To,
The Board of Directors
TBO Tek Limited
(Formerly known as TBO Tek Private Limited and Tek Travels Private Limited)
E-78 South Extension Part - I
New Delhi 110 049
Delhi, India

Dear Sir,

We have verified the translated version of the audited consolidated financial statements of **TEK TRAVELS DMCC** for the year ended 31st March 2022. The financial statements have been translated by the Company in Indian Rupee in accordance with Ind AS 21, The Effect of Changes in Foreign Currency Rates. The work is carried out by us in accordance with the Standard of Related Services (SRS) 4400, "Engagements to Perform Agreed upon Procedures regarding Financial Information" issued by the Institute of Chartered Accountants of India.

As required under Schedule VI Part A Item no. (11) (I) (A) (ii) (b) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), we have verified the translated financial information contained in the Annexures attached to this certificate which is proposed to be uploaded on the website of **TBO TEK LIMITED** (Formerly known as TBO Tek Private Limited and Tek Travels Private Limited) in connection with its proposed initial public offering of equity shares of **TBO TEK LIMITED** (Formerly known as TBO Tek Private Limited and Tek Travels Private Limited).

We did not audit or review the consolidated financial statements of **TEK TRAVELS DMCC** or standalone or consolidated financial statements of its parent company, **TBO TEK LIMITED** (Formerly known as TBO Tek Private Limited and Tek Travels Private Limited). These financial statements have been audited by other audit firms, whose reports have been furnished to us by the Company.

These translated financials should not in any way be construed as a reissuance or re-dating of any of the previous audit reports, nor should these be construed as a new opinion on any of the audited standalone financial statements referred to herein.

These translated financials are intended solely for the use of management of the Company for uploading on website of **TBO TEK LIMITED** (Formerly known as TBO Tek Private Limited and Tek Travels Private Limited) in connection with proposed initial public offering of equity shares of the Company. The certificate should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

Disclaimer: -

1. The above certificate is based on the information and explanations provided by the management of **TBO TEK LIMITED** (Formerly known as TBO Tek Private Limited and Tek Travels Private Limited) and its subsidiary **TEK TRAVELS DMCC** and step down subsidiaries**.**

For N B T and Co
Chartered Accountants
ICAI Firm Registration Number: 140489W

NEHA NUWAL
Digitally signed by NEHA NUWAL
Date: 2023.11.13 19:11:15 +05'30'

CA Neha Nuwal
Partner
Membership No: 157137
Place: Mumbai
Date: November 13, 2023
UDIN: 24157137BKFCZE3666

TEK TRAVELS DMCC

JUMEIRAH LAKE TOWERS, DUBAI - UNITED ARAB EMIRATES

Consolidated Statement of Financial Position - - -

	Note	As at 31 March, 2022		As at 31 March, 2021	
		AED	INR	AED	INR
I ASSETS					
A) NON- CURRENT ASSETS					
Property, Plant and Equipment	5	942,573	19,483,602	180,941	3,604,833
Intangible Assets	6	8,481,710	175,322,519	1,568,245	31,243,675
Investments		11,779	243,489	11,779	234,678
Investment in Joint ventures	19	23,680	492,032	-	-
Loan to a related party	8	1,422,652	31,371,786	-	-
Total non-current assets		**10,882,394**	**226,913,428**	**1,760,965**	**35,083,186**
B) CURRENT ASSETS					
Trade and other receivables	7	213,967,361	4,422,845,758	49,626,893	988,701,694
Due from Related Parties	8	1,298,551	25,528,062	3,906,243	77,822,915
Cash and Cash Equivalents	9	114,217,181	2,360,944,038	50,315,744	1,002,425,443
Total current assets		**329,483,093**	**6,809,317,858**	**103,848,880**	**2,068,950,052**
TOTAL ASSETS (A + B)		**340,365,487**	**7,036,231,286**	**105,609,845**	**2,104,033,238**
II LIABILITIES & EQUITY					
A) EQUITY					
Equity share capital	11	9,100,000	156,110,000	9,100,000	156,110,000
Retained earnings		17,377,685	306,613,434	11,978,791	203,067,964
Foreign currency Transalation Reserve		(541,152)	74,055,149	(732,960)	46,165,970
Total equity		**25,936,533**	**536,778,583**	**20,345,831**	**405,343,934**
B) NON CURRENT LIABILITIES					
Provision for employees' end of services benefits	12	1,505,576	31,121,253	1,174,101	23,391,263
Total non-current liabilities		**1,505,576**	**31,121,253**	**1,174,101**	**23,391,263**
C) CURRENT LIABILITIES					
Accounts Payables & Accruals	13	303,004,818	6,263,308,316	84,089,913	1,675,298,041
Due to Related Parties	8	9,918,560	205,023,134	-	-
Total current liabilities		**312,923,378**	**6,468,331,450**	**84,089,913**	**1,675,298,041**
TOTAL LIABILITIES & EQUITY (A + B + C)		**340,365,487**	**7,036,231,286**	**105,609,845**	**2,104,033,238**

TEK TRAVELS DMCC
JUMEIRAH LAKE TOWERS, DUBAI - UNITED ARAB EMIRATES
Consolidated Statement of Comprehensive Income

	Note	As at 31 March, 2022 AED	As at 31 March, 2022 INR	As at 31 March, 2022 AED	As at 31 March, 2022 INR
Income					
Revenue	**14**	113,420,584	2,298,736,177	23,189,169	465,356,691
Cost of sales		(37,433,305)	(758,674,395)	(6,453,414)	(129,355,075)
Gross profit		**75,987,279**	**1,540,061,782**	**16,735,755**	**336,001,616**
Other Income		5,171,247	104,810,715	3,651,030	72,598,294
Finance Income		36,170	733,068	-	-
Expenses					
Employee Benefits expenses	**16**	21,713,566	440,076,736	7,482,999	150,430,898
Depreciation and Amortization	**5**	1,259,626	25,529,306	196,275	3,945,721
Increase in loss allowance on trade receivables	**7**	678,894	13,759,389	1,175,748	23,506,296
Other Expenses	**15**	54,372,245	1,107,861,071	18,392,720	369,749,265
Exceptional expense / (Income)	**7**	(3,874,496)	(78,525,826)	14,693,285	292,729,913
Total expenses		**74,149,835**	**1,508,700,676**	**41,941,027**	**840,362,093**
Profit for the year before share of profit / (loss) of joint venture		**7,044,861**	**136,904,889**	**-21,554,242**	**-431,762,183**
Share of net profit of joint ventures accounted for using the equity method		(1,620,084)	(32,834,839)	-	-
Profit for the year		**5,424,777**	**104,070,050**	**-21,554,242**	**-431,762,183**
Other comprehensive income / (loss)					
Items that will not be reclassified subsequently to profit or loss:					
Actuarial gain/ (loss) on employees' end of service benefit obligations		(25,883)	(524,580)	42,310	853,428
Items that may be reclassified to profit and loss					
Currency translation differences		191,808	27,889,179	(94,374)	(24,694,709)
Total Comprehensive Income for the year		**5,590,702**	**131,434,649**	**(21,606,306)**	**(455,603,464)**

