

**INDEPENDENT AUDITOR'S REPORT**

To,

**The Members of E-Arth Travel Solutions Private Limited****Report on the Audit of the Ind AS Financial Statements****Opinion**

We have audited the financial statements of E-Arth Travel Solutions Private Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the statement of Profit and Loss, statement of changes in equity and Statement of cash flow for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its losses, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standard are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

**Material Uncertainty Related to Going Concern**

1. We draw attention to Note. No. 16 of the Ind AS financial statements which indicates that the company incurred a net cash loss of Rs. 41.96 Lakhs during the year ended March 31, 2022 and, as of that date, the company's current liabilities exceeded its total assets by Rs. 29.21 Lakhs. As stated in said note, these events or conditions along with other matters as set forth in Note 16, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Other Information – Board of Directors' Report**

- A. The Company's Board of Directors is responsible for the preparation and presentation of its Board Report which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the financial statements and our auditor's report thereon.



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

- B. In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing our opinion on whether the Company has adequate internal financial control systems in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

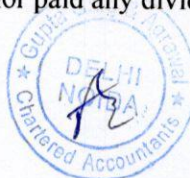
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure '1' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss including other comprehensive income, the cash flow statement and statement of changes in equity dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) On the basis of the written representation received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the board of directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.




- f) with respect to the adequate internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report; and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) the company did not have any pending litigations on its financial position in its Ind AS financial statements.
  - ii) the company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) there has been no amounts which are required to be transferred to the Investor Education and Protection Fund by the company.
  - iv) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
  - v) The company has neither declared nor paid any dividend during the year.



- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to a private limited company.

**For GUPTA GARG & AGRAWAL**  
CHARTERED ACCOUNTANTS  
Firm Registration No. 505762C

Amit →  23/05/2022

**(AMIT KUMAR JAIN)**  
PARTNER  
Membership No. 509349  
UDIN: 22509349AKBDLG7999

Place: Delhi  
Date : 23.05.2022

## Annexure '1' to the Independent Auditor's Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report on even date to the members of the Company on financial statements for the year ended March 31, 2022:

(i) (a) (A) The company does not have any fixed assets, as such there are no comments on sub clause B) and clause b);

(c) As per books of accounts verified by us and according to the information and explanations given by the management the company does not have immovable properties and as such the clause c) and d) are not applicable.;

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;

(ii) The Company does not have any inventory and no working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) of the Order are not applicable;

(iii) The Company has during the year, not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clauses 3(iii) of the Order are not applicable;

(iv) According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with;

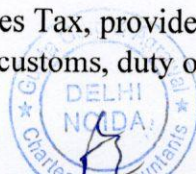
(v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;

vi) To the best of our knowledge and as per information and explanations given to us by the management, the central government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013;

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues such as goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues. According to information and explanations given to us, no undisputed statutory dues payable was in arrears as at March 31, 2022, for a period of more than six months from the date they became payable;

(b) There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax,



cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute;

(viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under paragraph 3(ix)(a) of the Order is not applicable to the Company;

(b) The Company has not taken any loans or other borrowings from any lender. Hence reporting under paragraph 3(ix)(b) of the Order is not applicable to the Company;

(c) The Company has not taken any terms loan. Accordingly, reporting under paragraph 3(ix)(c) of the Order is not applicable to the Company;

(d) The Company has not raised any funds on short-term basis. Accordingly, reporting under paragraph 3(ix) (d) of the Order is not applicable to the Company;

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, reporting under paragraph 3(ix)(e) of the Order is not applicable to the Company;

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company;

(x) (a) The Company has not raised any moneys by way of Initial Public Offer or Further Public Offer (including debt instruments) during the year. Accordingly, reporting under paragraph 3(x)(a) of the Order is not applicable to the Company;

(b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year;

(xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year;

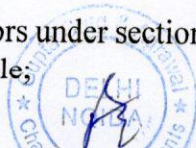
(b) To the best of our knowledge, no report under section 143(12) of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;

(c) During the year under consideration, no whistle-blower complaint has been received and as such the question of its consideration by the auditors does not arises;

(xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, reporting under paragraph 3(xii) of the Order is not applicable to the Company;

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards;

(xiv) The company is not required to have internal auditors under section 138 of the companies Act 2013 and as such sub clauses(a) (b) are not applicable;



(xv) According to information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Act are not applicable to the Company;

(xvi) According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable;

(xvii) During the year under consideration the company has suffered net cash losses of Rs. 41.96 lacs as against Rs. 1.21 lacs in immediately preceding year;

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable to the Company;

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due; and

(xx) There is no amount remaining unspent by the Company under section 135 of the Act. Accordingly, reporting under paragraph 3(xx)(a) and (xx)(b) of the Order is not applicable to the Company.

