**Independent Auditor's Report**

**To the Board of Directors of**
**Rategain Technologis Inc**

**Report on audit of special purpose Standalone Financial Statements**

## Opinion

We have audited the special purpose standalone financial statements of Rategain Technologies Inc ("the Company"), which comprise:

(a) the standalone balance sheet as at 31 March 2019, 31 March 2020 and 31 March 2021
(b) the standalone statement of profit and loss accounts (including other comprehensive income), standalone statement of changes in equity and standalone cash flow statement for the year ended 31 March 2019, 31 March 2020 and 31 March 2021
(c) notes to the special purpose standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the special purpose standalone financial statements") .

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose standalone financial statements give the information required by the Indian Companies Act, 2013 ("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 standalone state of affairs of the Company as at 31 March 2019 , 31 March 2020 and 31 March 2021, of its standalone profit and other comprehensive income, standalone changes in equity and its cash flows for the year then ended 31 March 2019, 31 March 2020 and 31 March 2021.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those



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Standards are further described in the *Auditor's Responsibilities for the Audit of the Special Purpose Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the special purpose standalone financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India, and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on special purpose standalone financial statements.

**Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use**

We draw attention to Note 2 to the special purpose standalone financial statements, which describes the basis of preparation. We have been appointed by RateGain Travel Technologies Limited ("RateGain"). The special purpose standalone financial statements are prepared to assist RateGain in complying with the accounting principle generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act for the purpose of filing Red Herring Prospectus, or offer document of RateGain with Securities and Exchange Board of India (SEBI) in connection with proposed Initial public offering (IPO) in India to be filed with the stock exchange.

As a result, the special purpose standalone financial statements may not be suitable for another purpose. Our report is intended solely for RateGain and should not be distributed to or used by parties other than RateGain. Our opinion is not modified in respect of this matter.

**Responsibilities of Management and Those Charged with Governance for the Special Purpose Standalone Financial Statements**

The Company's management and Board of Directors are responsible for the preparation and presentation of these special purpose standalone financial statements in terms of the requirements of the Act that give a true and fair view of the standalone financial position, standalone financial performance, standalone changes in equity and standalone cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS



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specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

**Auditor's Responsibilities for the Audit of the Special Purpose Standalone Financial Statements**

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Comapny'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 special purpose standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings,

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including any significant deficiencies in internal control that we identify during our audit.

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

**Other Matter**

The special purpose standalone financial statements of the Company for all the period up to and including for the year ended 31 March 2018 were not audited as it is not required to be audited as per United States of America's statute.

**S.K. Bajpai & Company**
*Chartered Accountants*
Firm's Registration No.
004330C

S.K. BAJPAI & CO. FRN 004330C Chartered Accountants

CA Sarvesh Kumar Bajpai
*Partner*
Membership No. 073277

Place: Noida
Date: 22 November 2021
UDIN: 21073277AAAADA4159

RateGain Technologies Inc.
Standalone Balance Sheet
All amounts are in INR million unless otherwise stated

| Particulars | Notes | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Property, plant and equipment | 3 | 22.00 | 49.61 | 116.68 |
| Right-of-use assets | 4 | - | 129.88 | 160.02 |
| Goodwill | 5 | 15.06 | 15.06 | 15.06 |
| Other intangible assets | 5 | 399.97 | 514.06 | 570.61 |
| Financial assets | | | | |
| Investments | 6 | 1,074.89 | 1,107.23 | - |
| Others | 8 | 0.14 | 43.83 | 56.37 |
| **Total non-current assets** | | 1,512.06 | 1,859.67 | 918.74 |
| **Current assets** | | | | |
| Financial assets | | | | |
| Trade receivables | 9 | 219.53 | 243.26 | 289.07 |
| Cash and cash equivalents | 10 | 74.64 | 96.12 | 217.13 |
| Loans | 7 | 0.20 | - | 1.13 |
| Others | 8 | 729.20 | 558.32 | 23.11 |
| Other current assets | 11 | 33.59 | 58.42 | 56.14 |
| **Total current assets** | | 1,057.16 | 956.12 | 586.58 |
| **Total assets** | | 2,569.22 | 2,815.79 | 1,505.32 |
| **EQUITY AND LIABILITIES** | | | | |
| **Equity** | | | | |
| Equity share capital | 12 | 0.01 | 0.01 | 0.01 |
| Other equity | 13 | 755.66 | 841.30 | 828.29 |
| **Total equity** | | 755.67 | 841.31 | 828.30 |
| **LIABILITES** | | | | |
| **Non-current liabilities** | | | | |
| Financial liabilities | | | | |
| Borrowings | 14 | 1,048.42 | 1,031.97 | 244.19 |
| Lease liabilities | 15 | - | 131.58 | 171.49 |
| Others | 16 | - | 1.98 | 1.82 |
| Deferred tax liabilities (net) | 9 | | | |
| **Total non-current liabilities** | | 1,048.42 | 1,165.53 | 417.50 |
| **Current liabilities** | | | | |
| Financial liabilities | | | | |
| Lease liabilities | 15 | - | 71.58 | 68.55 |
| Trade payables | 18 | 92.69 | 190.38 | 108.18 |
| Others | 16 | 643.08 | 516.65 | 53.31 |
| Other current liabilities | 17 | 29.05 | 26.52 | 29.25 |
| Income tax liabilities (net) | 9 | 0.31 | 0.82 | 0.23 |
| **Total current liabilities** | | 765.13 | 808.95 | 259.52 |
| **Total liabilities** | | 1,813.55 | 1,974.48 | 677.02 |
| **Total equity and liabilities** | | 2,569.22 | 2,815.79 | 1,505.32 |
| Significant accounting policies | 2 | | | |

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date attached

*For S.K. Bajpai & Company*
Chartered Accountants
Firm's Registration No.: 004330C

S. K. BAJPAI & Co.
FRN
004330C
Chartered Accountants

CA Sarvesh Kumar Bajpai
Partner
Membership No.: 073277
UDIN :21073277AAAADA4159

Date: November 22, 2021
Place: Noida

*For* and on behalf of the Board of Directors of
RateGain Technologies Inc.

Bhanu Chopra
Director

Tanmaya Das
Chief Financial Officer

Date: November 22, 2021
Place: Noida

RateGain Technologies Inc.
Standalone Statement of Profit and Loss
All amounts are in INR million unless otherwise stated

| Particulars | Notes | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 |
|---|---|---|---|---|
| Revenue from operations | 19 | 927.76 | 1,621.26 | 1,118.49 |
| Other income | 20 | 58.46 | 25.23 | 56.69 |
| **Total Income** | | 986.22 | 1,646.49 | 1,175.18 |
| **Expenses** | | | | |
| Employee benefits expense | 21 | 404.88 | 621.36 | 468.94 |
| Finance costs | 22 | 74.82 | 81.55 | 24.05 |
| Depreciation and amortization expense | 23 | 172.04 | 226.38 | 155.30 |
| Other expenses | 24 | 396.28 | 768.91 | 515.94 |
| **Total expenses** | | 1,048.02 | 1,698.20 | 1,164.23 |
| **Profit / (loss) before tax** | | (61.80) | (51.71) | 10.95 |
| **Tax expense:** | 25 | | | |
| Current tax | | 0.65 | 4.38 | - |
| Deferred tax charge/(credit) | | - | - | - |
| **Total tax expense** | | 0.65 | 4.38 | - |
| **Profit / (loss) for the year** | | (62.45) | (56.09) | 10.95 |
| **Other comprehensive income** | | | | |
| (i) Item that may be reclassified to profit or loss | | | | |
| - Exchange differences on translation | | (23.19) | 69.10 | (0.13) |
| **Total other comprehensive income/(loss)** | | (23.19) | 69.10 | (0.13) |
| **Total comprehensive income/(loss) for the year** | | (85.64) | 13.01 | 10.82 |
| **Earnings/(loss) per equity share (EPS/LPS)** | | | | |
| Basic EPS / LPS | 26 | (624,500.00) | (560,882.97) | 109,500.00 |
| Diluted EPS / LPS | 26 | (624,500.00) | (560,882.97) | 109,500.00 |