TEK TRAVELS DMCC
JUMEIRAH LAKE TOWERS, DUBAI - UNITED ARAB EMIRATES
Consolidated Cash Flow Statement

		Amount in AED For the year ended 31 March, 2022	Amount in INR For the year ended 31 March, 2022	Amount in AED For the year ended 31 March, 2021	Amount in AED For the year ended 31 March, 2021
A)	**CASH FLOWS FROM OPERATING ACTIVITIES**				
	Profit for the year before share of Joint Venture	**5,424,777**	**104,070,050**	**(21,554,242)**	**(431,762,183)**
	Adjustments for:				
i)	Depreciation on property, plant and equipment	206,203	3,754,368	160,325	3,236,449
ii)	Amortisation on intangible assets	1,053,423	21,774,938	35,950	716,067
iii)	Increase in loss allowance on trade receivables	678,894	13,759,389	1,175,748	23,506,296
iv)	Provision for employees' end of service benefits	380,385	7,709,403	325,365	6,535,071
v)	Exceptional items	(3,874,496)	(78,525,826)	14,693,285	292,729,913
vi)	Liability no longer required, written back	(2,179,722)	(44,177,218)	-	-
vii)	Share of net (profit) / loss of joint ventures accounted for using the equity method	1,620,084	32,834,839	-	-
viii)	Finance income	(36,170)	(733,068)	-	-
	Operating cash flows before payment of employees' end of service benefits and changes in working capital	**3,273,378**	**60,466,875**	**(5,163,569)**	**(105,038,387)**
	Payment of employees' end of service benefits	(74,793)	(1,382,168)	(77,265)	(1,545,987)
	Changes in Working Capital				
i)	(Increase) / Decrease in Trade receivables and other receivables	(161,144,866)	(3,369,377,627)	56,861,218	1,206,091,717
ii)	(Increase) / Decrease in Due from Related Parties	2,607,692	52,294,853	(3,906,243)	(77,822,915)
iii)	Increase / (Decrease) in Accounts Payables & Accruals	221,094,627	4,632,187,493	(5,168,357)	(106,065,715)
v)	Increase / (Decrease) in Due to Related Parties	9,918,560	205,023,134	(39,912,347)	(866,254,958)
	Changes in Working Capital	**72,401,220**	**1,518,745,685**	**7,797,006**	**154,402,142**
	Cash flow from / (used in) Operating Activities	**75,674,598**	**1,579,212,560**	2,633,437	49,363,755
B)	**CASH FLOWS FROM INVESTING ACTIVITIES**				
I)	Purchase of Property , Plant and Equipment	(966,476)	(19,977,693)	(58,640)	(1,168,267)
II)	Purchase of Intangible assets	(7,966,888)	(164,680,802)	(1,114,650)	(22,206,837)
III)	Deposits Placed during the year	785,711	14,036,496	(812,414)	(14,905,695)
IV)	Investment in Joint venture	(54,510)	(1,126,757)	(4,279)	(80,758)
V)	Loan to a related party	(2,996,134)	(63,238,998)	-	-
VI)	Finance income received	20,397	413,407	-	-
	Cash used in Investing Activities	**(11,177,900)**	**(234,574,348)**	(1,989,983)	(38,361,557)
C)	**NET (INCREASE) / DECREASE IN CASH AND CASH EQUIVALENTS**	**64,496,698**	**1,344,638,213**	**643,454**	**11,002,198**
	Currency translation differences	190,450	27,916,878	(96,335)	(24,930,547)
	Add: Cash and Cash Equivalents at the Beginning of the year	**47,368,155**	**943,701,512**	**46,821,036**	**957,629,862**
	Cash and Cash Equivalents at the end of the year (Refer Note 5)	**112,055,303**	**2,316,256,603**	**47,368,155**	**943,701,513**
		112,055,303	2,316,256,603	47,368,155	943,701,512

TEK TRAVELS DMCC
JUMEIRAH LAKE TOWERS, DUBAI - UNITED ARAB EMIRATES
Consolidated Statement of changes in equity

	Capital		Retained Earnings		Foreign currency Transalation Reserve		Total	
	AED	INR	AED	INR	AED	INR	AED	INR
Balance as at 1 April, 2021	**9,100,000**	**156,110,000**	**11,978,791**	**203,067,964**	**(732,960)**	**46,165,970**	**20,345,831**	**405,343,934**
							-	-
Total Comprehensive income							-	-
Profit for the year	-	-	5,424,777	104,070,050	-	-	5,424,777	104,070,050
Other comprehensive Income / (loss)	-	-	(25,883)	(524,580)	191,808	27,889,179	165,925	27,364,599
Balance as at 31 March, 2022	**9,100,000**	**156,110,000**	**17,377,685**	**306,613,434**	**(541,152)**	**74,055,149**	**25,936,533**	**536,778,583**

Tek Travels DMCC

Notes to the consolidated financial statements for the year ended 31 March 2022

1 General information

Tek Travels DMCC ("the Company") is a limited liability company established in Jumeirah Lake Towers under the provisions of Dubai Multi Commodities Centre Authority (DMCCA) laws and regulations. The Company is a wholly owned subsidiary of TBO Tek Limited (formerly Tek Travels Private Limited) ("the parent company") based in India.

These consolidated financial statements relate to the Company, its subsidiaries and its investments in joint arrangements (together referred to as "the Group").

The Group is primarily engaged in the business activity of e-marketplace service provider (DMCC), inbound and outbound tour operations and software solutions. The principal activities are consistent with the activities permitted under the license issued to the Company by DMCCA.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS Interpretation Committee ("IFRS IC") applicable to companies reporting under IFRS. The consolidated financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). These consolidated financial statements have been prepared under the historical cost convention.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

(a) New and amended standards adopted by the Group

The Group has applied the following amendment for the first time for their reporting period commencing from 1 April 2021:

- Interest Rate Benchmark Reform – Phase 2 – amendments to IFRS 9, IAS 39, IFRS 7, IFRS4 and IFRS 16

The amendment listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

There are no other IFRSs or IFRIC interpretations that are effective and would be expected to have a material impact on the consolidated financial statements of the Group.