**For GUPTA GARG & AGRAWAL**  
**CHARTERED ACCOUNTANTS**  
Firm Registration No. 505762C

*Amit Kumar Jain*  
**(AMIT KUMAR JAIN)**  
PARTNER

Membership No. 509349  
UDIN: 22509349AKBDLG7999

Place: Delhi  
Date: 23.05.2022



## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED**

### **Report on the Internal Financial Controls under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of E-Arth Travel Solutions Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

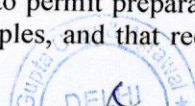
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the



Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**


Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For GUPTA GARG & AGRAWAL  
CHARTERED ACCOUNTANTS**

Firm Registration No. 505762C

*Amit*  
  
23/05/2022

**(AMIT KUMAR JAIN)**

PARTNER

Membership No. 509349

UDIN: 22509349AKBDLG7999

Place: Delhi

Date: 23.05.2022

(Formerly Known as Earth Finserve Solutions Pvt. Ltd.)

**E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED**

Regd. Address: 512-B, 98-N Nehru Place New Delhi South Delhi DL 110019

CIN: U63000DL2020PTC364122

Balance Sheet as at March 31, 2022

Particulars	Notes	Figures as at	Figures as at
		31-03-2022	31-03-2021
		Rs. '000	Rs. '000
<b>ASSETS</b>			
<b>Non Current Asset</b>			
Deferred Tax Asset	2	1,167.34	-
<b>Current Assets</b>			
Financial assets			
Trade Receivables	TRTP	21,924.01	-
Cash & Cash equivalents	3	39,381.72	21.35
Other Current Assets	4	1,484.05	-
<b>TOTAL</b>		<b>63,957.12</b>	<b>21.35</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Share capital	5	150.00	50.00
(b) Other equity	SOCE	(3,150.56)	(121.86)
		<b>(3,000.56)</b>	<b>(71.86)</b>
<b>Non Current Liabilities</b>			
Provisions	6	79.86	-
<b>Current liabilities</b>			
(a) Financial liabilities			
Trade Payables	TRTP	66,737.99	-
Other financial liabilities	7	139.83	92.21
(b) Other current liabilities	8	-	1.01
		<b>66,957.68</b>	<b>93.22</b>
<b>TOTAL</b>		<b>63,957.12</b>	<b>21.35</b>
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

**For Gupta Garg & Agrawal**

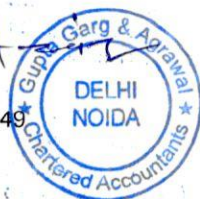
**Chartered Accountants**

Firm Registration No. : 505762C

(Amit Kumar Jain)

Partner

Membership No. : 509349



Place : Delhi

Date : 23/05/2022

For and on behalf of the Board of Directors

(SUNIL KUMAR KAPOOR)

Director

DIN: 05322540

(MEGHA BANSAL)

Director

DIN: 09313190

(Formerly Known as E-arth Finserve Solutions Pvt. Ltd.)

**E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED**

Regd. Address: 512-B, 98-N Nehru Place New Delhi South Delhi DL 110019

CIN: U63000DL2020PTC364122

Statement of Profit & Loss for the period ending 31.03.2022

Particulars	Notes	Figures for the	Figures for the
		period ending 31.03.2022	period from 29.05.2020 to 31.03.2021
		Rs. '000	Rs. '000
<b>Income</b>			
Revenue from operations	9	7,464.28	-
<b>Total</b>		<b>7,464.28</b>	<b>-</b>
<b>Expenses</b>			
Direct Expense	10	566.93	-
Employee benefits expense	11	9,161.90	-
Finance costs	12	309.32	-
Other expenses	13	1,622.17	121.86
<b>Total</b>		<b>11,660.31</b>	<b>121.36</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>(4,196.04)</b>	<b>(121.86)</b>
Exceptional items			
<b>Profit / (Loss) before tax</b>		<b>(4,196.04)</b>	<b>(121.86)</b>
<b>Tax Expenses</b>			
(i) Current Tax			
(ii) Deferred Tax	2	1,167.34	
<b>Profit / (Loss) for the year (a)</b>		<b>(3,028.70)</b>	<b>(121.86)</b>
<b>Other comprehensive income (b)</b>			
Items that will be reclassified subsequently to profit/loss-			
Fair value changes on investments		-	-
<b>Total comprehensive income c=(a+b)</b>		<b>(3,028.70)</b>	<b>(121.86)</b>
<b>Earnings per equity share [nominal value of share Rs. 10 (31 March 2021 : Rs. 10)]</b>	14		
1) Basic		(0.20)	(24.37)
2) Diluted		(0.25)	(24.37)

