



14th Annual Report  
2021-22

**KESAR TERMINALS & INFRASTRUCTURE LIMITED**

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## MISSION

“To provide world class services in **warehousing and other storage facilities** for domestic and exim **Bulk liquid and dry bulk cargo** of all kinds, on a pan India basis, upholding our core principle of **Trust and Excellence.**”

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# KESAR TERMINALS & INFRASTRUCTURE LIMITED

(Incorporated under the Companies Act, 1956)

CIN: L45203MH2008PLC178061

## COMPANY INFORMATION

### Board of Directors

Name of Directors	Designation
Shri H R Kilachand	Executive Chairman
Shri A S Ruia	Independent Director
Shri J N Godbole	Independent Director (till 04.01.2022)
Shri R S Loona	Independent Director
Mrs. Nilima Mansukhani	Independent Director
Shri J K Devgupta	Non- Executive Director

### Resolution Professional

Shri Prashant Jain

(Appointed under IBC Code, 2016 on 7th March, 2022, having registration No. IBBI/IPA-001/IP- P01368/2018-19/12131)

### Audit Committee

Name of Member	Designation
Mrs. Nilima Mansukhani	Chairperson
Shri A S Ruia	Member
Shri R S Loona	Member
Shri H R Kilachand	Member

### Stakeholders' Relationship Committee

Name of Member	Designation
Shri R S Loona	Chairman
Shri H R Kilachand	Member
Shri A S Ruia	Member

### Nomination & Remuneration Committee

Name of Member	Designation
Shri R S Loona	Chairman
Shri A S Ruia	Member
Shri H R Kilachand	Member
Mrs. Nilima Mansukhani	Member

### Corporate Social Responsibility Committee

Name of Member	Designation
Shri J K Devgupta	Chairman
Shri R S Loona	Member
Shri H R Kilachand	Member
Mrs. Nilima Mansukhani	Member

### Chief Executive Officer

Shri Navlesh Kumar

### Chief Financial Officer

Shri V J Doshi

### Company Secretary

Mrs. Sarika Singh

### Terminals

Terminal 1 & 2 Kandla, Gujarat

### Registered Office

Oriental House, 7, Jamshedji Tata Road,  
Churchgate, Mumbai - 400 020

### Bankers

Yes Bank, Central Bank of India  
State Bank of India

### Statutory Auditors

M/s. Chandabhoy & Jassoobhoy  
Chartered Accountants

### Internal Auditors

M/s. S V Shah & Associates  
Chartered Accountants

### Secretarial Auditors

M/s. Ragini Chokshi & Co.  
Company Secretaries

### Registrar & Transfer Agent

M/s. Link Intime India Pvt. Ltd  
C-101, 247 Park, LBS Marg, Vikhroli West,  
Mumbai- 400 083  
Tel. : 022-4918 6270  
Email: rnt.helpdesk@linkintime.co.in

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## NOTICE

NOTICE is hereby given that the 14<sup>th</sup> Annual General Meeting of the Members of **KESAR TERMINALS & INFRASTRUCTURE LIMITED** (CIN: L45203MH2008PLC178061) will be held on **Tuesday, 13<sup>th</sup> September, 2022, at 3:00 p.m.** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a) the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022, together with the Reports of the Board of Directors and the Auditors thereon; and
  - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Shri J K Devgupta (DIN: 00515391), who retires by rotation and being eligible offers himself for re- appointment.

**For Kesar Terminals & Infrastructure Limited**  
(Company under Corporate Insolvency Resolution Process)

### Registered Office:

Oriental House, 7, Jamshedji Tata Road,  
Churchgate,  
Mumbai-400020

Date: 22<sup>nd</sup> July, 2022

**Sarika Singh**  
**Company Secretary**  
**ACS: 24186**

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES:

In accordance with the provisions of the Companies Act, 2013 (“the Act”) read with the Rules made thereunder and General Circular nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, 02/2021 dated 13th January, 2021, 21/2021 dated 14th December, 2021 and 2/2022 dated 5th May, 2022, issued by the Ministry of Corporate Affairs (“MCA”) read with relevant circulars issued by the Securities and Exchange Board of India (“SEBI”), from time to time (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold Annual General Meeting (AGM) through Video Conference (“VC”) or Other Audio Visual Means (“OAVM”) upto 31st December, 2022, without the physical presence of members at a common venue. Hence, in compliance with the Circulars the 14th AGM of the Company is being held through VC/OAVM. The deemed venue for the 14th Annual General Meeting will be the registered office of the Company at Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai-400 020.

- a) Since this AGM is being held pursuant to the MCA circulars & SEBI circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.
- b) In accordance with Sections 101 and 136 of the Act read with Rule 18(1) of the Companies (Management and Administration) Rules, 2014 and Circulars, issued by MCA and SEBI, the notice of the 14<sup>th</sup> AGM along with the Annual Report are being sent only in electronic mode to shareholders whose e-mail address are registered with the Company or the Depository Participant(s). The Notice convening the 14<sup>th</sup> AGM has been uploaded on the website of the Company at <https://www.kesarinfra.com/annual-reports> under ‘Investor Relations’ section and may also be accessed on the website of the Stock Exchanges i.e. BSE Limited at <https://www.bseindia.com/> The Notice is also available on the website of Link Intime India Pvt. Ltd. (Agency appointed by the Company for the purpose of remote e-voting, e-voting at AGM and VC/OAVM facility for AGM) i.e. <https://www.kesarinfra.com/annual-reports>.
- c) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations and MCA Circulars, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Pvt. Ltd- Registrar & Share Transfer Agent of the Company (RTA) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a shareholders using remote e-voting as well as the e-voting system on the date of the AGM will be provided by Link Intime India Pvt. Ltd. (Agency appointed by the Company for the purpose of remote e-voting, e-voting at AGM and VC/OAVM facility for AGM).
- d) The shareholders should join the AGM in the VC/OAVM mode either 30 minutes before or after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
- e) Shareholders desirous of receiving communication from the Company in electronic form, may register their email address with their respective depository participant. In case any shareholder is desirous of obtaining hard copy of the Annual Report for the Financial Year, 2022 and notice of the 14<sup>th</sup> AGM of the Company, may send request to the Company’s email address at [headoffice@kesarinfra.com](mailto:headoffice@kesarinfra.com) mentioning Foilo No./ DP ID and Client ID.
- f) The register of members of the Company shall remain closed from **Tuesday, 6<sup>th</sup> September, 2022 to Tuesday, 13<sup>th</sup> September, 2022 (both days inclusive)** for the purpose of AGM.
- g) Any person, whose name appears in the Register of Members/ list of Beneficial Owners as on Cut-off date provided herein below, shall be entitled to vote by way of voting through remote e-voting or e-voting system at AGM on the Items/ Resolutions set forth in this Notice. Process for e-voting is provided herein below. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

The members, who have cast their vote(s) by remote e-voting, may also attend the AGM but shall not be entitled to cast their vote again during the AGM.