(b) New standards and amendments not yet adopted by the Group

A number of new standards, amendments to standards and interpretations that have been published are effective for future reporting periods, and have not been applied in preparing these consolidated financial statements:

- Classification of Liabilities as Current or Non-current – Amendments to IAS 1;
- Property, Plant and Equipment: Proceeds before intended use–Amendments to IAS 16;
- Reference to the Conceptual Framework – Amendments to IFRS 3;
- Onerous Contracts – Cost of Fulfilling a Contract Amendments to IAS 37; and
- Annual Improvements to IFRS Standards 2018–2020.

These are all effective for annual periods beginning on or after 1 January 2022. The Group has taken the decision not to adopt these standards early. The extent of the impact for future accounting periods is still under review by the Group.

2.2 Basis of consolidation

a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date. Any gains or losses arising from such re-measurement are recognised in consolidated statement of comprehensive income. Acquisition related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquired entity and the acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in the consolidated statement of comprehensive income as bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in consolidated statement of comprehensive income.

Intercompany transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

A listing of Group subsidiaries is set out in Note 18.

a) Joint arrangements

The Group applies IFRS 11 to all joint arrangements. Under IFRS 11, 'Joint Arrangements', investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, investment in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from the joint ventures are recognised as a reduction in the carrying amount of the investment. Where the Group's share of losses in a joint venture equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.3 Foreign currency translation (continued)

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the respective entity operates ("the functional currency"). The consolidated financial statements are presented in the United Arab Emirates Dirham ("AED") which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the end of month, which closely approximates the rate prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised within profit and loss in the consolidated statement of comprehensive income.

(c) Group companies

The results and financial positions of all the subsidiaries (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
(ii) income and expenses for each statement of comprehensive income are translated at average exchange rates during the financial year; and
(iii) all resulting exchange differences are recognised as other comprehensive income and are presented as a separate component of equity called "translation reserve".

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to equity attributable to the owners of the parent. When a foreign operation is sold, the associated exchange differences that were recorded in equity are reclassified to the consolidated statement of comprehensive income as part of the gain or loss on sale.

2.4 Property and equipment

All items of property and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance cost are charged within profit and loss in the consolidated statement of comprehensive income during the financial year in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of assets less their estimated residual value over their estimated useful lives, as follows:

	Years
Furniture and fixtures	3
Motor vehicles	3
Computers	3
Office equipment	3

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are recognized within profit and loss in the consolidated statement of comprehensive income.

2.5 Intangible assets

Computer software

Acquired computer software costs recognised as assets are amortised over their estimated useful lives, which do not exceed three years.

Website and domain name

Costs associated with purchase of domain name is shown at historical cost less accumulated amortisation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Capital work-in-progress is stated at cost and includes website development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Group. Development costs are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the website so that it will be available for use;
- management intends to complete the website development and use it;
- there is an ability to use the website;
- it can be demonstrated how the website will generated probable future economic benefits;
- adequate technical, financial and other resources to complete the development and use the website are available; and
- the expenditure attributable to the website during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the website development include employee costs and appropriate portion of relevant overheads. Development cost will be transferred to appropriate category of intangibles and will be amortised from the point at which the asset is ready for use.

Amortisation of website development cost and domain name is calculated using the straight-line method to allocate the cost of assets less their estimated residual value over their estimated useful life of five years.

2.6 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets ("cash generating units").

Non-financial assets that have suffered impairment are reviewed for possible reversal of the impairment at each consolidated statement of financial position date.

2.7 Financial assets

(a) Classification

The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Management determines the classification of its investment at initial recognition.

(b) Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on the trade-date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement of financial assets depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

The Group classifies its financial assets in the following category:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented with foreign exchange gains and losses.

(d) Impairment

The Group has the following significant types of financial assets that are subject to IFRS 9's expected credit loss (ECL) model:

- Trade and other receivables (excluding prepayments);
- Due from a related party; and
- Cash and cash equivalents

The Group assesses on a forward-looking basis the expected credit losses associated with its financial instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance to be recognised from initial recognition for all the financial assets at amortised costs. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

2.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.9 Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection is expected in one year or less (or in the normal operating cycle of the business if longer) from the consolidated statement of financial position, they are classified as current assets. If not, they are presented as non-current assets.

2.10 Cash and cash equivalents

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, balances in current accounts and deposits with original maturity of less than or equal to three months

2.11 Share capital

Ordinary shares are classified as equity.

2.12 Employee benefits

(a) Provision for employees' end of service benefits

The liability recognised in the consolidated statement of financial position in respect of the employees' end of service benefits is the present value of the defined benefit obligation at the end of the reporting date together with adjustments for the unrecognised past-service costs. The defined benefit obligation is calculated annually by an independent actuary using projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognized immediately in the consolidated statement of comprehensive income.

(b) Annual leave entitlement

A provision is made for the estimated liability for employees' entitlement to annual leave as a result of services rendered by the employees up to the consolidated statement of financial position date. This provision is included in other payables as a current liability.

2.13 Trade and other payables

These represents liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer) after the consolidated statement of financial position date. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.14 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and risks specific to the obligation. Increases in provisions due to the passage of time are recognised as an interest expense.

2.15 Derivates

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The
accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

The Group designates derivatives as either;

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges);
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges); or
- hedges of a net investment in a foreign operation (net investment hedges.

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The Group is exposed to the impact of foreign currency fluctuations. The Group mitigates these risks by following established risk management policies and procedures, including the use of derivatives. The Group enters into foreign currency forward contracts to hedge its exposure to the impact of movements in foreign currency exchange rates on its transactional balances denominated in currencies other than the functional currency. The Group does not use derivatives for trading or speculative purposes.

The Group reports the fair values of its derivative liabilities on a gross basis in the consolidated statement of financial position in "Trade and other payables", unless designated as hedges for accounting purposes. Gains and losses resulting from changes in the fair values of derivative instruments are recognized within "Other income" in the consolidated statement of comprehensive income in the period that the changes occur.

2.16 Exceptional expense / income

Exceptional expense is a one off provision created against other receivable balance of the Group due to an increase in credit risk of receivable from a service provider. It is considered to be an unusual event as there is no history of such instance of elevated credit risk arising from other receivables. Subsequent recoveries against this provided balance has been recorded as an exceptional income. Accordingly, it has been presented separately on the face of the consolidated statement of comprehensive income.

2.17 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Group's activities, taking into account contractually defined terms to determine if the Group is acting as a principal or agent. The Group has concluded that it is acting as an agent in all its revenue arrangements as the Group primarily serves as a facilitator by matching customer demand with suppliers of accommodation and travel vendors and that these vendors are ultimately responsible for providing the services. Revenue is shown net of discounts, provision for cancellation of bookings and after eliminating revenue within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Group, regardless of when the payment is being made. The following specific recognition criteria must also be met before revenue is recognised:

i. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
ii. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
iii. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
iv. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
v. Recognise revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where none of the conditions mentioned of the aforementioned page are met, revenue is recognised at the point in time at which the performance obligation is satisfied. The Group has concluded that for all of its revenue arrangements none of the above conditions are satisfied therefore, it recognises revenue at the point in time at which the performance obligation is satisfied.

