant and equipment 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 property, plant and equipment**

Depreciation on fixed assets 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 fixed assets:

<u>Assets</u>	<u>Useful Life</u>
Computers	3 Years
Furniture & Fixtures	5 Years
Office Equipment	5 Years

Leasehold improvements are amortized over the lower of primary lease period or economic useful life.

**c. Intangible assets**

Intangible assets acquired separately 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.

Intangible assets are amortized on a straight line basis over the estimated useful economic life of 3 years.

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 AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition 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.





**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

**d. Leases**

**Where the Company is the lessee**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, is classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

**e. Impairment of property, plant and equipments and intangible assets**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

**f. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue from rendering of services is recognized when risk and reward of ownership have been transferred to the customer, the sale price is fixed or determinable and collectability is reasonably assured.

Revenue is recognized under the contracts generally when persuasive evidence of an agreement exists, the sale price is fixed or determinable, services have been performed and collection of amount billed is reasonably assured. Revenue from time and material contracts is recognized during the period in which the related services are provided.

**Interest income**

Interest income is recognized on time proportionate basis taking into accounts the amount outstanding and the interest rate applicable. Interest income is shown under head 'Other income' in the Statement of Profit and Loss.

**g. Foreign Currency Transaction**

**i. Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**ii. Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.



**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
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**iii. Exchange differences**

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**h. Retirement and other employee benefits**

The Company's post-employment benefits include defined benefit plan and defined contribution plans.

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

Under the defined benefit retirement plan, the Company provides retirement obligation in the form of Gratuity. A lump sum payment is made to eligible employees at retirement or termination of employment based on respective employee salary and years of experience with the Company.

The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in the statement of profit and loss.

The employees of the Company are entitled to compensated absences based on the unavailed Leave balance. The Company records liability based on actuarial valuation computed under projected unit credit method. The Company presents the liability for compensated absences as a current liability in the balance sheet as it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

**i. Income taxes**

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income-tax Act 1961 and tax laws prevailing in the tax jurisdiction where the Company operates.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each balance sheet date the Company re-assesses recognised and unrecognised deferred tax assets. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The Company recognizes unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.



**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

**j. Provisions**

A provision is recognised when there exists a present obligation as a result of past events and 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 present value and are determined based on best estimates 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.

**k. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably; the Company does not recognize a contingent liability but discloses its existence in the financial statements.

**l. Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and balance in bank in current accounts. The Company considers all highly liquid investments with an original maturity of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

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**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

**3. Share capital**

	March 31, 2020		March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorized share capital</b>				
Equity shares of INR 10 each	1,500,000	15,000	1,500,000	15,000
<b>Issued, subscribed and fully paid up share capital</b>				
Equity shares of INR 10 each fully paid up	1,289,068	12,891	1,289,068	12,891
<b>Total issued, subscribed &amp; fully paid up share capital</b>	<b>1,289,068</b>	<b>12,891</b>	<b>1,289,068</b>	<b>12,891</b>

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

	March 31, 2020		March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity shares</b>				
At the beginning of the year	1,289,068	12,891	1,289,068	12,891
Issued during the year	-	-	-	-
Outstanding at the end of year	<b>1,289,068</b>	<b>12,891</b>	<b>1,289,068</b>	<b>12,891</b>

**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 one vote per share. The company has not paid any dividend during the year ended March 31, 2020 and March 31, 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) Details of shares held by the holding company**

	March 31, 2020	March 31, 2019
<b>Equity shares of INR 10 each</b>		
<b>Holding Company</b>		
1,289,068 equity shares (March 31, 2019: 1,289,068) are held by Asia Consolidated DMC Pte. Ltd. (includes one share held by nominee shareholder)	12,891	12,891

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

	March 31, 2020		March 31, 2019	
	% of holding		% of holding	
<b>Equity shares of INR 10 each</b>				
Asia Consolidated DMC Pte. Ltd. (includes one share held by nominee shareholder)	1,289,068	100%	1,289,068	100%

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



**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

**4 Reserves and surplus**

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
<b>Surplus in statement of profit and loss</b>		
Balance as per the last financial statements	24,130	18,848
Add: amount transferred from surplus balance in the statement of profit and loss	4,932	5,282
<b>Net surplus in statement of profit and loss</b>	<u>29,062</u>	<u>24,130</u>

**5 Other long-term liabilities**

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Lease equalization reserve	326	-
	<u>326</u>	<u>-</u>

**6 Provisions**

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
<b>Non-Current</b>		
Provision for gratuity	326	328
	<u>326</u>	<u>328</u>
<b>Current</b>		
Provision for gratuity	80	114
Provision for leave encashment	625	665
	<u>705</u>	<u>779</u>