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- h) The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- i) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of AGM and holding shares as of the Cut-off date may obtain the login ID and password by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022-4918 6000.
- j) In case of joint holders, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the meeting.
- k) Members who have not encashed their dividend warrants for the Financial Year 2014-15 or any subsequent year(s) are requested to lodge their claims with M/s. Link Intime India Pvt. Ltd, the Company's Registrar and Transfer Agents (RTA) at the earliest. Amounts of dividend remaining unclaimed/ unpaid for a period of seven years are required to be transferred to the 'Investor Education and Protection Fund'. Accordingly, unpaid dividend up to financial year 2013-14 has already been transferred to the said Fund.
- l) Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their communications to [headoffice@kesarinfra.com](mailto:headoffice@kesarinfra.com) at least seven days before the date of the meeting. The same will be suitably replied by the Company.
- m) Ms. Ragini Chokshi, partner of M/s. Ragini Chokshi & Co., Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- n) The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- o) The results declared along with the Scrutinizer's Report shall be placed on the Company's website: <https://www.kesarinfra.com/communication> and on the website of Link Intime India Pvt. Ltd: at <https://instavote.linkintime.co.in> immediately. The Company shall simultaneously forward the voting results to BSE Limited, where the shares of the Company are listed.
- p) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.
- q) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting for limited time each, once the floor is open for shareholder queries. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.
- r) Register of Directors and Key Managerial Personnel and their shareholdings and Register of Contracts or Arrangements in which Directors are interested, maintained under Sections 170 and 189 of the Act, 2013 will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an email to [headoffice@kesarinfra.com](mailto:headoffice@kesarinfra.com).
- s) The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 in Form ISR-1. The Form ISR-1 is also available on the website of the Company <https://www.kesarinfra.com/shareholdersinformation>
- t) Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website: <https://www.kesarinfra.com/shareholdersinformation>.

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- u) Nomination facility: As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be. The said forms can be downloaded from the Company's website at <https://www.kesarinfra.com/shareholdersinformation>
- v) Information, pursuant to Regulation 36(3) and 36(5) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2 on General Meetings/issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this Annual General Meeting is furnished as an Annexure to the Notice.

### **INSTRUCTIONS FOR REMOTE E-VOTING**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide its members, the facility to exercise their right to vote at the 14<sup>th</sup> Annual General Meeting by electronic means.

For this purpose, the Company has entered into an agreement with Link Intime India Private Limited for facilitating e-voting to enable the members to cast their votes electronically.

The business of this Annual General Meeting may be transacted through e-voting as per details given below:

- a) Date and time of commencement of e-voting: **Friday, 9<sup>th</sup> September, 2022 at 9:00 a.m.**
- b) Date and time of end of e-voting, beyond which voting will not be allowed: **Monday, 12<sup>th</sup> September, 2022 at 5.00 p.m.** The e-voting module shall be disabled for voting, thereafter. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date Tuesday, 6<sup>th</sup> September, 2022** may cast their vote electronically,
- c) Details of Website for e-voting: <https://instavote.linkintime.co.in>.
- d) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/modify the vote subsequently.
- e) In case Members have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or call on +91 (022) 4918 2505/4918 6000.

### **Remote e-Voting Instructions for shareholders:**

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

### **Login method for Individual shareholders holding securities in demat mode is given below:**

#### **1. Individual Shareholders holding securities in demat mode with NSDL**

1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select «Register Online for IDeAS Portal» or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon «Login» which is available under «Shareholder/Member» section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/

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OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

## 2. Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or <https://www.cdslindia.com> and click on New System Myeasi.
  2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
  3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
  4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.
3. Individual Shareholders (holding securities in demat mode) login through their depository participants You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

### Login method for Individual shareholders holding securities in physical form is given below:

Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -
  - A. **User ID:** Shareholders holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.
  - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  - C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
  - D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

*\*Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
  - ▶ Click “confirm” (Your password is now generated).
3. Click on ‘Login’ under ‘SHARE HOLDER’ tab.
  4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.



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## Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

## Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

## Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

## Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22-23058542-43.

## Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

## Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

## PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

- ▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -
- A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
  - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
  - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
  - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

## Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

## Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

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4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

### Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html>/ or
- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <u>Run a temporary application</u> . Click on <u>Run a temporary application</u> , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

# Annual Report 2021-2022

## ANNEXURE TO THE NOTICE

DETAILS OF DIRECTOR SEEKING APPOINTMENT AND RE-APPOINTMENT AT THE 14TH ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

<b>Name</b>	<b>Shri J K Devgupta</b>
DIN	00515391
Birth Date	22.05.1946
Age	77 years
Nationality	Indian
Qualification	B Tech from IIT Kharagpur
Brief resume including nature of expertise	He has over 4 decades of varied Industrial experience involving marketing, technical services, manufacturing, supply & distribution, import & export and shipping including the Company. He was associated with Companies like International Tractor Company of India [now Mahindra Tractors], Indian Oil Corporation, Chemical Terminal Trombay Ltd., a subsidiary of Tata power Limited etc.
Terms and Conditions of Appointment	Appointed as a Non-Executive Non-Independent Director, liable to retire by rotation.
No. of Equity Shares held in Company	291 Equity Shares
Relationship with other Directors/KMPS	NIL
List of outside Directorships in Public/Private Companies	NIL
Date of First Appointment on the Board	11-05-2010
Date of last reappointment	19.09.2019
Chairman/Member of the Committees of the Board of Directors of the Company	Chairman of the CSR committee
Chairman/Member of the Committees of Board of Directors of other Companies in which he is a Director	Nil
No. of Board Meetings attended during the year	He had attended all the 4 meetings of the Board.
Remuneration paid in the year 2021-22	The Detail of remuneration is given in the Corporate Governance report.
Listed companies from which the person has resigned in the past three years	Nil

For **Kesar Terminals & Infrastructure Limited**  
(Company under Corporate Insolvency Resolution Process)

**Registered Office:**  
Oriental House, 7,  
Jamshedji Tata Road,  
Churchgate,  
Mumbai-400020

**Sarika Singh**  
Company Secretary  
ACS:24186

Date: 22<sup>nd</sup> July, 2022

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## DIRECTORS' REPORT

**Dear Members,**

Your Directors are pleased to present to you the 14<sup>th</sup> Annual Report and the Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2022.

Pursuant to the application filed by Bank of Baroda before the Hon'ble National Company Law Tribunal (NCLT) Mumbai bench, in terms of Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the application and ordered the commencement of Corporate Insolvency Resolution Process ("CIRP") of the Company vide its order dated 7<sup>th</sup> March, 2022, order reference no. CP(IB)-1402/MB/2020. Mr. Prashant Jain is appointed as the Resolution Professional ("RP" or "Interim Resolution Professional/Resolution Professional") having registration No. IBBI/IPA-001/IP-P01368/2018-19/12131. The management of the affairs of the Company is vested in the RP.

The Company had given Corporate Guarantee in favor of Bank of Baroda (Erstwhile Dena Bank), Union Bank and Indian Bank (Erstwhile Allahabad Bank) for the loan provided to Kesar Multimodal Logistics Limited (KMLL)- Wholly owned subsidiary of the Company on 11.10.2012. KMLL had defaulted the loan repayment & the Banks had invoked the Corporate Guarantee given by the Company & filed the application under Section 7 of the IBC code, 2016, against the Company.