The Group recognises revenue in accordance with 5 step model, as specified above, at a point in time when specific criteria have been met for each of the Group's activities as described below:

(a) Commission income

Commission income primarily include commissions from hotel reservations, air ticket booking and related services. Revenue from commission income is recognised at the point in time when the booking is confirmed by the agent. Commission income is based on the price specified in the contracts, net of the provision for cancellation of bookings based on historical cancellation trends and forward looking factors.

(b) Performance linked benefits

It represents incentive earned from the suppliers based on purchase volumes agreed under the commercial contract with the supplier. It is recognised at a point in time when the Group achieves the agreed target and incentive becomes due under the contract.

(c) Cash back income

Cash back income is directly linked to its e-market services and represents incentive earned from credit card issuer on usage of credit cards for making payments for hotel bookings. It is recognised at a point in time when the payment is made using the credit card in accordance with the terms of agreement with the credit card issuer.

(d) Other services

These represents other e-marketplace and software services. It includes marketing fees received from hotels for promotion of its properties listed on our platform. Further, it also includes revenue from technical services provided to travel buyers and recognised as and when services are rendered

2.18 Leases

The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use and asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

a) there is an identified asset;
b) the Group obtains substantially all the economic benefits from use of the asset; and the Group has the right to direct use of the asset.

The Group considers whether the lessor has substantive substitution rights. If the lessor does have those rights the contract is not identified as giving rise to a lease.

In determining whether the Group obtains substantially all the economic benefits from use of the asset, the Group considers only the economic benefits that arise from use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Group has the right to direct use of the asset, the Group considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Group considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

All leases are accounted for by recognising a right of use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The Group's leases represent lease of property that is area obtained for office premises under leasing arrangement for a lease term of 12 months. Payments associated with lease are recognised on a straight-line basis as an expense in the consolidated statement of comprehensive income.

Tek Travels DMCC

Notes to the consolidated financial statements for the year ended 31 March 2022

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk, and cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Derivatives

The table below provides estimated fair values and notional amounts of foreign currency exchange derivatives outstanding at 31 March 2022 and 2021. The notional amount of a foreign currency forward contract is the contracted amount of foreign currency to be exchanged and is not recorded in the consolidated statement of financial position.

	2022		2021
	AED		AED
Fair value of derivative liabilities (Note 13)	206,461		-
Notional amount of foreign currency forwards	1,692,369		-

The effect of foreign currency exchange forward contracts recorded in "other income" for the year ended 31 March 2022 and 2021 is as follows:

	2022		2021
	AED		AED
Losses on foreign currency exchange derivatives	206,461		-

(b) Market risk

(i) Foreign currency risk

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the Group's measurement currency.

At the reporting date, AED equivalents of the Group's foreign currency assets and liabilities was as follows:

	USD	**SAR**	**ZAR**	**EUR**	**GBP**	**Others***
At 31 March 2022						
Total assets	134,717,185	39,931,995	1,402,674	26,300,756	5,067,784	27,234,144
Total liabilities	(185,553,898)	(8,715,742)	(168,168)	(20,427,971)	(4,920,254)	(21,831,820)
	(50,836,713)	31,216,253	1,234,506	5,872,785	147,530	5,402,324

	USD	**SAR**	**ZAR**	**INR**	**GBP**	**Others***
At 31 March 2021						
Total assets	73,534,503	-	157,536	-	717,848	5,468,915
Total liabilities	(27,459,552)	(8,418,697)	(5,311,794)	(2,469,273)	(2,449,589)	(14,636,595)
	46,074,951	(8,418,697)	(5,154,258)	(2,469,273)	(1,731,741)	(9,167,680)

*Other currencies include Brazilian Real, Indian Rupee, Australian Dollar, Indonesian Rupiah, Canadian Dollar, Chinese Yuan, Malaysian Ringgit, Mexican Peso (2021: Brazilian Real, Euro, Australian Dollar, Indonesian Rupiah, Canadian Dollar, Chinese Yuan, Malaysian Ringgit, Mexican Peso), which do not have fixed parity with AED.

The Group is exposed to foreign exchange risk arising from South African Rand (ZAR), Indian Rupee (INR), Euro (EUR), Pound Sterling (GBP) and others as disclosed above. The transactions denominated in United States Dollar (USD) and Saudi Riyals (SAR) are not subject to foreign currency risk as these currencies have fixed parity with the AED.

Sensitivity analysis

At 31 March 2022, if AED had weakened/strengthened by 5% against all the above mentioned currencies excluding USD and SAR, with all other variables held constant, profit for the year would have been AED 632,857 higher/lower (2021: loss for the year would have been AED 926,148 higher/lower), mainly as a result of foreign exchange impact on translation of foreign currency denominated financial assets and financial liabilities.

(ii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual instrument or its issuers or factors affecting all the instruments traded in the market.

The Group is not exposed to price risk as it has no significant price sensitive financial instruments.

(iii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate because of changes in market interest rates.

The Group has no significant interest bearing assets or liabilities and therefore the Group's income and operating cash flows are substantially independent of changes in market interest rates.

(c) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from bank balances as well as credit exposures to customers, including outstanding receivables and committed transactions.

The Group seeks to limit its credit risk with respect to customers by setting credit limits for individual customers and monitoring outstanding receivables. The Group limits its credit risk with respect to bank deposits and balances by only dealing with reputable banks and with respect to related party balances by continuously monitoring outstanding balances through the parties involved.

The Group is exposed to credit risk on its financial assets as follows:

	2022	**2022**	**2021**	**2021**
	AED	**INR**	**AED**	**INR**
Loan to a related party (Note 8)	1,422,652	31,371,786	-	-
Trade and other receivables (excluding prepayments and advances)	203,175,037	4,199,761,342	49,259,104	981,374,348
Due from related parties (Note 8)	1,298,551	25,528,062	3,906,243	77,822,915
Bank and virtual credit card balances	100,547,036	2,078,373,173	46,117,959	918,794,239
	306,443,276	**6,335,034,363**	**99,283,306**	**1,977,991,502**

Trade receivables are largely secured against bank guarantees and security deposits received from the customers and from credit insurance taken against it. The unsecured receivables are managed through continuously monitoring the creditworthiness of the customers to which the Group grants credit terms in the normal course of business. The Group's customers typically do not have external credit ratings.