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For Gupta Garg & Agrawal

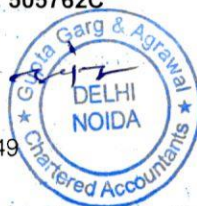
Chartered Accountants

Firm Registration No. : 505762C

(Amit Kumar Jain)

Partner

Membership No. : 509349



For and on behalf of the Board of Directors

(SUNIL KUMAR KAPOOR)

Director

DIN: 05322540

(MEGHA BANSAL)

Director

DIN: 09313190

Place : Delhi

Date : 23/05/2022

(Formerly known as E-Arth Finserve Solutions Pvt. Ltd.)

**E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED**

Regd. Address: 512-B, 98-N Nehru Place New Delhi South Delhi DL 110019

CIN: U63000DL2020PTC364122

Statement of Cash Flow for the period ended March 31, 2022

Particulars	31-Mar-22 Rs. '000	31-Mar-21 Rs. '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	(4,196.04)	(121.86)
Non-cash adjustment to reconcile profit before tax to net cash flows :		
Provisions	79.86	
Interest Expense	309.32	
<b>Operating profit/loss before working capital</b>	<b>(3,806.86)</b>	<b>(121.86)</b>
Increase/ (decrease) in other financial liabilities	66,785.61	92.21
Increase/ (decrease) in other current liabilities	(1.01)	1.01
(Increase)/ decrease in Financial current Asset	(21,924.01)	
(Increase)/ decrease in other current Asset	(1,484.05)	
<b>Cash generated from / (used in) operations</b>	<b>39,569.68</b>	<b>(28.65)</b>
Direct taxes paid (net of refunds)		
<b>Net cash flow from/ (used in) operating activities</b>	<b>A 39,569.68</b>	<b>(28.65)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	<b>B</b>	<b>NIL</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) of Borrowings		
Proceeds from issuance of equity share capital	100.00	50.00
Interest expense	(309.32)	
<b>Net cash flow from/ (used in) in financing activities</b>	<b>C (209.32)</b>	<b>50.00</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(A+B+C) 39,360.37</b>	<b>21.35</b>
Cash and cash equivalents at the beginning of the year	21.35	
<b>Cash and cash equivalents at the end of the year</b>	<b>39,381.72</b>	<b>21.35</b>
<b>Components of cash and cash equivalents</b>		
With banks- on current account	39,381.72	21.35
With banks- on deposit accounts		
<b>Total cash and cash equivalents (Note 3)</b>	<b>39,381.72</b>	<b>21.35</b>

**Notes :**

**1. Disclosure**

As per Companies (Indian Accounting Standards) (Amendment) Rules, 2017, Ind AS 7 'Statement of Cash Flows' requires the entity to provide disclosure that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes. Rules also prescribe a way to fulfill the disclosure requirement by providing a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities. This amendment has become effective from 1st April, 2017.

Balance as on 01/04/2021	Cash Flow Changes	Non Cash Changes
Non Current Borrowings		

2. Negative figures have been shown in brackets.

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

**For Gupta Garg & Agrawal**

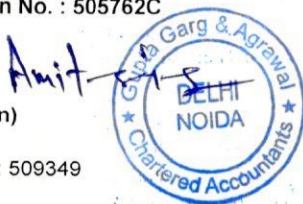
Chartered Accountants

Firm Registration No. : 505762C

(Amit Kumar Jain)

Partner

Membership No. : 509349



**For and behalf of the Board of Directors**

(SUNIL KUMAR KAPOOR)

Director

DIN: 05322540

(MEGHA BANSAL)

Director

DIN: 09313190

Place : Delhi

Date : 23/05/2022

(Formerly Known as E-Arth Finserve Solutions Pvt. Ltd.)

E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED

Regd. Address: 512-B, 98-N Nehru Place New Delhi South Delhi DL 110019

CIN: U63000DL2020PTC364122

Notes to Financial Statements as at March 31, 2022

**Corporate Information**

E-arth Travel Solutions Pvt. Ltd. is a private limited company domiciled in India and incorporated under the provisions of Companies Act, 2013.