### Financial performance and state of the Company's affairs

The standalone financial performance of the Company for the year ended 31<sup>st</sup> March, 2022 is summarized below:

	(₹ in Lakhs)	
<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Revenue from Operations</b>	<b>3,251.03</b>	3,562.17
Other Income	<b>107.09</b>	468.33
<b>Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense</b>	<b>1,618.32</b>	2,485.10
Less: Depreciation/ Amortisation/ Impairment	<b>386.82</b>	377.79
Profit /loss before Finance Costs, Exceptional items and Tax Expense	<b>1,231.50</b>	2,107.31
Less: Finance Costs	<b>702.48</b>	661.50
<b>Profit /loss before Exceptional items and Tax Expense</b>	<b>529.02</b>	1,445.81
Add/(less): Exceptional items	<b>(6,858.33)</b>	0
Profit / (loss) before Tax Expense	<b>(6,329.31)</b>	1,445.81
Less: Tax Expense (Current & Deferred)	<b>953.38</b>	263.08
Profit / (loss) for the year (1)	<b>(7,282.69)</b>	1,182.73
<b>Other Comprehensive Income (2)</b>	<b>3.18</b>	4.91
<b>Total Profit / (loss) for the year (1+2)</b>	<b>(7,279.51)</b>	1,187.64
<b>Balance of profit / (loss) for earlier years</b>	<b>10,348.33</b>	10,065.79
Transfer to General Reserves	0	(1,000.00)
Dividend paid on Equity Shares	(163)	0
Profit/ (Loss) for the year	(7,282.69)	1,182.73
Prior period adjustment	0	99.81
<b>Balance carried forward</b>	<b>2,901.74</b>	10,348.33

During the financial year under review, the Company's revenue from operations was ₹ 3,251.03 Lakhs as compared to ₹ 3,562.17 Lakhs for the previous year. The loss for the year after tax stood at ₹ 7,282.69 Lakhs as against profit after tax of ₹ 1,182.73 Lakhs for the previous financial year 2020-21.

# Annual Report 2021-2022

The revenue of the Company on consolidated basis was ₹ 4,253.15 Lakhs as compared to ₹ 4,484.40 Lakhs for the previous year. The loss for the year after tax stood at ₹ 2,945.53 Lakhs for the financial year under review as against loss after tax of ₹ 2,348.27 Lakhs for the financial year 2020-21.

There is no change in the nature of the Business of the Company.

## **BUSINESS OPERATIONS:**

The Company is in the business of bulk liquid storage and logistics. The Company is listed on BSE limited. Hon'ble Mumbai High Court, vide its Order dated 12<sup>th</sup> March, 2010 had approved the Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 pertaining to the Demerger of Storage undertaking of Kesar Enterprises Limited (Demerged Company) into Kesar Terminals & Infrastructure Limited (Resulting Company) on a going concern basis. The Company has over 60 years experience in handling different types of petroleum, petro chemicals, hazardous and non-hazardous liquids.

The Company has 2 terminals at Kandla, Gujarat. The tanks at Terminal No. 1 are situated right in front of the Jetties ensuring a quick and smooth loading and off-loading of bulk liquids at a high pumping rate. Multiple Jetty Lines permit simultaneous discharge of cargo from more than one vessel at any time.

The Company operates on single segment.

## **Impact of the Covid-19 Pandemic on the Business of the Company:**

The Terminals at Kandla continued to operate during the pandemic and handled the shipment 24x7. All safety protocols related to Covid-19 as advised by the Govt. were followed from time to time. More or less liquid cargo storage business at Kandla Port was steady during the year under review.

## **DIVIDEND**

During the year under review, since the Company is under CIRP Process, no dividend on the equity shares of the Company has been recommended by the Board.

The Board of Directors had declared ₹ 1.5 (being 30% on face value of ₹ 5/- each) per equity share of the face value of ₹ 5 (Rupee Five only) each as final dividend for previous financial year 2020-21.

Dividend Distribution Policy is not applicable to the Company in accordance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## **TRANSFER TO RESERVE**

No amount is proposed to be transferred to General Reserves during the Current Financial Year.

## **SUBSEQUENT FINANCIAL YEAR 2022-23**

The revenue of the Company in the Financial year 2021-22 has decreased by 8.73% only as compared to previous financial year in spite of adverse effect on overall economy of the Country and closure of many Industries during first half of the financial year. Further, due to reduced imports at Kandla, price competition has increased and also one more chemical handling Terminal has been added at Kandla. It is expected that the Company would strive to achieve better revenues during the coming year. However, the development of better infrastructure and reduced demurrages at nearby Ports like Mundra / Hazira may affect the business of the Company. Further, the uncertainty in respect of lease rentals payable to Kandla Port is likely to continue to affect the bottom line.

## **EXPANSION PLANS**

The Company has plans to develop liquid storage tanks on the east coast of India. However, presently the import of chemicals is very low at Kakinada and all the existing terminals are basically dependent on one or two Companies for storage of Petroleum products. We are keeping a close watch on the developments at the east coast particularly at Kakinada and would like to develop at the opportune time. At Pipavav, at present the viability of a new liquid terminal is not there and therefore we are exploring the possibility of warehousing for storage of dry cargo or some other allied business.

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **WHOLLY- OWNED SUBSIDIARY COMPANY**

The Company has a wholly- owned subsidiary - Kesar Multimodal Logistics Limited (KMLL), a material subsidiary as per Regulation 16 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015. There has been no material change in the nature of business of the subsidiary.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the Listing Regulations. The Policy, as approved by the Board, is uploaded on the Company's website at <https://www.kesarinfra.com/policies>.

During the year under review, no Company has become or ceased to be a subsidiary of the Company. The Company does not have any associate or joint venture Company. Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiary in Form No. AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiary, are available on the Company's website on <https://www.kesarinfra.com/annual-reports>

## **Consolidated Financial Statements**

The Consolidated Financial Statements of the Company and its subsidiary, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), forms part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

## **Subsidiary Company**

Composite Logistics Hub Project of Kesar Multimodal Logistics Limited (KMLL), the wholly-owned subsidiary primarily deals with warehousing of food grains, cold storage for fruits & vegetables etc. Custom approved export import container depot and Indian Railway approved private freight Terminal.

During the year the rake movement was better due to food grain movement of FCI. However, the movement of Maize was low due to poor quality of the crop and hence procurement for trade fell sharply. Wheat Cargo movement also got affected due to very low OMSS sale by FCI as the floor price was kept high and traders were not getting that price from their end buyers. The Pandemic situation & increased cost of diesel severely affected the input cost of our services. In spite of this, the Company handled 201 rakes this year which is all time high.

During the year, the Company has continued ICD Business on regular basis and handled the export containers of Trident, Vardhaman, Nahar Spinning etc. and also did first import movement from JNPT for Som Distilleries, Bhopal.

As the KMLL business has started to pick up with increased FCI rake loading and EXIM business, there is a need to infuse working capital in order to reduce our cost on services rendered and also to provide assured services to the Customers who are tying up with us for new business.

KMLL has incurred substantial losses during the financial years ended 31.03.2022 & 31.03.2021. However, during the financial year under review the total income of the Company increased to ₹ 1,018.82 Lakhs as compared to ₹ 957.80 Lakhs in the previous financial year.