**Significant accounting policies** 2

**The accompanying notes are an integral part of these standalone financial statements**

**As per our report of even date attached**

For *S.K. Bajpai & Company*
Chartered Accountants
Firm's Registration No.: 004330C

CA Sarvesh Kumar Bajpai
Partner
Membership No.: 073277
UDIN :21073277AAAADA4159

S. K. BAJPAI & Co. FRN 004330C Chartered Accountants

Date: November 22, 2021
Place: Noida

For and on behalf of the Board of Directors of
RateGain Technologies Inc.

Bhanu Chopra
Director

Tanmaya Das
Chief Financial Officer

Date: November [illegible] 2021
Place: [illegible]

RateGain Technologies Inc.
Standalone Statement of Changes in Equity
All amounts are in INR million unless otherwise stated

a. **Equity share capital**

| Particulars | Amount |
|---|---|
| **Equity shares of INR 10 each issued, subscribed and fully paid** | |
| **As at 1 April 2018** | 0.01 |
| Changes in equity share capital during the year | - |
| **As at 31 March 2019** | 0.01 |
| Changes in equity share capital during the year | - |
| **As at 31 March 2020** | 0.01 |
| Changes in equity share capital during the year | - |
| **As at 31 March 2021** | 0.01 |

b. **Other equity**

| Particulars | Reserves and Surplus | | | Total |
|---|---|---|---|---|
| | Security premium account | Foreign currency translation reserve | Retained earnings | |
| Balance as at 01 April 2018 | 845.69 | - | (28.22) | 817.47 |
| Profit for the year | - | - | 10.95 | 10.95 |
| Other comprehensive loss for the year, net of income tax | - | (0.13) | - | (0.13) |
| Balance as at 31 March 2019 | 845.69 | (0.13) | (17.27) | 828.29 |
| Loss for the year | - | - | (56.09) | (56.09) |
| Other comprehensive income for the year, net of income tax | - | 69.10 | - | 69.10 |
| Balance as at 31 March 2020 | 845.69 | 68.97 | (73.36) | 841.30 |
| Loss for the year | - | - | (62.45) | (62.45) |
| Other comprehensive loss for the year, net of income tax | - | (23.19) | - | (23.19) |
| Balance as at 31 March 2021 | 845.69 | 45.78 | (135.81) | 755.66 |

As per our report of even date attached

For *S.K. Bajpai & Company*
Chartered Accountants
Firm's Registration No.: 004330C

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Chartered Accountants

CA Sarvesh Kumar Bajpai
Partner
Membership No.: 073277
UDIN :21073277AAAADA4159

**Date: November 22, 2021**
**Place: Noida**

For and on behalf of the Board of Directors of
RateGain Technologies Inc.

Bhanu Chopra
Director

Tanmaya Das
Chief Financial Officer

Date: November 22, 2021
Place: Noida

RateGain Technologies Inc.
Restated Standalone Cash Flow Statement
All amounts are in INR million unless otherwise stated

| | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 |
|---|---|---|---|
| **Operating activities** | | | |
| Profit/(loss) before tax | (61.80) | (51.71) | 10.95 |
| *Adjustments for:* | | | |
| Depreciation and amortisation expense | 172.04 | 226.38 | 155.30 |
| Loss on disposal of fixed asset | - | - | 0.33 |
| Bad debts written off | - | 11.71 | |
| Provision for doubtful debts | - | - | 6.96 |
| Finance cost | 74.82 | 81.55 | 24.05 |
| Gain on termination of lease | (54.11) | - | - |
| Interest income | (4.35) | (6.08) | (4.45) |
| Unrealised foreign exchange loss/(profit) | 31.45 | - | - |
| Sundry balances written back | - | - | (50.41) |
| Loss on subleasing agreement | - | - | 2.71 |
| **Operating profit before working capital changes and other adjustments** | 158.05 | 261.85 | 145.44 |
| *Working capital adjustments:* | | | |
| (Increase)/ Decrease in trade receivables | 16.87 | 58.53 | (286.91) |
| (Increase)/ Decrease in loans | (175.56) | (392.76) | (29.33) |
| Increase/ (Decrease) in trade payable | (93.53) | 70.75 | 104.93 |
| Increase/ (Decrease) in other current liabilities | 118.16 | 127.41 | 14.72 |
| Increase/ (Decrease) provisions | - | (0.29) | 0.23 |
| **Cash generated from/(used In) operating activities post working capital changes** | 23.99 | 125.49 | (50.92) |
| Income tax paid | (1.14) | (3.54) | |
| **Net cash generated from/(used In) operating activities** | 22.85 | 121.95 | (50.92) |
| **Investing activities** | | | |
| Purchase of property, plant and equipment and intangible assets | (4.72) | (7.41) | (759.88) |
| Purchase of investment in equity shares of wholly owned subsidiary | - | (1,062.52) | - |
| **Net cash used in investing activities** | (4.72) | (1,069.93) | (759.88) |
| **Financing activities** | | | |
| Proceeds from issue of equity share capital | - | - | 820.40 |
| Repayment of long-term borrowings | (11.14) | | - |
| Repayment of lease liabilities | - | (52.76) | (28.96) |
| Proceeds from long term borrowings | - | 869.70 | 236.88 |
| Finance cost paid | (26.12) | (3.38) | (11.55) |
| **Net cash generated from/(used in) financing activities** | (37.26) | 813.56 | 1,016.77 |
| Net increase in cash and cash equivalents | (19.13) | (134.42) | 205.97 |
| Net foreign exchange difference | (2.35) | 13.41 | 6.60 |
| Cash and cash equivalents at the beginning of the year | 96.12 | 217.13 | 4.56 |
| **Cash and cash equivalents at year end** | 74.64 | 96.12 | 217.13 |

The Restated Consolidated Statement of Cash Flows has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

**As per our report of even date attached**

*For S.K. Bajpai & Company*
Chartered Accountants
Firm's Registration No.: 004330C

S. K. BAJPAI & CO. FRN 004330C Chartered Accountants

CA Sarvesh Kumar Bajpai
Partner
Membership No.: 073277
UDIN :21073277AAAADA4159

Date: November 22, 2021
Place: Noida

*For and on behalf of the Board of Directors of*
RateGain Technologies Inc.

Bhanu Chopra
Director

Tanmaya Das
Chief Financial Officer

Date: November 22, 2021
Place: Noida

## 1 Company information/overview

RateGain Technologies Inc. (the 'Company') is a company domiciled in United States of America (USA), having its registered office at One Commerce Center – 1201 Orange St. #600 Street, Wilmington, New Castle 19899. The Company was incorporated on 8 April 2015 as a private limited company in India.

RateGain Technologies Inc. is an Information Technology Company providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals.