**Statement of compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**i Basis of preparation of financial statements**

The financial statements are prepared in accordance with Division II of the Schedule III of the Companies Act, 2013 i.e. "General Instructions for preparation of financial statements of a company required to comply with Ind AS" as notified vide notification number G.S.R. 404(E) dated 06.04.2016 and Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements are prepared under the historical cost convention, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policy below.

**ii Use of estimates and judgements**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

**iii Revenue recognition**

Revenue 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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

**Interest Income**

Interest revenue is recognized on a time proportion basis, taking into account the amount outstanding and the rates applicable. Interest income is included under the head "Other Income" in the statement of profit and loss.

**iv Taxes on Income**

Current tax is determined and provided for on the amount of taxable income at the applicable rates for the relevant financial year. Deferred Tax Assets and Liabilities (DTA / DTL) are recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. The DTA is recognised only to the extent that there is virtual certainty of sufficient future profits against which such DTA can be realised.

**v Financial instruments**

**Initial recognition and measurement**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**Subsequent measurement**

**Financial assets:**

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

**Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**Financial liabilities**

All financial liabilities are subsequently recognised at amortised cost.

**Derecognition**

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

**vi Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.



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Notes to Financial Statements as at March 31, 2022

vii **Provisions & contingent liabilities**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. The contingent liabilities, if any, are disclosed in the financial statements.

viii **Events occurring after the reporting period**

Adjustments to assets and liabilities are made for events occurring after the reporting period to provide additional information materially affecting the determination of the amounts of assets or liabilities relating to conditions existing at the reporting date.

ix **Earnings per equity share**

Basic earnings per equity share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the periods presented.

x **Cash flow statement**

Cash flows are reported using indirect method, whereby profits for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xi **Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

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

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying assets.

xii **Other income**

Other income is comprised primarily of interest income, dividend income and income from liabilities no longer payable. Interest income is recognized using effective interest method. Dividend income is recognised when the right to receive payment is established.

xiii **Fair value measurements**

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:

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

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

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.



(Formerly Known as E-arth Finserve Solutions Pvt. Ltd.)

E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED  
Regd. Address: 512-B, 98-N Nehru Place New Delhi South Delhi DL 110019  
CIN: U63000DL2020PTC364122  
Notes to Financial Statements as at March 31, 2022

Particulars	Figures as at 31-03-2022 Rs.'000	Figures as at 31-03-2021 Rs.'000
<b>2. Deferred tax assets (net)</b>		
Opening balance (net)	-	-
(Less)/Add adjustments during the year	1,167.34	-
<b>Balance at the end of year</b>	<b>1,167.34</b>	-
<b>3. Cash &amp; Cash equivalents</b>		
Balances with banks:	39,381.72	21.35
	<b>39,381.72</b>	<b>21.35</b>
<b>4. Other Current Asset</b>		
TDS Receivables	1,474.71	-
GST Receivable	9.34	-
	<b>1,484.05</b>	-
<b>5. Equity Share Capital</b>		
<b>Authorized shares</b>		
150,000 (150,000) Equity Shares of Rs. 10/- each	1,500.00	50.00
<b>Issued, subscribed and fully paid-up shares</b>		
15,000 (5000) Equity Shares of Rs. 10/- each	150.00	50.00
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>150.00</b>	<b>50.00</b>





**E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED**  
**Regd. Address: 512-B, 98-N Nehru Place New Delhi South Delhi DL 110019**  
**CIN: U63000DL2020PTC364122**  
**Notes to Financial Statements as at March 31, 2022**