Originally, the Project of developing Composite Logistics Hub was conceived with Term Loans from 3 Banks and the Promoter's contribution (the Company). Further, the scope of the project increased due to the 2 - way rail connectivity and certain changes prescribed by the Railways which included more safety features, which resulted in the increase in the cost of the project from about ₹ 14,867.20 lakhs to about ₹ 21,991.93 lakhs. The revised means of financing envisaged additional contribution from the Promoter of about ₹ 2,591 Lakhs and additional debt of around ₹ 4,534 lakhs. Two of the 3 Banks reappraised the project and sanctioned their share of additional loans of ₹ 3,390 Lakhs. However, one Bank did not sanction its share of ₹1,144 lakhs. Consequently, the two Banks did not disburse even their share of the sanctioned term loan of ₹3,390 lakhs, which is not in accordance with the RBI Guidelines on Consortium lending, as a result of which KMLL had to complete the requisite work with the additional funds inducted by the Company. Thus, slow pick up of the business and funding gap created by non-sanction of the additional term loans by one Bank, resulted in a shortage of funds. There was overdue of interest and principal amounts towards the Banks

# Annual Report 2021-2022

of KMLL. Consequently, KMLL had requested its Banks to restructure the Term Loans. In the Consortium meeting held on 20.11.2017, the Banks had invoked Strategic Debt Restructuring (SDR) wherein a part of the Term Loans were to be converted into equity share capital so that the Banks hold 51% of KMLL's shares post conversion. Later, in the Consortium meeting held on 17.01.2018, the Banks had confirmed that the SDR had been approved by the respective competent authorities of the majority of the Banks. However, Reserve Bank of India [RBI] vide its circular dated 12.02.2018 withdrew the SDR Scheme with immediate effect and accordingly the account of KMLL had been classified as Non-Performing Asset [NPA], thereafter Bank of Baroda, erstwhile Dena Bank has recalled the loans from KMLL and invoked the Corporate Guarantee given by the Company, which has been contested by the Company.

Lenders of KMLL had filed a Company Petition u/s 7 of the IBC, 2016 against the borrower (i. e. KMLL) and the Guarantor (i.e. the Company) in November 2020 with NCLT – Mumbai under the IBC, 2016. The same had been admitted by the NCLT vide Order dated 17.02.2022 against KMLL and Order dated 07.03.2022 against KTIL. The Lenders of KMLL have also filed an Original Application before the Debt Recovery Tribunal (DRT) – Jabalpur against the Company and its subsidiary company (i.e. KMLL), however, since the Company Petition against both KMLL and the Company have been admitted by NCLT, Mumbai, Section 14 of the IBC has been invoked and moratorium period has commenced under IBC thereby all other matters filed by and against the Company in DRT have been sub-judiced sine die (i.e. kept in abeyance).

The Company being the Corporate Guarantor approached Bank of Baroda, Union Bank & Indian Bank for the One-time Settlement (OTS) & deposited a sum of ₹800.00 Lakhs to be kept in No Lien Account with the banks towards the OTS proposal for full and final settlement of dues of KMLL. The same will be adjusted towards the OTS settlement amount if and when the same is sanctioned. Bank of Baroda (i.e. the lead bank has sanctioned the OTS and the OTS proposal with the other 2 banks is under process. The Company is confident of settling with the Banks.

The Management expects a significant improvement in revenues and business of the Company & KMLL in the near future.

## SHARE CAPITAL

The Authorised Share Capital of the Company is ₹15,00,00,000/- divided into 2,50,00,000 Equity Shares of ₹ 5/- each aggregating to ₹ 12,50,00,000 and 25,00,000 Redeemable Preference Shares of ₹ 10/- each aggregating to ₹ 2,50,00,000. The paid-up Share Capital of the Company is 1,09,26,475 Equity Shares of ₹ 5/- each aggregating to ₹ 5,46,32,375. No shares were allotment in the FY 2021-22.

## BOARD AND AUDIT COMMITTEE MEETINGS

During the year under review, 4 (Four) Board Meetings and 4 (Four) Audit Committee Meetings were held. The details of which are given in the Corporate Governance Report. The gap between two consecutive meetings of the Board of Directors of the Company were more than 120 days. The Ministry of Corporate Affairs (the "MCA") vide its General Circular No. 08/2021 dated 03.05.2021 had relaxed the requirement of having intervening gap of one hundred and twenty (120) days between any two (2) meetings of the Board. Due to the COVID 19, pandemic, the Company conducted all the Board & Committee Meetings through Video Conference.

As on 31<sup>st</sup> March, 2022, the Board is comprised of 5(five) members including 3 Independent Directors, 1(one) Non-executive Director and 1(One) Whole Time Director. The Audit Committee of the Board of Directors comprised of 4 (Four) members, including 3 (Three) Independent Directors & 1 (One) Whole Time Director.

During the year under review, there were no instances where recommendations of the Audit Committee were not accepted by the Board.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge, hereby state that:

- (i) in preparation of the annual accounts for the financial year ended on 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;



## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the Directors have prepared the annual accounts for the financial year ended on 31<sup>st</sup> March, 2022 on a going concern basis; and
- (v) the Directors had laid down proper internal financial controls in place and that such internal financial controls are adequate and are operating effectively; and
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

#### **Directors**

In compliance with Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Shri J K Devgupta, Non- executive Director retires by rotation and being eligible, offers himself for re- appointment. A resolution seeking shareholders' approval for his re-appointment along with a brief profile of Shri J K Devgupta forms part of the Notice of the 14<sup>th</sup> AGM. The Board recommended his re-appointment.

Shri Jayant N Godbole, Independent Director of the Company unfortunately died on 4<sup>th</sup> January, 2022. He was associated with the Company since 29<sup>th</sup> January, 2010. He was a Member of the Audit & Nomination & Remuneration Committees. He was also the Chairman of the Corporate Social Responsibility Committee. The Company has immensely benefitted from his experience, vision and leadership during his tenure as a Director and a valued Member of the Board.

#### **Declarations by Independent Directors**

All the Independent Directors on the Board of the Company have submitted their respective declarations confirming that they meet the criteria of independence as mentioned in Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013 and that they are not aware of any circumstance or situation, affecting their status as Independent Directors of the Company.

#### **Independent Director's databank registration:**

Pursuant to a notification dated 22<sup>nd</sup> October, 2019 issued by the Ministry of Corporate Affairs, all Independent directors of the Company have registered themselves with online databank for Independent Directors maintained by Indian Institute of Corporate Affairs (IICA).

The Company has received declarations from all the Independent Directors of the Company confirming that they have registered their names in the Independent Directors' databank maintained by the Indian Institute of Corporate Affairs (IICA) as prescribed by MCA.

Separate meeting of the Independent Director of the Company was held on 8<sup>th</sup> February, 2022.

#### **Performance Evaluation:**

Pursuant to the requirement of the Companies Act, 2013, the SEBI Listing Regulations and considering the criteria specified in the SEBI Guidance Note on Board Evaluation, the Board has carried out an annual evaluation of its own performance and that of its committees including performance of the Directors Individually through a structured questionnaire, a feedback from each director was obtained as part of performance evaluation. The Board has also carried out the evaluation of the performance of all the individual directors, the Executive Chairman & Non-Executive Director of the Company.

The performance evaluation of Individual Directors including the Executive Chairman, was done based on the criteria such as professional conduct, roles and functions, discharge of duties and their contribution to Board/Committees/ Senior Management. The questionnaire prepared for evaluation of the Board as a whole and its committees also

# Annual Report 2021-2022

covered various aspects such as structure and composition, effectiveness of the Board process, information, roles and responsibilities and functioning of the Board and its Committees, establishment and determination of responsibilities of Committees, the quality of relationships between the Board and the management.

The performance evaluation of the non- Independent Directors viz., the Executive Chairman & Non- executive Director and the Board as a whole was carried out by the Independent Directors at their separate meeting held on 8<sup>th</sup> February, 2022, taking into account the views of the Executive Director and the Non- executive Director.

