

INDEPENDENT AUDITOR'S REPORT

To the Members of Adventure and Nature Network Private Limited

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

We have audited the accompanying Ind AS financial statements of Adventure and Nature Network Private Limited ("the Company"), which comprise the Balance Sheet as at March 31 2022, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Other Information

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

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



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

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2021 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy /and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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



statements.

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

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

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

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



Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Companies (Accounting Standards) Rules, 2021 specified under section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) This report does not include Report on the internal financial controls under clause (i) of Sub section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls with reference to Ind AS financial statements;
 - (g) The provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 32 to the Ind AS financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 36 to the Ind AS financial statements, 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;
 - b) The management has represented that, to the best of its knowledge and belief, 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
 - c) Based on such audit procedures performed that have been 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 (a) and (b) contain any material misstatement.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

v. No dividend has been declared or paid during the year by the Company.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Yogender Seth

Partner

Membership Number: 094524

UDIN: 22094524ATJKRM4090

Place of Signature: Gurugram

Date: September 20, 2022



Adventure and Nature Network Private Limited

Balance sheet as at March 31, 2022

(Amounts in thousands of Indian Rupees, except per share data and number of shares)

Particulars	Notes	March 31, 2022	March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	5	-	-
Intangible assets	6	-	-
Right-of-use assets	33	-	8,151
Financial assets			
Other financial assets	7	-	308
Total Non-current assets		-	8,459
Current assets			
Financial assets			
Cash and cash equivalents	8	664	1,624
Other current assets	9	1,547	1,177
Total Current assets		2,211	2,801
Total assets		2,211	11,260
Equity and liabilities			
Equity			
Equity Share Capital	10	67,600	67,600
Other Equity			
Retained earnings		(162,399)	(150,909)
Total equity		(94,799)	(83,309)
Non-current liabilities			
Financial liabilities			
Lease liabilities	33	-	8,387
Provisions	14	117	172
Total Non-current liabilities		117	8,559
Current liabilities			
Financial liabilities			
Borrowings	11	57,700	55,200
Lease liabilities	33	-	861
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	12	612	711
Total outstanding dues of creditors other than micro enterprises and small enterprises	12	8,761	7,741
Other financial liabilities	13	22,887	14,776
Provisions	14	222	262
Other current liabilities	15	6,711	6,459
Total current liabilities		96,893	86,010
Total liabilities		97,010	94,569
Total equity and liabilities		2,211	11,260
Summary of significant accounting policies	2		

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

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

per Yogender Seth
Partner
Membership No: 094524

Place: Gurugram
Date: September 20, 2022



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

Ajeet Bajaj
Director
(DIN: 00570056)

Place: Gurugram
Date: September 20, 2022

Anuj Kumar Sethi
Director
(DIN: 07895546)

Place: Gurugram
Date: September 20, 2022



Adventure and Nature Network Private Limited
Statement of Profit and Loss for the year ended March 31, 2022
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

Particulars	Notes	March 31, 2022	March 31, 2021
Income			
Revenue from operations	16	2,357	2,164
Other income	17	1,344	6,946
Total income		3,701	9,110
Expenses			
Marketing and sales promotion expenses		707	688
Employee benefits expense	18	3,608	3,304
Depreciation and amortisation expense	19	86	1,155
Finance costs	20	8,912	8,866
Other expenses	21	1,867	3,032
Total expense		15,180	17,045
Loss before tax		(11,479)	(7,935)
Tax expense	30		
Current tax		-	-
Deferred tax		-	-
Loss for the year		(11,479)	(7,935)
Other Comprehensive Income	24		
Other Comprehensive Income not to be reclassified in Profit or Loss in subsequent period :			
Remeasurement losses on defined benefit plans		11	8
Other Comprehensive Income for the year, net of tax		11	8
Total Comprehensive Income for the year		(11,490)	(7,943)
Loss per share	22		
Basic and diluted loss per share (INR)		(1.70)	(1.17)
Summary of significant accounting policies	2		

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

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



per Yogender Sethi
Partner
Membership No: 094524

Place: Gurugram
Date: September 20, 2022

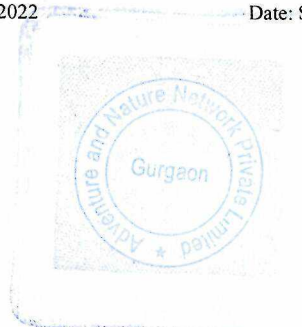
For and on behalf of the Board of Directors of
Adventure and Nature Network Private Limited

Ajeet Bajaj
Director
(DIN: 00570056)

Place: Gurugram
Date: September 20, 2022

Anuj Kumar Sethi
Director
(DIN: 07895546)

Place: Gurugram
Date: September 20, 2022



Adventure and Nature Network Private Limited
Statement of Changes in Equity for the year ended March 31, 2022
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