Particulars	Figures as at 31-03-2022	Figures as at 31-03-2021		
<b>(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year</b>				
<b>Equity shares</b>				
<hr/>				
<b>Particulars</b>	<b>No. of shares</b>	<b>Amount Rs.</b>	<b>No. of shares</b>	<b>Amount Rs.</b>
At the beginning of the year	5,000	50	-	-
Issued during the year	10,000	100	5,000	50
Issued during the year – Bonus issue	-	-	-	-
Issued during the year – ESOP	-	-	-	-
Outstanding at the end of the year	<u>15,000</u>	<u>150</u>	<u>5,000</u>	<u>50</u>
<b>(b) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates</b>				
Out of equity shares issued by the company, shares held by its holding company are stated below:				
<b>(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:</b>				Nil
<b>(d) Details of shareholders holding more than 5% shares in the company</b>				Nil
<hr/>				
<b>Name of the shareholder</b>	<b>No. of shares</b>	<b>% holding in the class</b>	<b>No. of shares</b>	<b>% holding in the class</b>
E-ARTH Techventures Private Limited	-	0.00%	5,000	100.00%
Digispice Technologies Limited	10,000	66.67%	-	0.00%
Spice Money Limited	5,000	33.33%	-	0.00%
<b>(e) The above information (from (a) to (d)) is as per records of the company, including its register of shareholders/ members. The above shareholding represents legal ownerships of shares.</b>				
<b>(f) Details of shares held by Promoters</b>				
E-ARTH Techventures Private Limited			NIL	5000
Digispice Technologies Limited			10000	NIL
<b>6. Provisions</b>				
Provision for Fuel & Maintenance CTC			79.86	-
			<u>79.86</u>	<u>-</u>
<b>7. Financial liabilities</b>				
Expenses payable			-	68.61
Audit Fees Payable			53.60	23.60
Others Liabilities			86.23	-
			<u>139.83</u>	<u>92.21</u>
<b>8. Other current liabilities</b>				
TDS payable			-	1.01
			<u>-</u>	<u>1.01</u>
<b>Contingent liabilities and commitments</b>				
a) Claims against the company not acknowledged as debts			NIL	NIL
b) Guarantees excluding financial guarantee			NIL	NIL
c) other money for which company is contingently liable			NIL	NIL
<b>(2) Commitments</b>				
a) Estimated amounts of contracts to be executed on capital account not provided for			NIL	NIL
b) Uncalled liability on partly paid shares			NIL	NIL
c) Other commitments			NIL	NIL



(Formerly Known as E-arth Finserve Solutions Pvt. Ltd.)

**E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED**

Regd. Address: 512-B, 98-N Nehru Place New Delhi South Delhi DL 110019

CIN: U63000DL2020PTC364122

**Statement of Profit & Loss for the period ending 31.03.2022**

Particulars	Figures for the	Figures for the
	period ending 31.03.2022	period from 29.05.2020 to 31.03.2021
	Rs. '000	Rs. '000
<b>9. Revenue from Operations</b>		
Revenue from IRCTC	1,090.23	-
Revenue from SM Platfrom	6,374.04	-
	<b>7,464.28</b>	-
<b>10. Direct Expenses</b>		
Commission Expenses	372.93	-
OTP Expenses	194.00	-
	<b>566.93</b>	-
<b>11. Employees Benefit Expenses</b>		
Salaries, wages, bonus & others	8,660.54	-
Contribution to provident fund	458.50	-
Leave encashment	42.86	-
	<b>9,161.90</b>	-
<b>12. Finance Cost</b>		
Interest Expenses	309.32	-
	<b>309.32</b>	-
<b>13. Other expenses</b>		
Filing fees	-	8.25
Bank Charges	2.86	-
Business Promotion Expenses	1,094.77	-
Consultancy Fees	42.50	-
Interest on Payment of TDS	0.03	-
Legal & Professional Charges	247.07	15.93
Mobile Expenses	0.90	-
PG Charges	118.03	-
Rent expenses	60.00	50.48
Service Charges	6.00	-
Payment to auditors (refer details below)	50.00	23.60
Professional Fee-Incorp.	-	23.60
	<b>1,622.17</b>	<b>121.86</b>
<b>Payment to auditors :</b>		
Statutory audit fee	50.00	23.60
	<b>50.00</b>	<b>23.60</b>
<b>14. Earnings per share (EPS)</b>		

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

Profit/ (loss) after tax	(3,029)	(121,865)
Number of ordinary equity shares	15,000	5,000
Weighted average number of ordinary equity shares	12,205	5,000
Nominal Value of ordinary shares	10	10
<b>Basic earning per share</b>	<b>(0.20)</b>	<b>(24.37)</b>
<b>Diluted earning per share</b>	<b>(0.25)</b>	<b>(24.37)</b>



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**E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED**  
 Regd. Address: 512-B, 98-N Nehru Place New Delhi South Delhi DL 110019  
 CIN: U63000DL2020PTC364122  
 Statement of changes in equity (SOCE) as at March 31, 2022

**A. EQUITY SHARE CAPITAL**

(Rs in '000)

**1. Current Reporting period**

	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the current year	Balance at the end of the previous current period
Amount in Rs	50			100	150
No. of Shares	5000			10000	15000