## 2.1 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of this financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated

### (a) Basis of preparation

RateGain Travel Technologies Limited, a SaaS company registered in India, ("RateGain") is planning to get listed in the stock exchanges in India. The financial statement of RateGain is prepared in accordance with Indian Accounting Standards prescribed under section 133 of the Indian Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (hereinafter referred to as the 'Ind AS') for the purpose of filing of Red Herring Prospectus, or offer document with Securities and Exchange Board of India (SEBI) in connection with proposed Initial public offering (IPO) in India to be filed with the stock exchange.

Accordingly, the special purpose financial statement for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Further, these financial statements are the first financial statements prepared by the company as per Ind AS.

### (b) Basis of measurement

The financial statements have been prepared on a historical cost basis except for certain financial assets and financial liabilities that are measured at fair value or amortized cost, defined benefit obligations and share based payments.

### (c) Critical accounting estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon 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. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.
Information about significant areas of estimation /uncertainty and judgements in applying accounting policies that have the most significant effect on the financial statements are as follows: -

- measurement of defined benefit obligations: key actuarial assumptions;
- judgment required to determine probability of recognition of deferred tax assets;
- impairment assessment of non-financial assets key assumptions underlying recoverable amount;
- impairment assessment of financial assets;
- measurement of share based payments; measurement of financial guarantee contracts, provisions and contingent liabilities;
- judgment required to ascertain lease classification, lease term, incremental borrowing rate, lease and non-lease component, and impairment of ROU;
- measurement of consideration and assets acquired as part of business combination,
- cash flow projections and liquidity assessment with respect to Covid-19.

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There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year except for as disclosed in these financial statements.

**(d) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to / by the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole.

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 2.2 Other significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in the financial statements.

**(a) Property, plant equipment**

**Recognition and measurement**

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises: (a) its purchase price and non-refundable purchase taxes, after deducting trade discounts and rebates; (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use.

The cost of improvements to leasehold premises, if recognition criteria are met, are capitalised and disclosed separately under leasehold improvement.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on

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derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when such asset is derecognised.

**Subsequent cost**
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, 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 subsequent cost are charged to Statement of profit and loss at the time of incurrence.

**Depreciation**
Depreciation on PPE is provided on the straight-line method computed on the basis of useful life on a pro-rata basis from the date the asset is ready to put to use.

Depreciation is calculated on a pro rata basis for assets purchased/sold during the year.

The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

**Capital work-in-progress**
Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

**(b) Other intangible assets**
Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The other intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

Gain or losses arising from derecognition of other intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the other intangible assets and are recognised in the Statement of profit and loss when the asset is derecognised.

**Subsequent cost**
Subsequent cost is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All the subsequent expenditure on other intangible assets is recognised in Statement of profit and loss, as incurred.

**Amortisation**
Amortisation is calculated to write off the cost of other intangible assets over their estimated useful lives as stated below using straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased /disposed during the year.

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

**(c) Leases**

**The Company as a lessee**
The Company enters into an arrangement for lease of buildings. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 – Leases, at inception of the contract, the Company assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration'.

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To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero, as the case may be.

The Company presents right-of-use assets that do not meet the definition of investment property on the face of balance sheet below 'property, plant and equipment' and lease liabilities under 'financial liabilities' in the balance sheet.

(d) Impairment - non-financial assets

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At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ('CGU'). Goodwill arising from a business combination is allocated to a CGU or groups of CGU that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount.

Impairment losses are recognised in the Statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(e) Provisions and contingent liabilities**

**Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past events, 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contingent liabilities**

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote

**(f) Employee benefits**

**Short-term employee benefits**

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

**Post-employment benefit plans**

*Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

*Defined benefit plans*

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The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost and other costs are included in employee benefits expense in the Statement of profit and loss.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income and transferred to retained earnings.

Changes in the present value of the defined benefit obligation resulting from settlement or curtailments are recognised immediately in Statement of profit and loss as past service cost.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Other long-term employee benefits

*Compensated absences*

The Company's net obligation in respect of compensated absences is the amount of benefit to be settled in future, that employees have earned in return for their service in the current and previous years. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method. Remeasurements are recognised in Statement of profit and loss in the period in which they arise.

(g) Income taxes

Income tax expense comprises of current tax and deferred tax. It is recognised in the profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

*Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted for the relevant reporting period.
Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

*Deferred tax*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in

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case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

**(h) Foreign currency transactions and translations**

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the date of the transactions.
Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of profit and loss.

Foreign exchange gains / (losses) arising on translation of foreign currency monetary loans are presented in the Statement of profit and loss on net basis. However, foreign exchange differences arising from foreign currency monetary loans to the extent regarded as an adjustment to borrowing costs are presented in the Statement of profit and loss, within finance costs.

**(i) Revenue recognition**

Revenue from Contracts with Customers, revenue is recognised upon transfer of control of promised services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

Revenue from operations is recognised 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 sale of services in case of hospitality sector is recognised over the specified subscription period on straight line basis or on the basis of underlying services performed, as the case may be, in accordance with the terms of the contracts with customers and in case of travel sector the same is recognised when the related services are performed as per the terms of contracts.

The Company defers unearned revenue, including payments received in advance, until the related subscription period is complete or underlying services are performed.

**Service income and management fee**

Revenue from marketing support services, management fee and auxiliary and business support services are in terms of agreements with the customers and are recognised on the basis of satisfaction of performance obligation over the duration of the contract from the date the contracts are effective or signed provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection. The amount recognised as revenue is net of applicable taxes.

**Interest income**

Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method.

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### (j) Financial instruments

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

Financial assets

**Recognition and initial measurement**
Trade receivables and debt instruments are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, for an item not at fair value through Statement of profit and loss, transaction costs that are attributable to its acquisition or use.

**Classification**
For the purpose of initial recognition, the Company classifies its financial assets in following categories:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI); and
- Financial assets measured at fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.
All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

**Subsequent measurement**

*Financial assets at amortised cost*
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the Statement of profit and loss.

*Financial assets at FVTPL*
These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the Statement of profit and loss.

**Derecognition**

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The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the Statement of profit and loss.

**Impairment of financial assets (other than at fair value)**
The Company recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, are recognised as an impairment gain or loss in the Statement of profit and loss.

**Write-off**
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

<u>Financial liabilities</u>

**Recognition and initial measurement**
All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, for an item not at fair value through profit and loss, transaction costs that are attributable to the liability.

**Classification and subsequent measurement**
Financial liabilities are classified as measured at amortised cost or FVTPL.
A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of profit and loss.
Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in the Statement of profit and loss.

**Compound financial instruments**
Compound financial instruments are bifurcated into liability and equity components based on the terms of the contract.

The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of the compound financial instrument is not measured subsequently.
Interest on liability component is recognised in Statement of profit and loss. On conversion, the liability component is reclassified to equity and no gain or loss is recognised.

Derecognition

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The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of profit and loss.

**Offsetting of financial instruments**
Financial assets and financial liabilities are offset, and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

**Derivative financial instruments**
The Company holds derivative financial instruments to hedge its interest rate risk exposures. Such derivative financial instruments are initially recognised at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in Statement of profit and loss.

(k) Earnings per share
The Company presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the Statement of profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting Statement of profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares, which comprise share options granted to employees.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**(l) Current and non-current classification**
All assets and liabilities are classified into current and non-current.

Assets
An asset is classified as current when it satisfies any of the following criteria:
it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.
Liabilities
A liability is classified as current when it satisfies any of the following criteria:
- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting period; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**Operating cycle**

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non- current.