**7 Other current liabilities**

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
<b>Trade payables</b>		
- total outstanding dues of micro enterprises and small enterprises (refer note 29 for details of dues to micro and small enterprises)	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	308	1,096
	<u>308</u>	<u>1,096</u>
<b>Other liabilities</b>		
Employee payables	2,026	3,496
Accrued expenses	1,501	1,013
Lease equalization reserve	-	266
Other payable*	54	244
Statutory dues payables	434	582
	<u>4,015</u>	<u>5,601</u>
	<u>4,323</u>	<u>6,697</u>

\* Includes amount payable to related parties INR 54 (March 31, 2019: 244) Refer Note 22



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**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

**8 Property, plant and equipment**

	<u>Computers &amp; Peripherals</u>	<u>Furniture &amp; Fixture</u>	<u>Office Equipment</u>	<u>Total</u>
<b>Gross carrying value</b>				
As at April 1, 2018	2,642	236	327	3,205
Additions	40	-	-	40
Deletions	260	78	186	524
<b>As at March 31, 2019</b>	<b>2,422</b>	<b>158</b>	<b>141</b>	<b>2,721</b>
Additions	-	-	-	-
Deletions	986	158	130	1,274
<b>As at March 31, 2020</b>	<b>1,436</b>	<b>-</b>	<b>11</b>	<b>1,447</b>
<b>Accumulated depreciation</b>				
As at April 1, 2018	2,038	182	225	2,445
Additions	373	21	49	443
Deletions	259	78	151	488
<b>As at March 31, 2019</b>	<b>2,152</b>	<b>125</b>	<b>123</b>	<b>2,400</b>
Additions	218	22	12	252
Deletions	986	147	129	1,262
<b>As at March 31, 2020</b>	<b>1,384</b>	<b>-</b>	<b>6</b>	<b>1,390</b>
<b>Net carrying value</b>				
As at March 31, 2019	271	33	17	321
As at March 31, 2020	52	-	5	57

**9 Intangible assets**

	<u>Computer Software</u>	<u>Total</u>
<b>Gross carrying value</b>		
As at April 1, 2018	1,908	1,908
Additions	-	-
<b>As at March 31, 2019</b>	<b>1,908</b>	<b>1,908</b>
Additions	-	-
<b>As at March 31, 2020</b>	<b>1,908</b>	<b>1,908</b>
<b>Accumulated amortization</b>		
As at April 1, 2018	825	825
Additions	605	605
<b>As at March 31, 2019</b>	<b>1,430</b>	<b>1,430</b>
Additions	470	470
<b>As at March 31, 2020</b>	<b>1,900</b>	<b>1,900</b>
<b>Net carrying amount</b>		
As at March 31, 2019	478	478
As at March 31, 2020	8	8

**10 Deferred tax assets (net)**

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
<b>Deferred tax assets</b>		
Impact of difference between tax depreciation and depreciation / amortization charged in financial statements	238	156
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	332	697
Provision for rent equalization	82	69
	<b>652</b>	<b>922</b>



**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
<b>11 Loans and Advances</b>		
<b>Unsecured, considered good</b>		
<b>Non-Current</b>		
Security Deposit	1,532	999
Advance income tax (net of provision for taxation)	481	282
	<u>2,013</u>	<u>1,281</u>
<b>Current</b>		
Prepaid expenses	154	88
Other loans and advances	25	62
Security Deposit	-	1,479
	<u>179</u>	<u>1,629</u>
<b>12 Trade receivables</b>	<u>March 31, 2020</u>	<u>March 31, 2019</u>
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	-	-
<b>Other receivables</b>		
Unsecured, considered good*	22,165	26,659
	<u>22,165</u>	<u>26,659</u>
* Includes receivables from related parties amounting to INR 22,165 (March 31, 2019: INR 26,659). Refer note 22.		
<b>13 Cash and Bank Balance</b>	<u>March 31, 2020</u>	<u>March 31, 2019</u>
<b>Cash and cash equivalents</b>		
Cash on hand	9	3
Remittance in Transit	4,200	-
Balance with banks:		
- on current accounts	2,189	4,005
	<u>6,398</u>	<u>4,008</u>
<b>Other Bank Balances</b>		
- Deposits with remaining maturity for less than 12 months	12,075	7,000
	<u>18,473</u>	<u>11,008</u>
<b>14 Other current assets</b>	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Balances with government authorities	3,955	2,452
Interest accrued on fixed deposits	131	75
	<u>4,086</u>	<u>2,527</u>
<b>15 Revenue from operations</b>	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Back office support services	47,648	54,055
	<u>47,648</u>	<u>54,055</u>
<b>16 Other income</b>	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Interest income on		
- Fixed deposits	677	336
Profit on sale of property, plant and equipment	53	-
Exchange fluctuation (net)	11	-
	<u>741</u>	<u>336</u>