(e) The above information (from (a) to (d)) is as per records of the company, including its register of shareholders/ members. The above shareholding represents legal ownerships of

	Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
Amount in Rs				50	50
No. of Shares				5000	5000

**B. OTHER EQUITY**

(Rs in '000)

**1. Previous Reporting Period**

	Share application money pending for allotment	Equity Component compounded Financial Instruments	Capital Reserves	Securities Premium	Other Reserves	Retained Earnings	Total
Balance at the beginning of previous Reporting Period							-
Changes in accounting policy or prior period errors							-
Restated balance at the beginning of the previous reporting period							-
Total Comprehensive income for the previous year							-
Dividends							-
Transfer to retained earnings						(122)	(122)
Any other changes							-
<b>Balance at the end of Previous Reporting Period</b>						(122)	(122)

Amount in Rs

**2. Current Reporting Period**

	Share application money pending for allotment	Equity Component compounded Financial Instruments	Capital Reserves	Securities Premium	Other Reserves	Retained Earnings	Total
Balance at the beginning of current Reporting Period						(122)	(122)
Changes in accounting policy or prior period errors							-
Restated balance at the beginning of the current reporting period							-
Total Comprehensive income for the current year							-
Dividends							-
Transfer to retained earnings						(3,029)	(3,029)
Any other changes							-
<b>Balance at the end of Current Reporting Period</b>						(3,151)	(3,151)

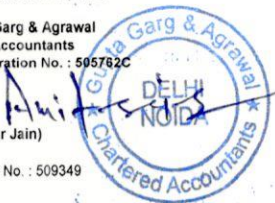
Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date  
 For Gupta Garg & Agrawal  
 Chartered Accountants  
 Firm Registration No. : 595762C

(Amit Kumar Jain)  
 Partner  
 Membership No. : 509349



For and behalf of the Board of Directors

(SUNIL KUMAR KAPOOR)  
 Director  
 DIN: 05322540

(MEGHA BANSAL)  
 Director  
 DIN/09313190

Place : Delhi  
 Date : 23/05/2022

Schedule Trade Payables FY ending 31.03.2022

Amount in Rs '000

Particulars	Outstanding for the following periods from the due date of payments				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME					-
ii) Others	66,738				66,738
iii) Diputed Dues - MSME					-
iv) Diputed Dues - Others					-

Schedule Trade Payables FY- ending 31.03.2021

Amount in Rs

Particulars	Outstanding for the following periods from the due date of payments				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME					-
ii) Others	-				-
iii) Diputed Dues - MSME					-
iv) Diputed Dues - Others					-

Schedule Trade Receivables FY ending 31.03.2022

Amount in Rs

Particulars	Outstanding for the following periods from the due date of payments					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables – considered good	21,924					21,924
ii) Undisputed Trade receivables – considered doubtful						-
iii) Disputed Trade Receivables considered good						-
iv) Disputed Trade Receivables considered doubtful						-

Schedule Trade Receivables FY ending 31.03.2021

Amount in Rs

Particulars	Outstanding for the following periods from the due date of payments					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables – considered good						-
ii) Undisputed Trade receivables – considered doubtful						-
iii) Disputed Trade Receivables considered good						-
iv) Disputed Trade Receivables considered doubtful						-



(Formerly known as E-arth Finserve Solutions Pvt. Ltd.)

**E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED**  
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Notes to Financial Statements as at March 31, 2022

**15. Financial instruments by category**

The carrying value and fair value of financials instruments by categories as of March 31, 2022 are as follows.

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory	
		Amount in Rs '000				
<b>Financial Assets</b>						
Investments	-	-	-	-	-	-
Cash & cash equivalents	39,381.72	-	-	-	-	39,381.72
Other financial assets	-	-	-	-	-	-
<b>Total</b>	<b>39,381.72</b>	-	-	-	-	<b>39,381.72</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	-	-	-	-
Others financial liabilities	139.83	-	-	-	-	139.83
<b>Total</b>	<b>139.83</b>	-	-	-	-	<b>139.83</b>

The carrying value and fair value of financials instruments by categories as of March 31, 2021 are as follows.