**(m) Cash and cash equivalents**
Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**(n) Segment reporting**
As the Company's business activity primarily falls within a single segment which is providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals. The geographical segments considered are "within India" and "outside India" and are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company who monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments. The analysis of geographical segments is based on geographical location of the customers

**(o) Functional and presentation currency**
The management has determined the currency of the primary economic environment in which the Company operates, i.e., the functional currency, to be Indian Rupees (INR). The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency. All amounts have been rounded to the nearest lakhs up to two decimal places, unless otherwise stated. Consequent to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute amounts.

**(p) Exceptional items**
Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance.

**(q) Cash flow statement**
Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash and cash equivalents in the cash flow comprise cash at bank, cash/cheques in hand and short-term investments with an original maturity of three months or less.

**(r) Share issue expense**
Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of profit and loss.

**(s) Recent accounting pronouncements**
The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable to the Company from 01 April 2021.

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All amounts are in INR million unless otherwise stated

3 Property, plant and equipment

| | Office equipment | Furniture and fixtures | Computers | Leasehold improvements | Total |
|---|---|---|---|---|---|
| **Gross carrying value:** | | | | | |
| **Balance as at 01 April 2018 *** | - | - | 0.29 | - | 0.29 |
| Additions | 0.28 | - | - | - | 0.28 |
| Acquisition of business | 4.43 | 0.47 | 155.48 | 8.72 | 169.10 |
| Disposals/ adjustments | - | - | (0.67) | - | (0.67) |
| Translation adjustment | - | - | 0.02 | - | 0.02 |
| **Balance as at 31 March 2019** | 4.71 | 0.47 | 155.12 | 8.72 | 169.02 |
| Additions | 0.85 | - | 4.73 | - | 5.58 |
| Translation adjustment | 0.41 | 0.04 | 13.63 | 0.77 | 14.85 |
| **Balance as at 31 March 2020** | 5.97 | 0.51 | 173.48 | 9.49 | 189.45 |
| Additions | 3.89 | 0.17 | 0.58 | - | 4.64 |
| Disposals/ adjustments | - | - | - | (9.21) | (9.21) |
| Translation adjustment | (0.17) | (0.02) | (5.07) | (0.28) | (5.54) |
| **Balance as at 31 March 2021** | 9.69 | 0.66 | 168.99 | (0.00) | 179.34 |
| **Accumulated depreciation and impairment loss:** | | | | | |
| **Balance as at 01 April 2018 *** | - | - | 0.29 | - | 0.29 |
| Depreciation expense | 0.21 | 0.06 | 49.29 | 1.27 | 50.83 |
| Disposals / adjustments | - | - | (0.32) | - | (0.32) |
| Translation adjustment | 0.01 | - | 1.53 | | 1.54 |
| **Balance as at 31 March 2019** | 0.22 | 0.06 | 50.79 | 1.27 | 52.34 |
| Depreciation expense | 0.43 | 0.10 | 76.98 | 2.04 | 79.55 |
| Translation adjustment | 0.04 | 0.01 | 7.70 | 0.20 | 7.95 |
| **Balance as at 31 March 2020** | 0.69 | 0.17 | 135.47 | 3.51 | 139.84 |
| Depreciation expense | 0.88 | 0.11 | 24.42 | 5.85 | 31.26 |
| Disposals / adjustments | (0.85) | - | 0.85 | (9.21) | (9.21) |
| Translation adjustment | (0.03) | (0.01) | (4.32) | (0.19) | (4.55) |
| **Balance as at 31 March 2021** | 0.69 | 0.27 | 156.42 | (0.04) | 157.34 |
| Net carrying value: | | | | | |
| Balance as at 31 March 2019 | 4.49 | 0.41 | 104.33 | 7.45 | 116.68 |
| Balance as at 31 March 2020 | 5.28 | 0.34 | 38.01 | 5.98 | 49.61 |
| Balance as at 31 March 2021 | 9.00 | 0.39 | 12.57 | 0.04 | 22.00 |

* Represents deemed cost on the date of transition to Ind AS (i.e. 1 April 2018) for standalone financial statement. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

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All amounts are in INR million unless otherwise stated

4 Right-of-use assets

| | Office building |
|---|---|
| **Gross carrying value:** | |
| **Balance as at 1 April 2018** | - |
| Acquisition of business | 186.12 |
| Translation adjustment | 1.85 |
| **Balance as at 31 March 2019** | 187.97 |
| Translation adjustment | 16.51 |
| **Balance as at 31 March 2020** | 204.48 |
| Disposals | (198.49) |
| Translation adjustment | (5.99) |
| **Balance as at 31 March 2021** | - |
| **Accumulated depreciation:** | |
| Balance as at 1 April 2018 | - |
| Depreciation expense | 27.11 |
| Translation adjustment | 0.84 |
| Balance as at 31 March 2019 | 27.95 |
| Depreciation expense | 42.41 |
| Translation adjustment | 4.24 |
| Balance as at 31 March 2020 | 74.60 |
| Depreciation expense | 40.33 |
| Disposals | (113.83) |
| Translation adjustment | (1.10) |
| Balance as at 31 March 2021 | - |
| **Net carrying value:** | |
| Balance as at 31 March 2019 | 160.02 |
| Balance as at 31 March 2020 | 129.88 |
| Balance as at 31 March 2021 | - |

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All amounts are in INR million unless otherwise stated

## 5 Goodwill and other intangible assets

| | Customer relationship and trade name | Leasehold interests | Softwares | Total | Goodwill |
|---|---|---|---|---|---|
| **Gross carrying value:** | | | | | |
| **Balance as at 1 April 2018** | | | | - | - |
| Additions | - | - | 0.35 | 0.35 | - |
| Acquisition of business | 326.94 | 10.81 | 312.26 | 650.01 | 15.06 |
| **Balance as at 31 March 2019** | 326.94 | 10.81 | 312.61 | 650.36 | 15.06 |
| Additions | - | - | 2.14 | 2.14 | - |
| Translation adjustment | 28.72 | 0.95 | 27.46 | 57.13 | - |
| **Balance as at 31 March 2020** | 355.66 | 11.76 | 342.21 | 709.63 | 15.06 |
| Translation adjustment | (10.39) | (0.34) | (10.00) | (20.73) | - |
| **Balance as at 31 March 2021** | 345.27 | 11.42 | 332.21 | 688.90 | 15.06 |
| **Accumulated amortisation/impairment:** | | | | | |
| **Balance as at 1 April 2018** | | | | - | - |
| Amortisation expense | 27.15 | 1.55 | 48.66 | 77.36 | - |
| Translation adjustment | 0.84 | 0.05 | 1.50 | 2.39 | - |
| **Balance as at 31 March 2019** | 27.99 | 1.60 | 50.16 | 79.75 | - |
| Amortisation expense | 34.33 | 2.51 | 67.58 | 104.42 | - |
| Translation adjustment | 3.90 | 0.25 | 7.25 | 11.40 | - |
| **Balance as at 31 March 2020** | 66.22 | 4.36 | 124.99 | 195.57 | - |
| Amortisation expense | 31.90 | 1.05 | 67.50 | 100.45 | - |
| Translation adjustment | (2.41) | (0.14) | (4.54) | (7.09) | - |
| **Balance as at 31 March 2021** | 95.71 | 5.27 | 187.95 | 288.93 | - |
| **Net carrying value:** | | | | | |
| Balance as at 31 March 2019 | 298.95 | 9.21 | 262.45 | 570.61 | 15.06 |
| Balance as at 31 March 2020 | 289.44 | 7.40 | 217.22 | 514.06 | 15.06 |
| Balance as at 31 March 2021 | 249.56 | 6.15 | 144.26 | 399.97 | 15.06 |

(i) Amortisation of other intangible assets has been presented in Note 23. Depreciation and amortization expense.