## Key Managerial Personnel

In accordance with the provisions of Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shri Vipul Doshi, Chief Financial Officer, Shri Navlesh Kumar, Chief Executive Officer and Mrs. Sarika Singh, Company Secretary are the Key Managerial Personnel ('KMP') of the Company as on 31<sup>st</sup> March, 2022.

## NOMINATION AND REMUNERATION POLICY

The Board has framed a Policy for selection and appointment of Directors, Senior Management and their remuneration. The salient features of the Policy and changes therein are set out in the Corporate Governance Report which forms part of this Annual Report. The details of the Nomination & Remuneration Policy are available on the website: <https://www.kesarinfra.com/policies>.

## FAMILIARIZATION PROGRAM

The monthly report on the working of the Company is placed before the Board Meeting on quarterly basis by the Chief Executive Officer of the Company. The Directors are provided with documents, information and briefing to enable them to have a better understanding of the Company, its operations, and the industry in which it operates. All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment/re-appointment through a formal letter of appointment. Details of familiarization program imparted to the Independent Directors are available on the Company's website: <https://www.kesarinfra.com/policies>.

## RELATED PARTY TRANSACTIONS

All Related Party Transactions are placed before the Audit Committee/ Board, as applicable, for their approval. Omnibus approvals are taken for the transactions which are repetitive in nature. A quarterly statement of all Related Party Transactions are placed before the Audit Committee for review at every meeting, specifying the nature, value and terms and conditions of the transactions.

Pursuant to amendment in SEBI (LODR) (Sixth Amendment) Regulations, 2021, the Company has revised the related party transaction policy on 8<sup>th</sup> February, 2022. Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is posted on the Company's website: [www.kesarinfra.com/policies](http://www.kesarinfra.com/policies).

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Act in Form AOC-2 is not applicable to the Company for the financial year 2021-22.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

## EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31<sup>st</sup> March, 2022 is available on the Company's website on <https://www.kesarinfra.com/annual-reports>

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

Except as disclosed above in this report, no other orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operation.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

Except as disclosed above in this report, there were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.

## **INTERNAL FINANCIAL CONTROL SYSTEMS AND ITS ADEQUACY**

The Company has an appropriate internal control system for its various functions with the ultimate objective of improving the efficiency of operations, better financial management and compliance with the applicable laws. The internal financial control system of the Company is supplemented with internal audits, regular reviews by the management and checks by external auditors. The statutory auditors and the internal auditors of the Company also provide their opinion on the internal financial control framework of the Company.

## **RISK MANAGEMENT**

Your Company has a robust risk management framework to identify, evaluate and mitigate business risks. A detailed statement indicating the development and implementation of a risk management policy for the Company, including identification of various elements of risk, is appearing in the Management Discussion and Analysis Report.

## **MAINTENANCE OF COST RECORDS**

The provisions relating to maintenance of Cost Records as specified by the Central Government under Section 148 of the Companies Act, 2013 is not applicable to the Company.

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT AND CORPORATE GOVERNANCE REPORT**

The Management Discussion & Analysis Report is annexed and forms part of this Annual Report. Pursuant to Regulation 34(3) of the Listing Regulations, Corporate Governance Report containing the details as required under Schedule(V)(C) of the said Regulations along with a certificate from the Secretarial Auditors of the Company confirming the compliance of the conditions of corporate governance by the Company as required under Schedule (V) (E) of the said Regulations is annexed hereto and forms an integral part of this Report.

## **CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE**

In terms of the Listing Regulations, the certificate, as prescribed in Part B of Schedule II of the said Regulations, has been obtained from Shri Navlesh Kumar, Chief Executive Officer and Shri V J Doshi, Chief Financial Officer, for the financial year 2021-22 with regard to the financial statements and other matters. The said certificate forms part of the report on Corporate Governance.

## **INSIDER TRADING**

In compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has framed a comprehensive code which lays down guidelines and advises the Directors, Key Managerial Personnel and other designated persons of the Company on procedures to be followed and disclosures to be made, while dealing in securities of the Company. The Company had adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the Code of Conduct for Prohibition of Insider Trading in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

## **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has a policy in place in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted an Internal Complaints Committee (ICC) for prevention and redressal of complaints/ grievances on the sexual harassment of women at workplaces. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed of during the year:

# Annual Report 2021-2022

- (a) Number of complaints pending at the beginning of the year; Nil
- (b) Number of complaints received during the year: Nil
- (c) Number of complaints disposed off during the year: Nil
- (d) Number of cases pending at the end of the year: Nil

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Disclosures under Section 134(3)(m) of the Companies Act, 2013 pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, are not applicable to your company during the year under review.

### **Foreign Exchange Earnings and Outgo**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

During the financial year, the Company's foreign exchange outgo were ₹ 0.71Lakh (previous year was ₹ 2.61 Lakhs).

## **INSURANCE**

The Company has taken adequate insurance for all its properties.

## **DEPOSITS**

As per the Companies Act, 2013, the Company has not taken deposits in terms of Section 73 of the Act.

## **AUDITORS**

### **Statutory Auditors and Statutory Audit Report**

Pursuant to Section 139 and other applicable provisions of the Companies Act, 2013, M/s. Chandabhoy & Jassoobhoy, Chartered Accountants (Firm Registration No. 101647W) appointed as Statutory Auditor of the Company to hold office for a term of 5 years i.e. from the conclusion of 11<sup>th</sup> AGM till the conclusion of 16<sup>th</sup> AGM (to be held during calendar year 2024).

The reports of the Statutory Auditors on Standalone and Consolidated Ind AS Financial Statements forms part of this Annual Report. The Auditors in their report to the members have given a qualified opinion and the response of the Company with respect to it is as follows:

- a. We draw attention to Note 32 of the standalone Ind AS financial statements in respect of litigation with the Deendayal Port Trust (DPT) in respect of their demand of transfer/upfront fees and increase in lease rentals for the leasehold lands and renewal of the said leases. As stated in Note, the Hon'ble Gujarat High Court has issued an order against the Company and the Company is examining the possibility of contesting the same in the Hon'ble Supreme Court of India. However, pending action on the above, no provision/adjustments have been made in the standalone Ind AS financial statements in respect of incremental liability or any impact on the leased assets recognised in the financial statements being the same currently not ascertainable and depreciation on assets constructed on lease hold land has been continued to be charged as per the rates prescribed in Schedule II of the Companies Act 2013 and right to use lease assets are continued to be recognised based on the lease period as already determined and recognised earlier. The final outcome of the matter may have impact on the profits of the Company as well as the Right to use – Lease assets recognized by the Company.
- b. We draw attention to Note 33 of the standalone Ind AS financial statements with regard to Company's non-current investment in and other non-current loan to Kesar Multimodal Logistics Limited (KMLL), a wholly owned subsidiary company, aggregating ₹ 9,803.04 lakhs and ₹ 3,913.63 lakhs respectively as at March 31, 2022. As stated in the said note, KMLL has incurred substantial losses till current year and the net worth of KMLL has been fully eroded. In view of loan and interest payment defaults by KMLL, the lenders of KMLL have filed a petition against KMLL and the Company (being a corporate guarantor) with the National Company Law Board (NCLT) - Mumbai under the Insolvency and Bankruptcy Code (IBC) 2016. The petition against KMLL was admitted on

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

17th February 2022 and Mr. Prashant Jain was appointed as the Interim Resolution Professional (IRP) under the Insolvency and Bankruptcy Code, 2016. In view of the above, Management is of the view that there is an impairment in the value of the above loans to and investments in KMLL.