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory	
		Amount in Rs '000				
<b>Financial Assets</b>						
Investments	-	-	-	-	-	-
Cash & cash equivalents	21.35	-	-	-	-	21.35
Other financial assets	-	-	-	-	-	-
<b>Total</b>	<b>21.35</b>	-	-	-	-	<b>21.35</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	-	-	-	-
Others financial liabilities	92.21	-	-	-	-	92.21
<b>Total</b>	<b>92.21</b>	-	-	-	-	<b>92.21</b>

**Fair value hierarchy**

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

Level 2 — Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly or indirectly

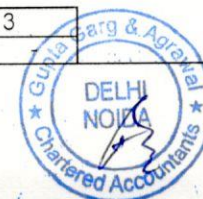
Level 3 — Inputs for the assets or liabilities that are not based on observable market data

**As at March 31, 2022 Fair value measurement at end of the reporting year**

		Level 1	Level 2	Level 3
Investment in equity instruments	-	-	-	-

**As at March 31, 2021 Fair value measurement at end of the reporting year**

		Level 1	Level 2	Level 3
Investment in equity instruments	-	-	-	-



(Formerly Known as E-arth Finsolve Solutions Pvt. Ltd.)

**E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED**

**Regd. Address: 512-B, 98-N Nehru Place New Delhi South Delhi DL 110019**

**CIN: U63000DL2020PTC364122**

**Notes to Financial Statements as at March 31, 2022**

**16. Financial risk management objectives and policies**

The companies activities expose it to a variety of financial risk: market risk, credit risk and liquidity risk. The company is focus foresee the unpredicatability of financial market and seeing to minimize potential adverse effects on its financial performance.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits. The Company has interest rate risk as the company has taken borrowings.

**(a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the borrowing, but disclosure of sensitivity analysis is not applicable because changes in relevant risk variables is not reasonably possible.

**(b) Credit risk**

The maximum exposure to the credit risk at the reporting date is primarily on cash and cash equivalents which is limited as the company has current account with bank.

**(c) Liquidity risk**

The company's principal sources of liquidity are cash and cash equivalents.

As of March 31, 2022, the Company had a working capital of Rs. 4,088 thousands including cash and cash equivalents of Rs.39,382 thousands as against working capital of Rs 20.34 thousands including cash and cash equivalent of Rs. 21.35 thousands in previous year.

Digispice Technologies Limited has control over the company and it has confirmed its intention in writing to provide financial assistance as and when any obligation either arises or falls due on the company. In view of the assurance from the controlling company, company will be able to manage its liquidity risk.

The table below provides detail regarding the contractual maturities of significant financial liabilities as of March 31, 2022

Rs. '000

Particulars	Less than 1 years	1-3 years	Total
Borrowings	-	-	-
Other financial liabilities	139.83	-	139.83

The table below provides detail regarding the contractual maturities of significant financial liabilities as of March 31, 2021

Rs. '000

Particulars	Less than 1 years	1-3 years	Total
Borrowings	-	-	-
Other financial liabilities	92.21	-	92.21



(Formerly Known as E-arth Finserve Solutions Pvt. Ltd.)

**E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED**  
 Regd. Address: 512-B, 98-N Nehru Place New Delhi South Delhi DL 110019  
 CIN: U63000DL2020PTC364122

**17. Financial Ratios**

The major financial ratios of the Company are disclosed below along with the reasons for variance:

Ratio	Formula	As at 31 March 2022			As at 31 March 2021			% of Variance	Reason for Variance
		Numerator	Denominator	Ratio	Numerator	Denominator	Ratio		
Current Ratio	Current Assets / Current Liabilities	62,790	66,878	0.94	21	93	0.23	310%	Due to infusion of fund in Equity Capital.
Debt equity ratio	Total Debt / Shareholder's Equity								NA
Debt-service coverage ratio	Earnings available for debt service / Debt Service								NA
Return on equity ratio	Net Profits after taxes - Preference Dividend (if any) / Avg. Shareholder's Equity	(3,029)	150	(20.19)	(122)	50	(2.44)	728%	Due to infusion of fund in Equity Capital.
Inventory turnover ratio	Cost of goods sold or sales / Avg Inventory								NA
Return on Capital employed	Earning before interest and taxes / Capital Employed	(3,887)	150	(25.91)	(122)	50	(2.44)	963%	Due to infusion of fund in Equity Capital.
Return on investments (Calculated for Equity)	$\frac{(MV(T1) - MV(T0) - \text{Sum } [C(t)])}{(MV(T0) + \text{Sum } [W(t) * C(t)])}$								
Trade receivable turnover ratio	Net Credit Sales / Avg. Accounts Receivable								NA
Trade payable turnover ratio	Net Credit Purchases / Avg. Trade Payables								NA
Net capital turnover ratio	Net Sales / Working Capital								NA
N.P. Ratio	Net Profit / Net Sales								NA