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All amounts are in INR million unless otherwise stated

| 6 Investments | As at 31 March 2021 | | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|---|---|
| | Membership interest | Amount | Membership interest | Amount | Membership interest | Amount |
| Non-current | | | | | | |
| (a) Investment in membership interest in LLC- at cost | | | | | | |
| Subsidiaries | | | | | | |
| BCV Social LLC | 100% | 1,074.89 | 100% | 1,107.23 | - | - |
| Total | | 1,074.89 | | 1,107.23 | | - |
| Total non-current investments | | | | | | |
| Aggregate amount of quoted investments and market value thereof | | - | | - | | - |
| Aggregate amount of unquoted investments | | 1,074.89 | | 1,107.23 | | - |
| Aggregate amount of impairment in the value of investments | | - | | - | | - |

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| | | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|---|
| 7 | **Loans** | | | |
| | Current | | | |
| | (unsecured and considered good) | | | |
| | Loan to employees | 0.20 | - | 0.76 |
| | (unsecured and considered doubtful) | | | |
| | Loan to employees | - | - | 0.37 |
| | | **0.20** | **-** | **1.13** |
| 8 | **Other financial assets** | | | |
| | **Non-current** | | | |
| | (Unsecured and considered good) | | | |
| | Security deposits | 0.14 | 7.07 | 8.68 |
| | Lease receivables | - | 35.41 | 46.89 |
| | Other receivable | - | 1.35 | 0.80 |
| | | 0.14 | 43.83 | 56.37 |
| | Current | | | |
| | (Unsecured and considered good) | | | |
| | Amount recoverable from related party | 729.20 | 537.37 | 3.92 |
| | Lease receivables | - | 20.95 | 19.19 |
| | | 729.20 | 558.32 | 23.11 |
| 9 | **Income tax assets and liabilities** | | | |
| | Non-current tax assets | | | |
| | Income tax receivable | - | - | - |
| | | - | - | - |
| | Current tax liabilities | | | |
| | Income tax payable | 0.31 | 0.82 | 0.23 |
| | | **0.31** | **0.82** | **0.23** |
| 9 | **Trade receivables** | | | |
| | Unsecured, considered good | 269.58 | 317.29 | 342.14 |
| | Significant increase in credit risk | - | - | - |
| | Credit impaired | 62.89 | 78.67 | 343.20 |
| | | 332.47 | 395.96 | 685.34 |
| | Less: Loss allowance | (112.94) | (152.70) | (396.27) |
| | | 219.53 | 243.26 | 289.07 |
| 10 | **Cash and cash equivalents** | | | |
| | Balances with banks | | | |
| | - In current account | 74.64 | 96.12 | 217.13 |
| | | 74.64 | 96.12 | 217.13 |
| 11 | **Other assets** | | | |
| | Current | | | |
| | Prepaid expenses | 33.59 | 59.42 | 55.60 |
| | Balances with government authorities | - | - | 0.31 |
| | Other advances | - | - | 0.23 |
| | | 33.59 | 59.42 | 56.14 |

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| | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **12 Equity share capital** | | | |
| Authorised | | | |
| 2500 (31 March 2020: 2500 and 31 March 2019: 100) equity shares of USD 1 each | 0.19 | 0.19 | 0.01 |
| Issued and subscribed and fully paid up | | | |
| 100 (31 March 2020: 100 and 31 March 2019: 100) equity shares of USD 1 each fully paid up | 0.01 | 0.01 | 0.01 |
| | 0.01 | 0.01 | 0.01 |

Notes:

(i) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of USD 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

| Particulars | As at 31 March 2021 | | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|---|---|
| | Number | Amount | Number | Amount | Number | Amount |
| Equity shares outstanding at the beginning of the year | 100 | 0.01 | 100 | 0.01 | 100 | 0.01 |
| Add : Issued during the year | - | - | - | - | - | - |
| Equity shares outstanding at the end of the year | 100 | 0.01 | 100 | 0.01 | 100 | 0.01 |

(iii) Shares held by each shareholder holding more than 5 percent shares:

| Particulars | As at 31 March 2021 | | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|---|---|
| | Numbers | % holding | Numbers | % holding | Numbers | % holding |
| RateGain Technologies Limited, UK | 100 | 100.00% | 100 | 100.00% | 100 | 100.00% |

(iv) No shares have been issued by the Company for consideration other than cash, during the period of five years immediately preceding the reporting periods.

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| | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **13 Other equity** | | | |
| Security premium account | 845.69 | 845.69 | 845.69 |
| Foreign currency translation reserve | 45.78 | 68.97 | (0.13) |
| Retained earnings | (135.81) | (73.36) | (17.27) |
| | 755.66 | 841.30 | 828.29 |

| | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **13.1 Security premium account** | | | |
| Balance at the beginning of the year | 845.69 | 845.69 | 845.69 |
| Balance at the end of the year | 845.69 | 845.69 | 845.69 |

Securities premium is used to record the premium on issue of shares.

| | | | |
|---|---|---|---|
| **13.2 Foreign currency translation reserve** | | | |
| Balance at the beginning of the year | 68.97 | (0.13) | - |
| Currency translation difference during the year | (23.19) | 69.10 | (0.13) |
| Balance at the end of the year | 45.78 | 68.97 | (0.13) |

Exchange differences arising on translation are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity.

| | | | |
|---|---|---|---|
| **13.3 Retained earnings** | | | |
| Balance at the beginning of the year | (73.36) | (17.27) | (28.22) |
| Profit/(loss) for the year | (62.45) | (56.09) | 10.95 |
| Balance at the end of the year | (135.81) | (73.36) | (17.27) |

Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

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All amounts are in INR million unless otherwise stated

| | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **14 Borrowings** | | | |
| **(Unsecured, at amortised cost)** | | | |
| Promissory notes | 177.29 | 139.58 | 244.19 |
| Unsecured loans from related parties | 879.82 | 906.29 | - |
| | 1,048.42 | 1,031.97 | 244.19 |

**Notes**

(a) Promissory notes issued by the company carries interest of 3.50% plus US LIBOR per annum and is repayable from 31 March 2021 to 31 December 2023, as per agreed terms.