The Group has well defined trade and non-trade transactions with related parties. Non-trade transactions entail pre-approval by both parties prior to execution of the transactions with the related parties. The balances are reconciled monthly with the related parties through intercompany reconciliation and confirmations. Since these balances are with entities under the common control of the shareholder, management believes there is no significant credit risk in relation to these balances.

Bank deposits and balances are limited to high-credit-quality financial institutions and bank ratings are reviewed on an annual basis. Management expects any credit losses from non-performance by these counterparties would be insignificant. The credit quality of the financial assets held with banks can be assessed by reference to external credit ratings as follows:

Counterparty rating (Moody's)

	2022		2021	
	AED	**INR**	**AED**	**INR**
A1	15,218,889	306,977,569	27,566,106	549,191,258
A2	7,720,279	155,724,408	-	-
A3	1,835,898	37,031,580	148,764	2,963,781
Aa1	80,042	1,614,513	1,233,860	24,581,823
Aa3	61,170,717	1,233,863,916	10,103,665	201,292,286
Ba1	1,773,115	35,765,195	154,577	3,079,591
Ba2	3,437	69,327	89,560	1,784,277
Baa1	3,381,949	68,216,706	1,420,225	28,294,716
	91,184,326	**1,839,263,214**	**40,716,757**	**811,187,732**

(d) Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

At 31 March 2022 and 2021, all contractual cash flows of financial liabilities have the maturity of less than 12 months from the consolidated statement of financial position date. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt, if any.

The Company is ungeared as at 31 March 2022 and 2021, since it does not have any borrowings.

3.3 Fair value estimation

The fair values of the Group's financial assets and liabilities as at 31 March 2022 and 2021 approximate their carrying amounts as reflected in these consolidated financial statements.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

a) Calculation of loss allowance

The Group assesses the impairment of its financial assets based on ECL model. Under the expected credit loss model, the Group accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since the initial recognition of the financial asset. The Group measures the loss allowance at an amount equal to the lifetime ECL for its financial instruments.

b) Performance linked benefits

The recognition of performance linked benefits from suppliers require judgement based on contracts with the suppliers and past experience. These benefits are calculated based on the volume of transaction contracted for the period. Differences may arise between the amounts accrued and the actual amounts paid or received.

5 PROPERTY, PLANT AND EQUIPMENT	**AED**	**INR**	**AED**	**INR**	**AED**	**INR**	**AED**	**INR**	**AED**	**INR**
	Furniture & Fixtures		**Motor Vehicles**		**Computers**		**Office Equipment**		**Total**	
A) Cost										
i) Balance as on: 01-04-2021	75,870	1,511,535	132,750	2,644,738	648,227	12,914,432	180,501	3,596,067	1,037,348	20,666,773
ii) Additions/Purchases	32,237	666,360	-	-	566,333	11,706,475	367,906	7,604,858	966,476	19,977,693
iii) Disposals	-	-	-	-	-	-	-	-	-	-
iv) Forex impact	-	-	-	-	-	-	-	-	-	
v) Total as on 31-03-2022	108,107	2,234,643	132,750	2,744,030	1,214,560	25,105,752	548,407	11,335,932	2,003,824	40,644,466
B) Accumulated depreciation										
i) Balance as on: 01-04-2021	67,593	1,346,635	132,750	2,644,738	498,742	9,936,287	157,322	3,134,279	856,407	17,061,940
ii) Charge for the Year	8,501	172,293	-	-	164,151	3,326,908	33,550	679,970	206,202	4,179,171
iii) On Disposals	-	-	-	-	-	-	-	-	-	-
iv) Forex impact	-	(2,762)	-		-1,368	(73,885)	10	(3,600)	-1,358	-80,246
v) Total as on 31-03-2022	76,094	1,572,913	132,750	2,744,030	661,525	13,674,156	190,882	3,945,656	1,061,251	21,160,864
C) Net Book Value										
i) Total as on 31-03-2022	32,013	661,730	-	-	553,035	11,431,596	357,525	7,390,276	942,573	19,483,602
ii) Total as on 31-03-2021	8,277	164,900	-	-	149,485	2,978,145	23,179	461,788	180,941	3,604,833

6 INTANGIBLE ASSETS	**AED**	**INR**	**AED**	**INR**	**AED**	**INR**	**AED**	**INR**
	Computer Software		**Website and Domain Name**		**Capital work in progress***		**Total**	
A) Cost								
i) Balance as on: 01-04-2021	2,310	46,021	704,078	14,027,135	899,179	17,914,073	1,605,567	31,987,230
ii) Additions/Purchases	-	-	3,121,626	64,526,058	4,845,262	100,154,743	7,966,888	164,680,802
iii) Transfer from CWIP	-	-	5,744,441	118,068,817	(5,744,441)	(118,068,817)	-	-0
iv) Disposals	-	-	-	-	-	-	-	-
v) Forex impact	-	1,728	-	1,199,166	-	-	-	1,200,893
vi) Total as on 31-03-2022	2,310	47,749	9,570,145	197,821,175	-	-	9,572,455	197,868,925
B) Accumulated amortisation								
i) Balance as on: 01-04-2021	2,118	42,196	35,204	701,359	-	-	37,322	743,555
ii) Charge for the Year	192	3,891	1,053,231	21,346,207	-	-	1,053,423	21,350,098
iii) On Disposals	-	-	-	-	-	-	-	-
iv) Forex impact	-	1,662	-	451,091	-	-	-	452,753
v) Total as on 31-03-2022	2,310	47,749	1,088,435	22,498,657	-	-	1,090,745	22,546,406
C) Net Book Value								
i) Total as on 31-03-2022	-	-	8,481,710	175,322,519	-	-	8,481,710	175,322,519
ii) Total as on 31-03-2021	192	3,825	668,874	13,325,776	899,179	17,914,073	1,568,245	31,243,675

* This CWIP relates to developments of Zamzam and Paxes travel integration website.

7 Trade and other receivables

	2022	2022	2021	2021
	AED	INR	AED	INR
Trade receivables	193,683,814	4,003,571,475	44,615,406	888,859,348
Less: loss allowance on trade receivables	(6,082,711)	(125,733,623)	(5,685,710)	(113,274,688)
	187,601,103	**3,877,837,852**	**38,929,696**	**775,584,660**
Deposits	5,539,349	114,501,981	5,944,490	118,430,293
Prepayments	1,269,844	26,248,515	367,789	7,327,346
Advance to suppliers	9,522,480	196,835,901	-	-
Other receivables	20,853,374	431,052,966	19,078,203	380,089,308
Less: loss allowance on other receivables	(10,818,789)	(223,631,457)	(14,693,285)	(292,729,913)
	213,967,361	**4,422,845,758**	**49,626,893**	**988,701,694**

Trade receivables relate to a number of independent customers for whom there is no recent history of default. The maximum exposure to credit risk at the reporting date is the carrying amounts of each class of receivable. The Group holds bank guarantees and security deposits received from the customers as security against these receivables together with credit insurance taken against these receivables by the Group.