**Debt-service coverage ratio**

Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc  
 Debt service = Interest & Lease Payments + Principal Repayments  
 "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income

**Inventory turnover ratio**

Average inventory = (Opening + Closing balance / 2)

When the information opening and closing balances of inventory is not available then the ratio can be calculated by dividing COGS OR Sales by closing balance of Inventory

**Return on Capital employed.**

Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

**Return on investments.**

$ROI = \frac{(MV(T1) - MV(T0) - \text{Sum } [C(t)])}{(MV(T0) + \text{Sum } [W(t) * C(t)])}$

For the year ended 31	For the year ended 31
March 2022	March 2021

T1 = End of time period

T0 = Beginning of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t) = Cash inflow, cash outflow on specific date

W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as  $(T1 - t) / T1$

**Trade receivable turnover ratio**

Net credit sales consist of gross credit sales minus sales return.

Trade receivables includes sundry debtors and bills receivables.

Average trade debtors = (Opening + Closing balance / 2)

**Trade payable turnover ratio**

Net credit purchases consist of gross credit purchases minus purchase return

**Net capital turnover ratio**

Net sales shall be calculated as total sales minus sales returns.

Working capital shall be calculated as current assets minus current liabilities

**N.P. Ratio**

Net profit shall be after tax.

Net sales shall be calculated as total sales minus sales returns.



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**Notes to Financial Statements for the year ended March 31, 2022**

**18 Capital management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

**19 Related Party Disclosure**

**a) Names of Related Party**

i Ultimate Holding Company

NIL

ii Holding Company

Digispice Technologies Limited

Other related party with whom transactions has taken place

iii Associate company

Spice Money Ltd.

iv Key managerial personnel

Upto 28/12/2021  
Upto 28/12/2021  
From 12/08/2021  
From 01/12/2021  
From 01/12/2021

Mr. Dilip Kumar Modi (Director)  
Mr. Mohit Bansal (Director)  
Mr. Sunil Kumar Kapoor (Director)  
Mr. Devidas Sharma (Director)  
Mrs. Megha Bansal (Director)

**b) Related Party Transactions:**

**Annex. I**

As per our report of even date.

For Gupta Garg & Agrawal  
Chartered Accountants

Firm Registration No. : 505762C

(Amit Kumar Jain)

Partner

Membership No. : 509349



For and on behalf of the Board of Directors

(SUNIL KUMAR KAPOOR)

Director  
DIN: 05322540

(MEGHA BANSAL)

Director  
DIN: 09313190

Place : Delhi

Date : 23/05/2022



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E-ARTH TRAVEL SOLUTIONS PRIVATE LIMITED

Regd. Address: 512-B, 98-N Nehru Place New Delhi South Delhi DL 110019

CIN: U63000DL2020PTC364122

Notes to Financial Statements as at March 31, 2022

Amount Rs. '000

Annex((18))

Related Party Transactions for FY 2021-22

Particulars	Holding Company	Associate Company	Key Managerial Personnel	Total
	Digispice Technologies Ltd	Spice Money Ltd		
<b>I. Transactions during the year</b>				
Share Capital	100.00	50.00	-	150.00
	(-)	(-)	(-)	(-)
Advance given during the year	-	8,000.00	-	8,000.00
	(-)	(-)	(-)	(-)
Repayment of Advance	-	7,200.00	-	7,200.00
	(-)	(-)	(-)	(-)
Interest on ICD	-	309.32	-	309.32
	(-)	(-)	(-)	(-)
Loan taken	-	10,000.00	-	10,000.00
	(-)	(-)	(-)	(-)
Repayment of Loan	-	10,000.00	-	10,000.00
	(-)	(-)	(-)	(-)
Reimbursement of Expenses	-	52,954.32	-	52,954.32
	(-)	(-)	(-)	(-)
Revenue	-	6,305.50	-	6,305.50
	(-)	(-)	(-)	(-)
<b>II. O/s balance at the year end</b>				
Advance given during the year (For TDS Amount)	-	800.00	-	800.00
	(-)	(-)	(-)	-
Interest Payable on ICD	-	1.48	-	1.48
	(-)	(-)	(-)	(-)
Trade Payables	-	65,207.06	-	65,207.06
	(-)	(-)	(-)	-
Trade Receivables	-	21,055.41	-	21,055.41
	(-)	(-)	(-)	-