**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
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(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
<b>17 Employee benefit expenses</b>		
Salaries, wages and bonus	26,997	32,688
Contribution to provident and other funds	1,113	1,192
Gratuity expenses	(35)	248
Staff welfare expenses	571	559
	<u>28,646</u>	<u>34,687</u>
<b>18 Other expenses</b>		
Rent	3,280	3,986
Postage and communication costs	614	999
Advertising and business promotion	1,444	1,324
Electricity expenses	427	-
Printing and stationery	24	56
Legal and professional fees	1,045	364
Repairs and maintenance		
- building	584	36
- others	45	80
Auditor's remuneration (refer details below)	300	350
Travelling and conveyance	2,310	2,822
Loss on sale of fixed assets	-	37
Housekeeping expenses	1,264	743
Office security expenses	413	410
Rates and taxes	116	-
Exchange fluctuation (net)	-	354
IT & Support Services Expenses	125	-
Miscellaneous expenses	50	37
	<u>12,041</u>	<u>11,598</u>
<b>Auditor's remuneration:</b>		
Statutory audit fee	200	250
Tax audit fee	100	100
	<u>300</u>	<u>350</u>
<b>19 Finance costs</b>		
	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Bank charges	25	26
	<u>25</u>	<u>26</u>
<b>20 Earnings per share (EPS)</b>		
	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Net profit for the year	4,932	5,281
Weighted average number of shares outstanding	1,289	1,289
Earnings per share		
- Basic	3.83	4.10

**21 Small and Medium Sized Company**

The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company (SMC).





**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

**22 Related Party Disclosures**

Name of related parties where control exists irrespective of whether transactions have occurred or not:

Ultimate Holding Company	Yatra Online, Inc.
Holding Company	Asia Consolidated DMC Pte. Limited, Singapore

Related parties under AS 18 with whom transactions have taken place during the year

Entity under common control	Yatra Online Private Limited
-----------------------------	------------------------------

Group Companies of entities having significant influence Reliance Jio Infocomm Limited

	March 31, 2020	March 31, 2019
<b>Transaction during the year</b>		
Services rendered to Asia Consolidated DMC Pte. Limited, Singapore	47,648	54,055
Expenses incurred on our behalf by Yatra Online Private Limited	269	244
Services rendered by Reliance Jio Infocomm Limited to us	121	57
<b>Amount owed by related parties</b>		
Asia Consolidated DMC Pte. Limited Singapore	22,065	26,561
Yatra Online Inc.	100	98
<b>Amount owed to related parties</b>		
Yatra Online Private Limited	54	244

**23 Leases**

The Company has entered into operating leases primarily for office premises, for which lease rental amounting to INR 3,280 (March 31, 2019: INR 3,986) has been charged to the Statement of Profit and Loss.

**24 Gratuity and other post-employment benefit plans**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at one month's salary (last drawn basic salary) for each completed year of service. The plan is unfunded as at March 31, 2020.

The principle assumptions in determining the obligation for the Company's plan are shown below:

	March 31, 2020	March 31, 2019
Discounting Rate	5.60	6.75
Future Salary Increase	0% for first year, 5% thereafter	11%

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand of the employment market.

**25 Earnings in foreign currency**

	March 31, 2020	March 31, 2019
Revenue from back office support services	47,648	54,055



**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
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**26 Expenditure in foreign currency**

	March 31, 2020	March 31, 2019
Traveling & Conveyance	114	240

**27 Un-hedged foreign currency exposure**

The Company has un-hedged foreign currency exposure to the extent of the following:

	Currency	Foreign currency amount		Closing foreign exchange rate		Amount (in Rs.)	
		March 31,		March 31,		March 31,	
		2020	2019	2020	2019	2020	2019
Trade receivables	USD	1	1	75.39	69.16	100	98
Trade receivables	SGD	416	520	53.04	51.06	22,065	26,561

**28 Capital and other commitments**

There are no capital and other commitments as at March 31, 2020 (March 31, 2019: NIL).

**29 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

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	March 31, 2020	March 31, 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.

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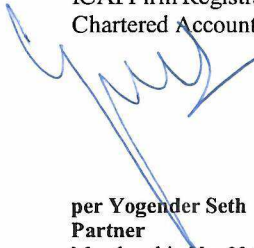
**MIDDLE EAST TRAVEL MANAGEMENT COMPANY PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2020**  
(Amount in thousands of Indian Rupees, except per share data and as stated otherwise)

**30 Previous year figures**

Previous year figures have been reclassified wherever necessary to conform to this year's classification.

As per our report of even date

**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 28, 2020



**For and on behalf of the Board of Directors of**  
**Middle East Travel Management Company Private Limited**



**Manish Amin**  
Director  
(DIN:07082303)



**Gautam Kaul**  
Director  
(DIN:03566667)