The ageing analysis of these trade receivables is as follows:

	2022		2021	
	AED	INR	AED	INR
Less than 6 months	184,772,942	3,819,377,513	36,284,832	722,891,820
More than 6 months	8,910,872	184,193,961	8,330,574	165,967,528
	193,683,814	**4,003,571,475**	**44,615,406**	**888,859,348**

With respect to unsecured receivables, the Group has applied IFRS 9 simplified approach to measure expected credit losses on these unsecured trade receivables which is based on assumptions about risk of default and expected loss rates. The Group uses judgement in making assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking factors at the end of each reporting period, such as future economic conditions of the territories where the customers are domiciled. On above basis, the loss allowance as at 31 March 2022 ranges from 0.2% to 100% (2021: 1.7% to 100%).

With respect to the deposits and other receivables, the Group has assessed the impairment provision as per IFRS 9 expected credit loss model and based on the assessment performed, the provision for impairment in this regard was insignificant. However, one of the other receivable balance was previously identified as having a significantly elevated credit risk and a one off specific provision of AED 14,693,285 had been recorded in this regard and disclosed as 'extra ordinary expense' on the face of consolidated statement of comprehensive income on 31 March 2021. During the year ended 31 March 2022, the Group has received AED 3,874,496 against the above mentioned specific provision of AED 14,693,285. Accordingly, it has been disclosed as 'exceptional income' on the consolidated statement of comprehensive income for the year ended 31 March 2022.

Movement in the Group's loss allowance of trade receivables and other receivables is as follows:

	2022		2021	
	AED	**INR**	**AED**	**INR**
At 1 April	20,378,995	406,004,601	6,367,960	130,684,118
Increase in loss allowance on trade receivables	678,894	13,759,389	1,175,748	23,506,296
(Decrease) / increase in loss allowance on other receivables	(3,874,496)	(78,525,826)	14,693,285	292,729,913
Written off during the year	(281,893)	(1,300,454)	(1,857,998)	(37,176,484)
Translation Reserve		9,427,370		(3,739,242)
At 31 March	16,901,500	349,365,080	20,378,995	406,004,601

8 Related party transactions and balances

Related parties include the parent company and its shareholders, joint ventures, key management personnel, directors and businesses which are controlled directly or indirectly by them or over which they exercise significant management influence ("affiliates").

Transactions with related parties

During the year, the Group entered into the following significant transactions with related parties in the ordinary course of business. These transactions were carried out at mutually agreed terms and rates.

	2022		2021	
	AED	**INR**	**AED**	**INR**
IT support services from the parent company	8,378,353	192,362,759	-	-
Website and domain support services from the parent company	7,756,456	160,331,032	-	-
Business support services expense from the parent company	10,915,679	224,196,908	2,456,899	49,127,379

Related party transactions and balances

Transactions with related parties

	2022		2021	
	AED	**INR**	**AED**	**INR**
Cost of sales	3,242,749	65,721,973	742,328	14,973,369
Business support service income from the joint ventures	1,203,578	24,393,353	-	-
Rent charged by related parties	266,436	5,399,955	155,421	3,134,970
Interest income on loan to joint venture	15,772	319,657	-	-
Software license fees (Note 15)	-	-	296,785	5,986,399

Key management compensation				
Short term benefits	814,228	16,502,255	418,636	8,444,234

Provision for end of service benefits is not considered since the provision is based on actuarial valuation for the Group's end of service benefits as a whole.

	2022		2021	
	AED	**INR**	**AED**	**INR**
Due from related parties				
ZamZam E-Travel Services DMCC (joint venture)	42,864	886,017	-	-
United Experts for Information Systems technology Co. (LLC) (joint venture)	1,255,687	24,642,045	-	-
TBO Tek Limited (parent company)	-	-	3,906,243	77,822,915
	1,298,551	**25,528,062**	**3,906,243**	**77,822,915**
Due to a related party				
TBO Tek Limited (parent company)	9,918,560	205,023,134	-	-
Long term loan to a related party				
United Experts for Information Systems technology Co. (LLC) (joint venture) *	1,422,652	31,371,786	-	-

Balances with related parties

Amounts due from and due to related parties represent balances arising from trading transactions and services provided/received in the normal course of business.

*During the year, the Group provided a loan of AED 2,996,134 to United Experts for Information Systems technology Co. (LLC). The loan is unsecured and carries interest at the rate of 2% per annum. As per the terms of the agreement with the joint venture entity, the loan is repayable on the earlier of four years from the loan execution date or the borrowing making profits or on such date as is mutually agreed between the parties. Since the Group does not intend to recall this amount in next 12 months nor the borrower is expected to repay such amount in next 12 months therefore the loan has been classified as non-current.

The joint venture entity, United Experts for Information Systems technology Co. (LLC), has incurred a loss during the year and the Group's share of loss in joint venture was AED 1,613,764. The Group's share of losses have exceeded the Group's interest in the said investment and due to such losses, the carrying value of investment in such joint venture entity has become Nil as at 31 March 2022 and the loss of AED 1,589,254 not adjusted with the Group's investment has been adjusted against the loan receivable from this joint venture entity.

9 Cash and cash equivalents

	2022		2021	
	AED	**INR**	**AED**	**INR**
Balances with banks				
-in current accounts	79,833,835	1,650,217,726	34,764,819	692,609,048
- in fixed deposits*	11,431,878	236,304,413	5,951,938	118,578,667
Virtual credit card balances	9,281,323	191,851,034	5,401,202	107,606,524
Cash in transit	13,670,145	282,570,865	4,197,785	83,631,204
Cash and bank balances	114,217,181	2,360,944,038	50,315,744	1,002,425,443
Less: fixed deposits with maturity of more than 3 months and less than 12 months	(2,161,878)	(44,687,435)	(2,947,589)	(58,723,930)
Cash and cash equivalents as per consolidated statement of cash flows	112,055,303	2,316,256,603	47,368,155	943,701,512

*Includes deposits amounting to AED 11,431,878 (2021: AED 2,951,938) placed with Standard Chartered Bank as bank guarantee for the suppliers.