**(b) Reconciliation of financial liabilities arising from financing activities:**

| Particulars | Non-current borrowings and Current maturities of long-term borrowings | Lease liabilities |
|---|---|---|
| **Balance as at 1 April 2018** | - | - |
| Cash flows: | | |
| Repayment of lease liabilities | - | (28.96) |
| Other non-cash changes | | |
| Acquisition of subsidiary | 236.32 | 261.83 |
| Unwinding of interest | 7.87 | |
| Foreign exchange difference | - | 7.17 |
| **Balance as at 31 March 2019** | 244.19 | 240.04 |
| Cash flows | | |
| Proceeds from borrowings | 869.70 | - |
| Repayment of borrowings and lease liabilities | - | (52.76) |
| Other non-cash changes: | | |
| Acquisition of leases | - | |
| Unwinding of interest | 12.70 | |
| Amortisation of incremental borrowing cost | 2.26 | - |
| Foreign exchange difference | 42.41 | 18.88 |
| **Balance as at 31 March 2020** | 1,171.26 | 206.16 |
| Cash flows | | |
| Repayment of borrowings and lease liabilities | (11.14) | - |
| Other non-cash changes: | | |
| Unwinding of interest | 11.00 | - |
| Amortisation of incremental borrowing cost | 4.87 | - |
| Gain on termination of lease | | (203.14) |
| Foreign exchange difference | (34.28) | (3.02) |
| **Balance as at 31 March 2021** | 1,141.71 | - |

| | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **15 Lease liabilities** | | | |
| **Non-current** | | | |
| Lease obligations | - | 131.58 | 171.49 |
| | - | 131.58 | 171.49 |
| **Current** | | | |
| Lease obligations | - | 74.58 | 68.55 |
| | - | 74.58 | 68.55 |
| **16 Other financial liabilities** | | | |
| **Non-current** | | | |
| Security deposits | - | 1.98 | 1.82 |
| | - | 1.98 | 1.82 |
| **Current** | | | |
| Current maturities of long term borrowing | 93.29 | 139.29 | - |
| Interest accrued on borrowings | 89.05 | 46.03 | - |
| Employee related payable | 30.67 | 10.48 | 17.83 |
| Other payables to related parties | 430.07 | 320.85 | 35.48 |
| | 643.08 | 516.65 | 53.31 |

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| | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **17 Other liabilities** | | | |
| Current | | | |
| Statutory liabilities | 10.40 | 1.10 | 1.72 |
| Deferred revenue | 18.65 | 25.42 | 27.53 |
| | 29.05 | 26.52 | 29.25 |
| **18 Trade payables** | | | |
| Trade payables | 92.69 | 190.38 | 108.18 |
| | 92.69 | 190.38 | 108.18 |

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| | | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 |
|---|---|---|---|---|
| 19 | **Revenue from operations** | | | |
| | Sale of services | 927.76 | 1,621.26 | 1,118.49 |
| | | 927.76 | 1,621.26 | 1,118.49 |

Note:

(a) **Disaggregated revenue information**

Set out below is the disaggregation of the the Company's revenue from contracts with customers:

| Particulars | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 |
|---|---|---|---|
| **Type of services** | | | |
| DaaS | 14.11 | 16.73 | 23.15 |
| Distribution | 913.65 | 1,604.53 | 1,095.34 |
| **Total revenue from contracts with customers** | 927.76 | 1,621.26 | 1,118.49 |
| **Geographical region** | | | |
| India | - | - | - |
| Outside India | 927.76 | 1,621.26 | 1,118.49 |
| **Total revenue from contracts with customers** | 927.76 | 1,621.26 | 1,118.49 |
| **Revenue of timing of recognition** | | | |
| Revenue recognised at point in time | - | - | - |
| Revenue recognised over time | 927.76 | 1,621.26 | 1,118.49 |
| **Total revenue from contracts with customers** | 927.76 | 1,621.26 | 1,118.49 |

(b) **Assets and liabilities related to contracts with customers**

| | | | |
|---|---|---|---|
| Trade receivables | 219.53 | 243.26 | 289.07 |
| Deferred revenue | 18.65 | 25.42 | 27.53 |

Remaining performance obligations as at the reporting date are expected to be substantially recognised over the next reporting period by the Company.

(c) **Revenue recognised in relation contract liabilities**

| | | | |
|---|---|---|---|
| Contract liabilities related to sale of services | | | |
| Advances from customers | - | | 0.97 |
| Deferred revenue | 25.42 | 27.53 | 3'1.45 |

(d) **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

| | | | |
|---|---|---|---|
| Revenue as per contracted price | 927.76 | 1,621.26 | 1,118.49 |
| **Adjustments:** | | | |
| Rebate | - | - | - |
| Revenue from contracts with customers | 927.76 | 1,621.26 | 1,118.49 |

| | | | | |
|---|---|---|---|---|
| 20 | **Other income** | | | |
| | **Interest income** | | | |
| | Other interest income | 4.35 | 6.08 | 4.45 |
| | | 4.35 | 6.08 | 4.45 |
| | **Other income** | | | |
| | Sundry balances written back | | - | 50.41 |
| | Gain on termination of lease | 54.11 | - | - |
| | | 54.11 | 19.15 | 52.24 |
| | | 58.46 | 25.23 | 56.69 |

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| | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 |
|---|---|---|---|
| **21 Employee benefits expense** | | | |
| Salaries and wages | 357.27 | 555.97 | 418.84 |
| Contribution to provident and other fund | 8.19 | 12.58 | 11.43 |
| Staff welfare expenses | 39.42 | 52.81 | 38.67 |
| | 404.88 | 621.36 | 468.94 |
| **22 Finance costs** | | | |
| Interest expense on borrowings | 58.83 | 59.41 | 7.87 |
| Interest on lease liabilities | 15.99 | 22.14 | 16.18 |
| | 74.82 | 81.55 | 24.05 |
| **23 Depreciation and amortisation expense** | | | |
| Depreciation on property, plant and equipment | 31.26 | 79.55 | 50.83 |
| Amortisation of intangible assets | 100.45 | 104.42 | 77.36 |
| Depreciation of right-of-use assets | 40.33 | 42.41 | 27.11 |
| | 172.04 | 226.38 | 155.30 |
| **24 Other expenses** | | | |
| Hosting and proxy charges | 1.32 | 4.15 | 106.36 |
| Rent | 12.79 | 37.07 | 31.01 |
| Repair and maintenance | | | |
| - Building | 0.68 | 1.29 | 1.42 |
| - Others | 0.58 | 0.45 | 0.42 |
| Insurance | 10.91 | 10.79 | 6.68 |
| Rates and taxes | 3.00 | 3.93 | 3.18 |
| Communication charges | 62.18 | 70.37 | 60.17 |
| Postage and courier | 0.07 | 0.70 | 0.31 |
| Travelling and conveyance | 0.09 | 20.56 | 15.20 |
| Legal and professional charges | 27.25 | 53.03 | 35.23 |
| Training and recruitment expenses | 0.37 | 21.60 | 3.47 |
| Advertising and sales promotion expenses | 5.74 | 6.83 | 6.27 |
| Fees and subscription | 26.21 | 27.26 | 13.70 |
| Bank charges | 5.99 | 3.42 | 2.02 |
| Trade and other receivables written off | 12.02 | 11.71 | 6.96 |
| Loss on foreign exchange fluctuation (net) | 31.45 | - | |
| Software licenses | 30.68 | 54.47 | 55.15 |
| Office maintenance | 0.70 | 4.42 | 2.83 |
| Contractual manpower cost | 10.17 | 172.49 | 44.73 |
| Demand partner fees | 92.08 | 195.94 | 117.69 |
| Write off of property, plant and equipment (net) | - | - | 0.33 |
| Loss on subleasing agreement | - | - | 2.71 |
| Miscellaneous expenses | 61.80 | 67.93 | 0.10 |
| Total | 396.28 | 768.91 | 515.94 |

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| | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 |
|---|---|---|---|
| **25 Income taxes** | | | |
| **Income tax recognised in the Standalone Statement of profit and loss** | | | |
| **Current tax** | | | |
| In respect of the current year | 0.65 | 4.38 | - |
| In respect of the previous year | - | - | - |
| | **0.65** | **4.38** | **-** |
| **Deferred tax** | | | |
| In respect of the current year | - | - | - |
| | - | - | - |
| **Total Income tax expense recognised in the current year** | **0.65** | **4.38** | **-** |