However, the extent of impairment has not been ascertained and an approximate provision for impairment of loans and investments of ₹ 6,858.33 lakhs i.e. 50 % of total investments and loans outstanding as on 31.03.2022 has been made in the financial statements which is not in accordance with the requirements of Ind AS 36 – ‘Impairment of Assets’. Also, during the year, the management has taken a decision not to book the Notional Interest Income as per IND AS on investments in KMLL (i.e. 0% preference shares and Interest free Unsecured Loans) and notional commission on corporate guarantee given on Loans taken by KMLL w.e.f. 01.04.2021. In the absence of sufficient appropriate audit evidence to support Management’s assessment as above or any other relevant alternate evidence, we are unable to comment upon whether provision for impairment of loans and investments made is adequate and adjustments, if any, that may be required to the carrying values of these non-current investments and loans and the consequential impact on the standalone Ind AS financial statements.

- c. We draw attention to Note 33 of the standalone Ind AS financial statements in respect of the petition filed against the Company being a corporate guarantor for the borrowings availed by the Subsidiary Company, KMLL from lenders which has been admitted in the NCLT, Mumbai under the Insolvency and Bankruptcy Code (IBC) 2016. As explained in Note 33 of the financial statements, the One Time Settlement (OTS) proposal been submitted to the lenders by the Company of the KMLL and an amount of ₹ 800 lakhs has been paid to the lenders of the KMLL, which shall be adjusted against the OTS amount upon sanction of the OTS by the consortium banks. The said amount has been disclosed as ‘Other Current assets’ pending sanction of the OTS proposal. However, no provision has been made in the books of account in respect of liability if any that may arise out of the invocation of the Corporate Guarantee as stated above and in view of the petition against the Company being admitted in the NCLT, Mumbai. Further, the IBC proceedings admitted against the Company may have impact on the assets and liabilities of the Company.

The observations and comments given by the Auditors in their report read together with notes on financial statements are self-explanatory particularly Note No. 32 and 33 and hence the same to be treated as an explanation provided under Section 134 of the Act.

### **Internal Auditors**

The Company has an adequate Internal Control System. All transactions are properly authorized, recorded and reported to the Management.

The Company had appointed M/s. S V Shah & Associates., Chartered Accountants as its Internal Auditors in accordance with the provisions of Section 138(1) of the Companies Act, 2013 for the Financial Year 2021-22. The Audit Committee reviews the observations made by the Internal Auditors in their Report on a half yearly basis.

### **Secretarial Auditors & Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Ragini Chokshi & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2021-22.

There are no qualifications, reservations, adverse remarks or disclaimers made by the Secretarial Auditors, in their Audit Report.

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2022 is set out in ‘Annexure A’ to this Report.

### **Secretarial Audit of Material unlisted Indian Subsidiary**

As per Regulation 24A of SEBI (LODR) Regulations 2015, the Secretarial Audit of the material subsidiary Kesar Multimodal Logistics Limited has been conducted for the financial year 2021-22 by M/s. Amit R Dadheech & Associates, Practicing Company Secretaries. The Audit Report contain no qualification, reservation or adverse remark. The Secretarial Audit Report of the material subsidiary for the financial year ended 31<sup>st</sup> March, 2022, is annexed herewith and marked as ‘Annexure A1’ to this Report.

# Annual Report 2021-2022

## Reporting of Frauds by Auditors

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors has reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

## UNCLAIMED DIVIDENDS/TRANSFER OF SHARES TO IEPF

As per Section 124(5) of Companies Act, 2013, any money transferred by the Company to the unpaid dividend account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to a fund called the Investor Education and Protection Fund (Fund) set up by the Central Government. Accordingly, the unpaid/unclaimed dividends (interim) for the financial years 2013-14 had already been transferred by the Company to the said Fund. Unpaid/unclaimed dividend for the financial year 2014-15 shall become due for transfer to the said Fund on 30<sup>th</sup> October, 2022. Members are requested to verify their records and send their claim, if any, for the financial year 2014-15, before such amount becomes due for transfer to the Fund. Communication will be sent to the members, who have not yet claimed dividend for the financial year 2014-15, requesting them to claim the same as well as unpaid dividend, if any, for the subsequent years. During the FY 2021-22, the Company has transferred unclaimed dividend for the FY 2013-14 of ₹ 2,23,608 to IEPF.

The Company has uploaded the details of unclaimed dividend on the Company's website at [www.kesarinfra.com](http://www.kesarinfra.com).

During the year under review, the Company transferred 4,234 (P.Y. 10,105) equity shares of the face value of ₹ 5 each in respect of 49 (P.Y. 68) shareholders to the demat account of the IEPF Authority held with NSDL. Details of such shareholders, whose shares are transferred to IEPF and their unpaid dividends for the subsequent years are available on the website of the Company at <https://www.kesarinfra.com/iepf>.

## SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards i.e. SS-1 relating to Meetings of the Board of Directors and SS-2 relating to General Meetings, respectively.

## WHISTLEBLOWER/VIGIL MECHANISM POLICY

The Whistle Blower Policy of the Company, adopted by the Board, provides mechanism to its directors, employees and other stakeholders to raise concerns about any violation of legal or regulatory requirements, misrepresentation of any financial statement and to report actual or suspected fraud or violation of the Code of Conduct of the Company.

The Policy allows the whistleblowers to have direct access to the Chairman of the Audit Committee in exceptional circumstances and also protects them from any kind of discrimination or harassment. The Whistle Blower Policy of the Company can be accessed at the website: <https://www.kesarinfra.com/policies>.

It is hereby confirmed that no personnel have been denied access to the Audit committee.

## CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has modified CSR policy of the Company to align with the statutory amendments. The Company's CSR policy is available on the Company's web link at <https://www.kesarinfra.com/policies>.

The composition and functions of the CSR Committee has been detailed in the Corporate Governance Report. The Company has undertaken CSR activities in accordance with Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as 'Annexure B'.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Relation with the employees remained cordial throughout the year. The Directors place on record their sincere appreciation for the excellent spirit and commendable progress showcased by the entire team of the Company working at its Terminals and Offices.

The information required pursuant to Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees on the payroll of the

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

Company, is provided as 'Annexure C' which forms part of this report.

The information required pursuant to Section 197 read with Rule 5(2)&(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be made available to any shareholder on request, as per the provisions of Section 136(1) of the said Act.

## **ACKNOWLEDGEMENT**

The Directors wish to place on record their grateful appreciation for the assistance and co-operation extended by Banks, Financial Institutions, Customers and the wholehearted support extended by the Shareholders and Employees of the Company during the year.

**By the Order of the Resolution Professional**

Place: Mumbai  
Date: 22<sup>nd</sup> July, 2022

**H R Kilachand**  
**Non- Executive Chairman**  
**DIN: 00294835**

## FORM NO. MR-3 SECRETARIAL AUDIT REPORT

*Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

(For the Financial Year Ended 31<sup>st</sup> March 2022)

To,  
The Members,  
**KESAR TERMINALS & INFRASTRUCTURE LIMITED**  
Oriental House,  
7 Jamshedji Tata Road,  
Churchgate, Mumbai- 400020.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KESAR TERMINALS & INFRASTRUCTURE LIMITED (CIN: L45203MH2008PLC178061)** (hereinafter called the "Company") for the financial year ended 31<sup>st</sup> March, 2022. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon;

Based on our Verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and Compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period **1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable as the Company has not issued any debt securities during the Audit Period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issued any debt securities during the Audit Period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not Registrar to an Issue and Share Transfer Agent during the financial year)**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable as the Company has not delisted its equity shares from any stock exchange during the Audit Period)**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable as the Company has not bought back any of its securities during the Audit Period)**
  - (i) Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018 **(To the extend applicable)**
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.



## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

We are of the opinion that the management has complied with the following laws specifically applicable to the Company: -

1. The Petroleum Rules, 1908
2. The Manufacture, Storage & Import of Hazardous Chemicals Rules, 1989
3. Major Port Trusts Act, 1963
4. Indian Ports Act, 1908
5. Workmen's Compensation Act, 1923
6. Factories Act, 1948
7. Industrial Disputes Act, 1947
8. The Contract Labour (Regulation and Abolition ) Act, 1970
9. Environment (Protection) Act, 1986 and other Law, rules, regulations, bye- laws relating to Terminals and ports.

We have also examined compliance with the applicable provisions and clauses of the following:

- Secretarial Standards issued by the Institute of Company Secretaries of India.
- Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation, 2015 "SEBI (LODR)".

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

### **We further report that**

- The Board of Directors of the Company is duly constituted and the changes in the composition of the Board of Directors that took place during the period under review were carried out in the compliance with the provision of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were with requisite majority.

**We further report** that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines. The Compliance by the Company of applicable Financial Laws like Direct & Indirect Tax Laws, Goods and Service Tax has not been reviewed in the audit since the same has been subject to the review by the statutory financial audit and other designated professionals.

**We further report that** during the audit period, the company had no specific events or actions which might have a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except following:

1. Declaration of final dividend of Rs. 1.5 per share on 1,09,26,475 fully paid up Equity Shares of Rs.10/- each was approved at the Annual General Meeting held on 24<sup>th</sup> August, 2021.
2. Mr. Jayant Godbole, (DIN: 00056830) ceased to be a director of the Company with effect from 04/01/2022 due to death.
3. A petition filed under Section 7 of Insolvency and Bankruptcy Code, 2016 has been admitted by Hon'ble National Company Law Tribunal (NCLT) Mumbai bench on 7<sup>th</sup> March, 2022 and ordered the commencement of Corporate Insolvency Resolution Process of the Company. Mr. Prashant Jain has been appointed as Interim Resolution Professional (IRP).

**FOR RAGINI CHOKSHI & CO.**  
(COMPANY SECRETARIES)

**REENA BORDIA**  
(PARTNER)

CP No: 24214

ACS No: 64465

UDIN: A064465D000640964

Place: Mumbai  
Date: 18/07/2022

## FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup>MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
Kesar Multimodal Logistics Limited  
Oriental House 7, Jamshedji Tata Road,  
Churchgate, Mumbai - 400020

We have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to corporate practices adopted by **Kesar Multimodal Logistics Limited (CIN: U74120MH2011PLC222597)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **Kesar Multimodal Logistics Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in *our* opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

**We have examined the books, papers, minute books, forms and returns filed and other records maintained by Kesar Multimodal Logistics Limited for the financial year ended on 31<sup>st</sup>March, 2022 according to the provisions of:**

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(The Company being an Unlisted Public Limited Company, the provisions relating to Securities Contracts (Regulation) Act, 1956 ('SCRA') and rules made thereunder were not applicable during the period under review)**
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(During the period under review, the Company has not entered into any transaction requiring compliances with the Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder)**
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **(During the period under review, the Company has not entered into any transaction requiring compliances with the Foreign Exchange Management Act, 1999 and rules made thereunder)**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011; **(The Company being an Unlisted Public Company, the provisions relating to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011 were not applicable during the period under review);**
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(The Company being an Unlisted Public Company, the provisions relating to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 were not applicable during the period under review);**
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(The Company being an Unlisted Public Company, the provision relating to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 were not applicable during the period under review);**
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(The Company being an Unlisted Public Company, the provisions relating to Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 were not applicable during the period under review);**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(The**

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

**Company being an Unlisted Public Company, the provisions relating to Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 were not applicable during the period under review);**

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; **(During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993)**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(The Company being an Unlisted Public Company, the provisions relating to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 were not applicable during the period under review);**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(The Company being an Unlisted Public Company, the provisions relating to Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 were not applicable during the period under review);**

**We have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Company being an Un-Listed Public Company, it was not required to enter into a Listing Agreement with Stock Exchange and thus the compliances relating to the same was not applicable to the Company during the period under review

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **OTHER APPLICABLE LAWS:**

With respect to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable to the Company, subject to the observation stated below:

1. The Food Safety and Standards Act, 2006
2. Consumer Protection Act, 1986
3. The Water (Prevention and Control of Pollution) Act, 1974,
4. The Air (Prevention and Control of Pollution) Act, 1981,
5. The Environment Protection Act, 1986 and
6. The Factories Act, 1948,
7. The Minimum Wages Act, 1948,
8. The Employees Provident Funds and Miscellaneous Provisions Act, 1952,
9. The Payment of Bonus Act, 1965,
10. The Contract Labour (Regulation and Abolition) Act, 1970,
11. The Payment of Gratuity Act, 1972 and
12. Industrial Disputes Act, 1947
13. The Essential Commodities Act, 1955
14. The Environment (Protection) Rules, 1986
15. The Electricity Act, 2003
16. Major Port Trusts Act, 1963
17. Standards of Weights and Measures (Enforcement) Rules, 1992

### **Observations on the applicable laws are as follows:**

As per the information and explanation provided by the management above stated are the applicable laws to the Company. We have examined the compliance to the above stated laws and report as under:

An Application under Section 7 of the Insolvency and Bankruptcy Code, 2016 have been filed by Bank of Baroda, being Financial Creditor with the Honorable National Company Law Tribunal and the same has been admitted and an Insolvency Resolution Professional (IRP) has been appointed for the said matter.

### **We further report that:**

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were

# Annual Report 2021-2022

sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

## **We further report that during the audit period:**

This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this Report.

For **Amit R. Dadheech & Associates**

May 25, 2022  
Place : Mumbai

**Amit R. Dadheech**  
M.No.: 22889; C.P.: 8952  
UDIN: A022889D000383227

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## **Annexure A**

**To,  
The Members,  
Kesar Multimodal Logistics Limited  
Oriental House 7, Jamshedji Tata Road,  
Churchgate, Mumbai - 400020**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Amit R. Dadheech & Associates**

May 25, 2022  
Place: Mumbai

**Amit R. Dadheech**  
M.No.: 22889; C.P.: 8952  
UDIN: A022889D000383227

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE FY 2021-22****1. Brief outline on CSR Policy of the Company:**

The Company has revised the CSR policy of the Company on 29<sup>th</sup> June, 2021 in line with the amended CSR Rules, 2014. The objective of this Policy document is to articulate the Company's core philosophy of social responsibility, to define the areas and to indicate activities chosen by the Company to impact the society with its efforts towards Corporate Social Responsibility ("CSR") and to define the governance & monitoring framework for ensuring effectiveness of the Policy.

The CSR activities undertaken by the Company are within the broad framework of Schedule VII of the Companies Act, 2013. The details of the CSR policy & Annual Action plan are available on the website of the Company [www.kesarinfra.com](http://www.kesarinfra.com).