10 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	2022		2021	
	AED	INR	AED	INR
Financial assets - at amortised cost				
Loan to a related party (Note 8)	1,422,652	31,371,786	-	-
Trade and other receivables (excluding prepayments and advances)	203,175,037	4,199,761,274	49,259,104	981,374,348
Due from related parties (Note 8)	1,298,551	26,841,901	3,906,243	77,822,907
Cash and bank balances (Note 9)	114,217,181	2,360,944,038	50,315,744	1,002,425,443
	320,113,421	**6,618,918,999**	**103,481,091**	**2,061,622,698**
Financial liabilities - at amortised cost				
Trade and other payables (excluding advances)	268,392,448	5,547,847,935	65,689,353	1,308,709,195
Due to a related party (Note 8)	9,918,560	205,023,134	-	-
	278,311,008	**5,752,871,069**	**65,689,353**	**1,308,709,195**

11 Share capital

The share capital of the Company comprises 9,100 (2021: 9,100) authorized, issued and fully paid up shares of AED 1,000 each.

12 Provision for employees' end of service benefits

	2022		2021	
	AED	INR	AED	INR
At 1 April	1,174,101	23,391,263	968,311	19,871,818
Charge for the year	380,385	7,709,403	325,365	6,535,071
Actuarial loss / (gain) on employees' end of service benefits	25,883	524,580	(42,310)	(853,428)
Payments made during the year	(74,793)	(1,382,158)	(77,265)	(1,545,987)
Translated Reserve		878,165		(616,211)
At 31 March	1,505,576	31,121,253	1,174,101	23,391,263

Amounts recognized in the consolidated statement of comprehensive income are as follows:

	2022		2021	
	AED	INR	AED	INR
Service cost	345,749	7,007,422	300,669	6,034,742
Interest cost	34,636	701,981	24,696	500,329
Total amount recognised in profit or loss	380,385	7,709,403	325,365	6,535,071
Remeasurement (gain) / loss				
Gain from changes in financial assumptions	(44,917)	(910,349)	(40,259)	(812,057)
Experience adjustment loss / (gain)	70,800	1,434,929	(2,051)	(41,371)
Total amount recognised in other comprehensive income	25,883	524,580	(42,310)	(853,428)

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Notes to the consolidated financial statements for the year ended 31 March 2022

The principal assumptions were as follows:

	2022	2021
	AED	AED
Weighted average assumptions used to determine obligation are:		
Discount rate	2.95%	2.34%
Rate of compensation increase	5%	5%

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its obligations at 31 March 2022, using the projected unit credit method, in respect of employees' end of service payable under the applicable laws of the country in which the subsidiaries of the Group are incorporated. The present value of the obligations at 31 March 2022 and 2021, using actuarial assumptions, was not materially different from the provision computed in accordance with the applicable laws of the country in which the subsidiaries of the Group are incorporated.

The rate used to discount liability obligations should be determined by reference to market yields at the consolidated statement of financial position date on high quality corporate bonds. In countries where there is no "deep market in such bond", market yields on government bonds should be used instead. As there is no deep market in corporate bonds within the GCC region and the very few bonds issued by governments do not provide an adequate reference, the management relied on the US AA-rated corporate bond market as a proxy for determining the discount rate.

13 Trade and other payables

	2022		**2021**	
	AED	**INR**	**AED**	**INR**
Trade payables	243,812,022	5,039,754,412	49,775,482	991,661,985
Advances from customers	34,612,370	715,460,381	18,400,560	366,588,833
Customer deposits	4,541,414	93,874,006	3,960,651	78,906,874
Derivative liabilities	206,461	4,267,676	-	-
Accrued expenses and other payables	19,832,551	409,951,841	11,953,220	238,140,349
	303,004,818	**6,263,308,316**	**84,089,913**	**1,675,298,041**

14 Revenue

	2022		**2021**	
	AED	**INR**	**AED**	**INR**
Commission income	65,121,194	1,319,834,905	14,402,161	289,320,578
Performance linked benefits	37,441,844	758,847,457	6,120,931	122,627,680
Cash back income	10,332,487	209,412,261	2,234,975	44,768,715
Other services	525,059	10,641,554	431,102	8,639,718
	113,420,584	**2,298,736,177**	**23,189,169**	**465,356,691**

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Notes to the consolidated financial statements for the year ended 31 March 2022

15 General and administrative expenses

	2022		2021	
	AED	**INR**	**AED**	**INR**
Business support services	29,298,987	596,778,086	10,846,489	218,087,580
Staff cost (Note 16)	21,713,566	440,076,736	7,482,999	150,625,682
IT support service expense	8,378,353	172,713,322	-	-
Legal and professional fees	5,036,028	102,067,007	4,014,614	80,580,218
Bank charges	5,020,729	101,756,942	999,605	20,032,511
Marketing expenses	1,641,970	33,278,402	235,685	4,734,679
Insurance	1,495,423	30,308,287	880,682	17,683,955
Travel and conveyance	1,390,688	28,185,582	101,043	2,024,006
Amortisation (Note 6)	1,053,423	21,350,098	35,950	716,067
Communication and utility	813,385	16,485,161	393,660	7,919,576
Rent and license	442,365	8,965,571	319,630	6,450,741
Depreciation of property and equipment (Note 5)	206,202	4,179,171	160,325	3,236,449
Software license fees (Note 8)	-	-	296,785	5,927,703
Supplier advances written off	-	-	36,450	726,183
Others	854,318	17,322,711	268,077	5,380,534
	77,345,437	**1,573,467,076**	**26,071,994**	**524,125,884**

16 Staff costs

	2022		2021	
	AED	**INR**	**AED**	**INR**
Salaries and allowances	18,829,350	381,621,281	6,401,212	128,860,561
Employees' end of service benefits (Note 12)	380,385	7,709,403	325,365	6,535,071
Other staff costs	2,503,831	50,746,052	756,422	15,230,050
	21,713,566	**440,076,736**	**7,482,999**	**150,625,682**

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Notes to the consolidated financial statements for the year ended 31 March 2022

17 Commitments

Capital commitments of AED Nil (2021: AED 3,186,775) are outstanding as at 31 March 2022 relating to ongoing work for the development of website portal by the Parent Company.

18 Group subsidiaries

Subsidiaries that are consolidated in these financial statements are as follows:

Name of the company	Place of incorporation	Principal activity	Control %		
			2022		2021
1. TBO Holidays Brasil Agencia De Viagens E Reservas LTDA	Brazil	Business support services.	100		100
2. TBO Holidays Hongkong Limited	Hong Kong	Business support services.	100		100
3. TBO Holidays Europe B.V.	Netherlands	Online travel booking and business support services.	100		100
4. TBO Holidays PTE Ltd	Singapore	Business support services.	100		100
5. TBO Holidays Malaysia Sdn. Bhd.	Malaysia	Business support services	100		100
6. Travel Boutique Online S.A. De C.V.	Mexico	Business support services	100		100
7. TBO Technology Services DMCC	Dubai	Online travel booking and business support services	100		100
8. TBO Technology Consulting Shanghai Co., Ltd	China	Business support services	100		100
9. Tek Travels Arabia for Travel and Tourism (Single Person Co)	Kingdom of Saudi Arabia	Online travel booking and business support services	100		100
10. TBO LLC	United States of America	Business support services	100		100

19 Investment in joint venture accounted for using equity method

	2022		2021	
	AED	INR	AED	INR
ZamZam E-Travel Services DMCC ('ZamZam')	23,680	492,032	-	-
United Experts for Information Systems technology Co. (LLC) ('United Experts')	-	-	-	-

Both the above entities are private companies and there are no quoted market price available for their shares.