**The Income tax expense for the year can be reconciled to the accounting profit as follows:**

| | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 |
|---|---|---|---|
| Profit/(Loss) before tax | (61.80) | (51.71) | 10.95 |
| Statutory income tax rate | 21.00% | 21.00% | 21.00% |
| Income tax expense at statutory income tax rate | (12.98) | (10.86) | 2.30 |
| Temporary difference on which deferred tax is not recognised | 13.63 | 15.24 | (2.30) |
| | 0.65 | 4.38 | - |

26 **Earnings/(Loss) per share (EPS/LPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holder by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

| | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 |
|---|---|---|---|
| Profit/ (Loss) attributable to equity holder of the Holding company | (62.45) | (56.09) | 10.95 |
| Weighted average number of equity shares used for computing : | | | |
| Basic EPS/LPS | 100 | 100 | 100 |
| Effect of dilutive potential equity shares- employee stock options* | - | - | - |
| Diluted EPS/LPS | 100 | 100 | 100 |
| **Basic EPS/(LPS)** | **(624,500.00)** | **(560,882.97)** | **109,500.00** |
| **Diluted EPS EPS/(LPS)** | **(624,500.00)** | **(560,882.97)** | **109,500.00** |

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27 **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments.

The company's business activity falls within a single segment, which is providing innovative solutions to help clients in the hospitality and travel industry to achieve their business goals. Majority of the revenue is derived from one geography.

28 **Leases**

The Company has leases for office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the standalone statement of assets and liabilities as a right-of-use asset and a lease liability. The company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the lease liability. The lease payments are discounted using incremental borrowing rate of the Company, being the rate the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar environment with similar terms, security and conditions.

**Amounts recognised in the standalone statement of profit or loss:**

| Particulars | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 |
|---|---|---|---|
| Depreciation on right-of-use assets | 40.33 | 42.41 | 27.11 |
| Interest on lease liabilities (included in interest expenses) | 15.99 | 22.14 | 16.18 |
| Expenses relating to short-term leases | 12.79 | 37.07 | 31.01 |
| Expenses relating to leases of low-value assets | - | | - |

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**30 Related party disclosures**

**(I) Relationship with related parties:**

**(a) Parent and Ultimate Controlling Party**
RateGain Travel Technologies Limited (formerly known as RateGain Travel Technologies Private Limited)

**(b) Wholly owned subsidiaries**
BCV Social LLC (with effect from 11 June 2019)

**(c) Fellow subsidiaries**
RateGain Technologies Limited, UK
RateGain Spain S.L.

**(d) Key management personnel (KMP):**
Mr. Bhanu Chopra (Director)
Mrs. Aditi Gupta (Independent Director)
Mr. Harmeet Singh (Chief Executive Officer)

**(d) Companies where significant influence is exercised by KMPs:**
Ridaan and Ruhan Buildwell Private Limited
Ridaan and Ruhan UK Limited

**(II) Transactions with related parties during the year ended 31 March 2021, 31 March 2020 and 31 March 2019:**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|---|
| **(i) Expenses incurred on behalf of** | | | |
| RateGain Technologies Limited, UK | 4.89 | 76.20 | 9.27 |
| BCV Social LLC | 7.76 | - | - |
| **(ii) Expense incurred on our behalf by** | | | |
| RateGain Travel Technologies Ltd | 78.23 | 97.65 | 28.49 |
| RateGain Technologies Limited UK | 61.29 | 70.14 | 2.46 |
| **(iii) Customer realization on our behalf by** | | | |
| RateGain Technologies Limited, UK | - | 11.55 | 3.78 |
| **(iv) Customer realization on behalf of** | | | |
| RateGain Technologies Limited, UK | 18.41 | 27.92 | 8.67 |
| RateGain Travel Technologies Ltd | 9.43 | 11.78 | 5.00 |
| **(v) Compensation to KMPs** | | | |
| Short-term employment benefits | | | |
| Mr. Harmeet Singh | 33.63 | 21.46 | - |

**(III) Balances as at 31 March 2021, 31 March 2020 and 31 March 2019:**

| Particulars | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **(i) Amounts recoverable for expenses incurred on behalf of and customers collection on our behalf by** | | | |
| RateGain Technologies Limited, UK | - | - | 1.93 |
| RateGain Travel Technologies Ltd | - | - | - |
| **(ii) Amounts payable for expenses incurred on behalf of and customers collection on our behalf by** | | | |
| RateGain Technologies Limited, UK | 84.59 | 11.11 | - |
| RateGain Travel Technologies Ltd | 4.61 | 71.51 | 33.49 |
| BCV Social LLC | 180.80 | 299.14 | - |
| **(iii) Employee related payables** | | | |
| Mr. Harmeet Singh | 11.89 | 10.21 | - |

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32 Business combinations

(i) Acquisition of Dhisco Inc.

a. Summary of acquisition

During the year ended 31 March 2019, the Company has entered into an asset purchase agreement dated 14 July 2018, to acquire selected assets and liabilities of Dhisco Inc (DHISCO). DHISCO was the single largest processor of electronic hotel transactions, delivering advanced and affordable connectivity and distribution solutions to over 100,000 hotels in 200 countries. DHISCO connected hotels to multiple disparate channels through a single direct connection which allowed hotels to drive bookings through OTAs, metasearch sites, and travel agencies through the global distribution system.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

| Particulars | Amount in INR million |
|---|---|
| Cash paid | 737.91 |
| Unsecured Promissory Note (First Seller Note) | 122.62 |
| Unsecured Promissory Note (Second Seller Note) | 116.15 |
| Contractual Working Capital Adjustment | (2.34) |
| **Purchase consideration (A)** | 974.33 |
| | |
| **The assets and liabilities recognised as a result of the acquisition are as follows:** | |
| Property, plant and equipment | 568.32 |
| Intangible assets | 611.42 |
| Short-term borrowings | (13.87) |
| Other current liabilities | (206.60) |
| **Identifiable net assets acquired (B)** | 959.27 |
| **Non-controlling interest in the acquired entity (C)** | - |
| **Goodwill (A-B-C)** | 15.06 |

Goodwill here represents residual asset value attributable to unidentified intangible assets acquired by acquirer. It will not be deductible for tax purposes.

b. Revenue and profit contribution

The acquired business contributed revenue of INR 1,1[illegible]8.48 million and incurred loss of INR 4.15 million to the company for the period 31 March 2019.
If the acquisitions had occurred on 1 April 2018, consolidated pro-forma revenue and loss for the year ended 31 March 2019 would have been INR 3,210.36 million and INR 392.77 million respectively.

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**33 Fair value measurements**

**i) Financial instruments by category**

| Particulars | As at 31 March 2021 | | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|---|---|
| | FVTPL | Amortised cost | FVTPL | Amortised cost | FVTPL | Amortised cost |
| **Financial assets** | | | | | | |
| Investments* | - | - | - | - | - | - |
| Trade receivables | - | 219.53 | - | 243.26 | - | 289.07 |
| Cash and cash equivalents | - | 74.64 | - | 96.12 | - | 217.13 |
| Loans | - | 0.20 | - | - | - | 1.13 |
| Other financial assets | - | 729.34 | - | 602.15 | - | 79.48 |
| Total | - | 1,023.71 | - | 941.53 | - | 586.81 |
| **Financial liabilities** | | | | | | |
| Borrowings | - | 1,141.71 | - | 1,171.26 | - | 244.19 |
| Lease liabilities | - | - | - | 206.16 | - | 240.04 |
| Trade payables | - | 92.69 | - | 190.38 | - | 108.18 |
| Other financial liabilities | - | 549.79 | - | 379.34 | - | 55.13 |
| Total | - | 1,784.19 | - | 1,947.14 | - | 647.54 |

*Investments in subsidiaries are carried at cost per Ind AS 27 – Separate financial statements and therefore, not presented here.