Particulars	Equity Share Capital		Other Equity	Total
	No of shares	Amount	Retained earnings	
Balance as at April 1, 2020	6,760,000	67,600	(142,966)	(75,366)
Loss for the year	-	-	(7,935)	(7,935)
Other Comprehensive Income (Refer Note 24)				
Remeasurement losses on defined benefit plans			(8)	(8)
Total Comprehensive Income for the year ending March 31, 2021			(7,943)	(7,943)
Balance as at March 31, 2021	6,760,000	67,600	(150,909)	(83,309)
Balance as at April 1, 2021	6,760,000	67,600	(150,909)	(83,309)
Loss for the year	-	-	(11,479)	(11,479)
Other Comprehensive Income (Refer Note 24)				
Remeasurement losses on defined benefit plans			(11)	(11)
Total Comprehensive Income for the year ending March 31, 2022			(11,490)	(11,490)
Balance as at March 31, 2022	6,760,000	67,600	(162,399)	(94,799)

Summary of significant accounting policies (Refer Note 2)

Other equity

1. Retained Earnings

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

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

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

per Yogender Sethi
Partner
Membership No: 094524

Place: Gurugram
Date: September 20, 2022



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

Ajeet Bajaj
Director
(DIN: 00570056)

Place: Gurugram
Date: September 20, 2022

Anuj Kumar Sethi
Director
(DIN: 07895546)

Place: Gurugram
Date: September 20, 2022



Adventure and Nature Network Private Limited
Statement of Cash Flows for the year ended March 31, 2022
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

Particulars	Notes	March 31, 2022	March 31, 2021
Cash flows from operating activities:			
Loss before tax		(11,479)	(7,935)
Adjustments for:			
Depreciation and amortization expense	19	86	1,155
Finance costs		8,909	8,865
Excess provision written back	17	(115)	(6,502)
(Gain) / Loss on disposal of PPE		(1)	9
Provision for doubtful advances	21	-	1,093
Unwinding of discount on other financial assets	17	-	(39)
Gain on termination / rent concession of leases	17	(1,213)	(394)
Operating loss before working capital changes		(3,813)	(3,748)
Working capital adjustments:			
Increase in other assets		(62)	(693)
Increase/ (decrease) in trade payables		1,036	(11,165)
Decrease in other liabilities		(378)	(1,763)
Increase/ (decrease) in provisions		(106)	46
Net cash used in operating activities	(A)	(3,323)	(17,323)
Cash flows from investing activities:			
Proceeds from sale of property, plant and equipment		1	-
Net cash flow from investing activities	(B)	1	-
Cash flows from financing activities:			
Payment of interest portion of lease liabilities		(138)	(823)
Proceeds from borrowings		2,500	19,500
Net cash from financing activities	(C)	2,362	18,677
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	(960)	1,354
Cash and cash equivalents at the beginning of the year		1,624	270
Closing cash and cash equivalents at the end of the year	8	664	1,624
Components of cash and cash equivalents:			
Balances with banks			
On current account		558	1,618
Credit card collection in hand		106	6
Total cash and cash equivalents	8	664	1,624
Summary of significant accounting policies	2		

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

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

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

per Yogender Seth
Partner
Membership No: 094524



Place: Gurugram
Date: September 20, 2022

Ajeet Bajaj
Director
(DIN: 00570056)

Place: Gurugram
Date: September 20, 2022

Anuj Kumar Sethi
Director
(DIN: 07895546)

Place: Gurugram
Date: September 20, 2022



Adventure and Nature Network Private Limited

Notes to the financial statements as at and for the year ended March 31, 2022

(Amounts in thousands of Indian Rupees, except per share data and number of shares)

1. Corporate information

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

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

2. Summary of significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared to comply in all material respects with the Indian Accounting Standard ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the financial statements.

The financial statements are authorized for issue by the Company's Board of Directors on September 20, 2022.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied by the Company, to all the periods presented in the said financial except in relation to new standards adopted on April 1, 2021. (Refer note 2.3)

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

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

2.2 Basis of preparation-Going Concern

The Company has accumulated losses aggregating to INR 1,62,399 (March 31, 2021: INR 1,50,909) as at year-end as against paid up capital and reserve (without netting off accumulated losses) of INR 67,600 (March 31, 2021: INR 67,600).

Loss for the year amounting to INR 11,479 (March 31, 2021: INR 7,935), negative net working capital amounting to INR 94,682 (March 31, 2021: INR 83,209) indicating an uncertainty to continue as a going concern.

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

2.3 New standards, interpretations and amendments adopted by the Company

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2021. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

(i) Covid-19-Related Rent Concessions—Amendment to Ind AS 116

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond June 30, 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before June 30, 2022 from June 30, 2021. The amendment applies to annual reporting periods beginning on or after April 1, 2021.

Refer Note 33 for effect of implementation of this practical expedient.

(ii) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest



Adventure and Nature Network Private Limited
Notes to the financial statements as at and for the year ended March 31, 2022
(Amounts in thousands of Indian Rupees, except per share data and number of shares)

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

(iii) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Company.

2.4 Basis of measurement

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

Fair value measurement

Fair value is the price 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 by the Company.

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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing 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.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the Note 27.

2.5 Current versus non-current classifications

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

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