(i) Group's holding percentage and country of incorporation of the joint ventures are as follows:

Name of the company	**Place of incorporation**	**Principal activity**	**Control %** 2022	2021
ZamZam E-Travel Services DMCC ('ZamZam')	United Arab Emirates	E-marketplace service provider (DMCC) and outbound tour operations	50%	-
United Experts for Information Systems technology Co. (LLC) ('United Experts')	Kingdom of Saudi Arabia (KSA)	Booking and search engine services to B2B, B2C and business-to-administration clients of the Company for inbound tourism in KSA.	50%	-

The Group has joint control over these arrangement as under the contractual agreements, unanimous consent is required from all the parties to the agreements for all relevant activities. The Group's joint arrangements provides the Group and the parties to the agreements with rights to the net assets of the companies under the arrangements. Therefore, these arrangements are classified as joint ventures of the Group.

During the year, the Group entered into a Share Purchase Agreements (SPA) individually with the other shareholders of both the joint venture entities. As per the terms of both the SPAs, the Group shall purchase additional 20% shares from the existing shareholders of United Experts and ZamZam respectively, on the dates as defined in these SPAs. The dates are subject to fulfilment of certain conditions, as defined in the SPAs, which are yet to be completed as on 31 March 2022. Accordingly, the said acquisition of 20% shares was not considered as completed at year end.

19 Investment in joint venture accounted for using equity method (continued)

(ii) Reconciliation of the summarized financial information presented to the carrying amount of the Group's interest in joint ventures:

	Zamzam				**United Experts***				**Total**			
	2022		**2021**		**2022**		**2021**		**2022**		**2021**	
	AED	**INR**	**AED**	**INR**	**AED**	**INR**	**AED**	**INR**	**AED**	**INR**	**AED**	**INR**
Opening balance	-	-	-	-	-	-	-	-	-	-	-	-
Investment made during the year	30,000	620,120	-	-	24,510	506,638	-	-	54,510	1,126,757	-	-
Share of net (losses) / profit	(6,320)	(128,088)	-	-	(24,510)	(506,638)	-	-	(30,830)	(634,726)	-	-
Foreign currency Translations	-	-	-	-	-	-	-	-	-	-	-	-
	23,680	**492,032**	-	-	-	-	-	-	**23,680**	**492,032**	**-**	**-**

*United Experts for Information Systems technology Co. (LLC) has incurred a loss during the year and the Group's share of loss in joint venture was AED 1,613,764. The Group's share of losses have exceeded the Group's interest in the said investment and due to such losses, the carrying value of investment in such joint venture entity has become Nil as at 31 March 2022 and the remaining loss not adjusted with the Group's investment has been adjusted against the loan receivable from this joint venture entity (Note 8).

(i) The Group has no commitments and contingent liabilities relating to its joint ventures.

20 Impact of COVID-19

Liquidity management and going concern assessment

Economic stress in the markets brought on by the COVID-19 crisis that was felt globally at the onset of the pandemic has continued to ease during the current year. In this environment, the Group introduced proactive comprehensive measures to address and mitigate key financial issues arising from the situation, including compensating cost saving measures and reductions to discretionary capital or advertisement expenditure in the previous year. The Group continues to take measures to manage its liquidity carefully by implementing various controls in the 'treasury process' in order to satisfy its working capital needs, capital and marketing expenditure and other liquidity requirements associated with its existing operations. During the year the Group has seen significant recovery in the market which is reflected in higher revenues compared to previous year due to lifting of travel restrictions in most of the world that were temporarily put on hold last year. Improved customer collections are reflective of better liquidity in the market and this trend is expected to continue with the easing of all COVID-19 related restrictions in the Group's major geographical market subsequent to the year end. As of the date of approval of these consolidated financial statements, the Group does not have any risk of going concern.

21 Subsequent events

Investment in United Experts

Pursuant to the SPA entered into between the Group and United Expert, the Group have increased its investment in the joint venture and acquired controlling interest in United Experts in April 2022 and consequently United Experts has become the subsidiary of the Group from the date, as specified in the SPA (refer Note 19).

As per requirements of IFRS 3 'Business Combinations', the Group is required to fair value its existing equity interest and recognise any gain/loss in the consolidated statement of comprehensive income. As on the date on which the consolidated financial statements were authorised for issue, the fair valuation of existing equity interest and that of the assets and liabilities acquired under the above business combination are in progress. Consequently, it is not yet possible to provide detailed information about fair value of assets and liabilities acquired as part of this transaction.

Investment in BookaBed AG

On 31 March 2022, the Group has entered into a Share Purchase Agreement (SPA) with Karl Michael Tyrrell, Jacqueline Marie Clynch for purchase of 1,000 equity share (100% shares) of BookaBed AG, Baar, Switzerland, a Swiss stock corporation registered in the commercial register of the canton of Zug under register no. CHE - 268.565.836 and whose registered office is at Haldenstrasse 5, 6340 Baar.

The payment of consideration and transfer of shares and control shall be done on different closing dates as specified in SPA in the following manner:

1. The Group shall purchase 510 shares (51% ownership) for a consideration of CHF 4,000,000 on 1 April 2022 (Closing Date 1). This is the date when the Group obtains control of the entity.

2. The remaining 490 shares (49% ownership) shall be purchase by the Group subject to fulfilment of certain conditions defined in the SPA. The basis of computation of consideration for the same and closing date for acquisition remaining shares is defined in the SPA.

Investment in ZamZam

Pursuant to the SPA entered into between the Group and the joint venture entity, the Group will have controlling interest in ZamZam and consequently the joint venture entity will become the subsidiary of the Group from the date, as specified in the SPA (refer Note 19).

As per requirements of IFRS 3 'Business Combinations', the Group is required to fair value its existing equity interest and recognise any gain/loss in the consolidated statement of comprehensive income. As on the date on which the consolidated financial statements were authorized for issue, the fair valuation of existing equity interest and that of the assets and liabilities acquired under the above business combination are in progress. Consequently, it is not yet possible to provide detailed information about fair value of assets and liabilities acquired as part of this transaction.