**ii) Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the restated consolidated statement of assets and liabilities are divided into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**a. Fair value of financial assets and liabilities measured at amortised cost:**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other current financials assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The Company has major of its borrowings at variable rate which are subject to changes in underlying interest rate indices. Further, the credit spread on these facilities are subject to change with changes in Company's creditworthiness. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the Company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**iii) Financial risk management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

| Risk | Exposure arising from | Measurement | Management |
|---|---|---|---|
| Credit risk | Cash and cash equivalents, trade receivables, financial assets measured at amortised cost | Ageing analysis | Bank deposits, diversification of asset base, credit limits and collateral. |
| Liquidity risk | Borrowings and other liabilities | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities |
| Market risk - price risk | Investment in mutual funds | Sensitivity analysis | Portfolio diversification |
| Market risk - interest rate | Borrowings at variable rates | Sensitivity analysis | Negotiation of terms that reflect the market factors |

**a. Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, etc. The Company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

- cash and cash equivalents,
- trade receivables,
- loans and receivables carried at amortised cost, and
- deposits with banks

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the restated consolidated statement of assets and liabilities:

| Particulars | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| Loans (current and non current) | 0.20 | - | 1.13 |
| Trade receivables | 219.53 | 243.26 | 289.07 |
| Cash and cash equivalents | 74.64 | 96.12 | 217.13 |
| Other bank balances | - | - | - |
| Other financial assets (current and non current) | 729.34 | 602.15 | 79.48 |

Credit risk on cash and cash equivalents and bank deposits (shown under other bank balances) and other financial assets is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loans primarily represents loan given to related parties and employees. Other financial assets measured at amortized cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

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The exposure to the credit risk at the reporting date is primarily from security deposit receivables and trade receivables.
The Company manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

The Company uses expected credit loss model to assess the impairment loss. Credit risk in security deposits considered to be low as they form part of other commercial arrangements such as leases, therefore security deposit are impaired only when there is objective evidence of impairment. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. Based on the business environment in which the Company operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 180 days and 365 days for past due as applicable to respective Company entity however the Company based upon past trends determine an impairment allowance for loss on receivables (other than receivables from related parties).

Refer note 9 for bifurcation of trade receivables into credit impaired and others

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All amounts are in INR million unless otherwise stated

| Changes in the loss allowance in respect of trade receivables | For the year ended 31 March 2021 | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|---|
| Balance at the beginning of the year | 152.70 | 396.27 | 4.89 |
| Change in impairment allowances for receivables | (39.76) | (243.57) | 391.38 |
| Balance at the end of the year | 112.94 | 152.70 | 396.27 |

b. **Liquidity risk**

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Company's manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity Companyings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

| 31 March 2021 | Less than 1 year | 1-5 year | More than 5 years | Total |
|---|---|---|---|---|
| **Non-derivatives** | | | | |
| Borrowings | 95.26 | 195.80 | - | 291.07 |
| Trade payables | 92.69 | - | - | 92.69 |
| Other financial liabilities | 460.74 | - | - | 460.74 |
| Total | 648.69 | 195.80 | - | 844.50 |

| 31 March 2020 | Less than 1 year | 1-5 year | More than 5 years | Total |
|---|---|---|---|---|
| Non-derivatives | | | | |
| Borrowings | 139.29 | 150.74 | - | 290.03 |
| Lease liabilities | 78.06 | 159.23 | | 237.28 |
| Trade payables | 190.38 | - | - | 190.38 |
| Other financial liabilities | 331.33 | 1.98 | - | 333.31 |
| Total | 739.06 | 311.94 | - | 1,051.00 |

| 31 March 2019 | Less than 1 year | 1-5 year | More than 5 years | Total |
|---|---|---|---|---|
| Non-derivatives | | | | |
| Borrowings | - | 266.61 | - | 266.61 |
| Lease liabilities | 71.75 | 218.12 | - | 289.88 |
| Trade payables | 108.18 | - | - | 108.18 |
| Other financial liabilities | 53.31 | 1.82 | - | 55.13 |
| Total | 233.24 | 486.55 | - | 719.79 |

c. Market risk - Interest rate risk

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Company is exposed to changes in market interest rates through borrowings at variable interest rates. The Company's investments in fixed deposits pay fixed interest rates

*Interest rate risk exposure*

Below is the overall exposure of the Company's to interest rate risk on long term borrowings:

| Particulars | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| Variable rate: | | | |
| Borrowings | 1,141.71 | 1,171.26 | 244.19 |
| **Total variable rate exposure** | 1,141.71 | 1,171.26 | 244.19 |

Sensitivity

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company's by the amounts indicated in the table below. This calculation also assumes that the change occurs at the reporting date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period. Below is the sensitivity of profit or loss and equity due to changes in interest rates, assuming no change in other variables.

| Particulars | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| Interest sensitivity | | | |
| Interest rates – increase by 100 basis points | 11.42 | 11.71 | 2.44 |
| Interest rates – decrease by 100 basis points | (11.42) | (11.71) | (2.44) |

(This space has been intentionally left blank)

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All amounts are in INR million unless otherwise stated

**34 Capital management policies and procedures**

The Company's objective for capital management is to maximize shareholder's value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plan and other strategic investment plans. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to all its shareholders. The Company's funding requirements are met through equity infusions, internal accruals an long-term borrowings The Company raises long term loans mostly for its expansion requirements and based on the working capital requirement utilise the working capital facilities. The Company monitors capital on the basis of consolidated total debt to consolidated total equity on a periodic basis.

The amounts managed as capital by the Company's for the reporting periods under review are summarised as follows:

| Particulars | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| Long-term borrowings | 1,048.42 | 1,163.55 | 415.68 |
| Current maturities of long-term borrowings including finance lease obligations | 93.29 | 213.87 | 68.55 |
| Interest accrued on borrowings | 89.05 | 46.03 | - |
| **Total borrowings** | **1,230.76** | **1,423.45** | **484.23** |
| Less: | | | |
| Cash and cash equivalents | 74.64 | 96.12 | 217.13 |
| **Net debts** | 1,156.12 | 1,327.33 | 267.10 |
| **Total equity*** | 755.67 | 841.31 | 828.30 |
| **Net debt to equity ratio** | 1.53 | 1.58 | 0.32 |

*Equity includes equity share capital and other equity of the company that are managed as capital.

As per our report of even date attached

*For S.K. Bajpai & Company*
Chartered Accountants
Firm's Registration No. 004330C

CA Sarvesh Kumar Bajpai
Partner
Membership No.: 073277
UDIN :21073277AAAADA4159

S. K. BAJPAI & Co. FRN 004330C Chartered Accountants

Date: November 22, 2021
Place: Noida

For and on behalf of the Board of Directors of
RateGain Technologies Inc.

Bhanu Chopra
Director

Tanmaya Das
Chief Financial Officer

Date: November 22, 2021
Place: Noida