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri J N Godbole*	Chairman	1	1
2.	Shri J K Devgupta^	Chairman	1	1
3.	Shri R S Loona	Member	1	1
4.	Mrs. Nilima Mansukhani**	Member	1	1
5.	Shri H R Kilachand	Member	1	1

\*Shri J N Godbole till 04.01.2022. \*\*Mrs. Nilima Mansukhani was appointed as member of the Committee w.e.f. 08.02.2022. ^Shri J K Devgupta Appointed as Chairman w.e.f. 08.02.2022

The composition of the CSR committee shared above is also available on the website of the Company [www.kesarinfra.com](http://www.kesarinfra.com).

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: [www.kesarinfra.com](http://www.kesarinfra.com)
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). **N.A.**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set- off for the financial year, if any (in Rs)
1	2020-21	4,69,465	4,69,465

- Average net profit of the Company as per Section 135(5): Rs. 15,01,28,829/-
- Two percent of average net profit of the Company as per Section 135(5): Rs. 30,02,577/-
  - Surplus arising out of the CSR project or program or activities of the previous financial years: Nil
  - Amount required to be set off for the financial year, if any: Rs. 4,69,465/-
  - Total CSR obligation for the financial year (7a+7b- 7c): Rs. 25,33,112/-

# Annual Report 2021-2022

## 8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year 2021-2022. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
Name of the					
	Amount.	Date of transfer.	Fund	Amount.	Date of transfer.
30,58,000/-	0	0	0	0	-

## (b) Details of CSR amount spent against ongoing projects for the financial year: 0

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation-Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
1				State	District					Name	CSR Registration No.
0											

## (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation-Direct (Yes/No).	Mode of implementation-Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Oxygen generator Plant	(i)	No	Uttar Pradesh	Bareilly	30,58,000	Yes	-	-
	<b>TOTAL</b>					<b>30,58,000</b>			

(d) Amount spent in Administrative Overheads: 0

(e) Amount spent on Impact Assessment, if applicable: N.A

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 30,58,000/-**

(g) Excess amount for set off, if any:

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per Section 135(5)	30,02,577
(ii)	Total amount spent for the Financial Year	30,58,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	55,423
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	<b>55,423</b>

## KESAR TERMINALS & INFRASTRUCTURE LIMITED

9. (a) Details of Unspent CSR amount for the preceding three financial years: 0

SR. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
0							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): 0

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project- Completed /Ongoing.
0								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:(**asset-wise details**). Nil

- (a) Date of creation or acquisition of the capital asset(s). Nil
- (b) Amount of CSR spent for creation or acquisition of capital asset. 0
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. Not applicable.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). Not applicable.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). N.A.

**By the Order of the Resolution Professional**

Sd/-

Sd/-

Date: 22<sup>nd</sup> July, 2022

Place: Mumbai

H R Kilachand  
Executive Chairman

J K Devgupta  
Chairman CSR Committee

# Annual Report 2021-2022

'Annexure C'

**Particulars of Employees remuneration and other details in terms of Section 134(3)(q) read with Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

1. the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2021-2022:

<b>Name of the Directors</b>	<b>Ratio of remuneration of Director to the Median remuneration of Employees</b>
Shri H R Kilachand	23.89:1
Shri A S Ruia	0.57:1
Shri J N Godbole*	0.41:1
Shri R S Loona	0.62:1
Shri J K Devgupta	0.26:1
Mrs. Nilima Mansukhani	0.46:1

\* Shri J N Godbole till 04.01.2022

2. The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year 2021-22

<b>Name of Directors &amp; KMP</b>	<b>% Increase in the remuneration</b>
<b>Executive Director</b>	
Shri H R Kilachand	0.00%
<b>Non-executive Directors</b>	
Shri A S Ruia	8.25%
Shri J N Godbole	-8.41%
Shri R S Loona	7.82%
Shri J K Devgupta	6.07%
Mrs. Nilima Mansukhani	10.27%
<b>Key Managerial Personnel</b>	
Shri V J Doshi, Chief Financial Officer	9.85%
Shri Navlesh Kumar, Chief Executive Officer	5.94%
Mrs. Sarika Singh, Company Secretary	4.29%

3. The percentage increase in the median remuneration of employees in the financial year 2021-22: 6.16%
4. The Company has 50 permanent employees on the rolls of the Company as on March 31, 2022.
5. average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:  
In FY 2021-22, the remuneration of median employee other than Whole-time Directors increased by 5.78 % over the previous year.  
Increase in the remuneration of the Whole-time Directors/Managerial Personnel, which in the aggregate was 3.96 % during the year under review, was given, keeping in view the trends of remuneration in industry.
6. The Company affirms that the remuneration is as per the remuneration policy of the Company.



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **BULK LIQUID STORAGE SCENARIO**

The Bulk Liquid storage and handling Industry in the private sector acts as a dominant logistic partner in supply chain management framework for both - Primary manufacturers and downstream units in various industries such as petrochemicals, chemicals, synthetic fiber manufacturing, edible / non-edible vegetable oil refinery, power generation, food processing, pharmaceuticals etc. It also caters to the needs of traders of chemicals and edible/non-edible oils who import/export large parcels of these liquids.

The Indian Chemical Industry has a dominant role as a manufacturer of various chemicals for domestic consumption as well as for exports, particularly to the European market where there are restrictions for manufacture of lot of chemicals on safety, health and environment consideration.

This industry is further poised for growth on a regular basis with emphasis on “Make in India” programme of the Govt. of India and increased demand from domestic sector. The Port led modernisation planned for major ports in India would well support handling of the increasing volumes on a year-on-year basis.

**In the recent years domestic Oil Companies in the private sector have been hiring storage tanks particularly at port locations. This has been necessitated for the Private Oil Players in the Industry to optimize their logistics & transportation costs of Petroleum products on PAN India basis. This trend is likely to continue and volumes will increase on a regular basis as the Country has got surplus refineries and therefore the imported crude & refined oil products need to be moved to all the corners of the Country from the Port locations.**

### **INDUSTRY STRUCTURE & DEVELOPMENT**

Increasing urbanization and rise in per capita disposable income is resulting in a strong growth outlook for several key end use industries. The pandemic has also given opportunity to the Chemical Storage Terminals due to increased imports of raw materials for the Pharma Industries. So, this is going to positively impact the growth of Indian liquid bulk industry. Going ahead, liquid bulk trade volumes are set to grow at a rapid pace. The Government’s thrust towards domestic manufacturing is expected to redefine the product flow patterns and to address the mismatch of production versus domestic demand, the export volumes will also keep on increasing.

### **OPPORTUNITIES & THREATS**

As earlier mentioned, the Central Government is taking a number of progressive steps which would promote the growth of the Indian liquid bulk industry.

Increase in storage tank capacities at Kandla Port by various Terminal Operators have reduced the utilization in general and have increased competition amongst the liquid Terminal Operators. Both the terminals are on leasehold land from Deendayal Port Trust (DPT) (formerly known as Kandla Port Trust (KPT). However, for certain portion of leasehold land lease period has expired, so renewal of the lease is crucial for the continuity of the Business.

Kesar Multimodal Logistics Limited (KMLL) has got its biggest competitor in the form of CONCOR at Mandideep near Bhopal at a distance of 60 Km. Further for PFT segment, the Railway Goods shed at Itarsi is operated by Railways which is located in the heart of the City.

The Company has plans to create tank capacity in Kakinada in Andhra Pradesh and warehousing facilities for goods and empty containers in Pipavav in Gujarat. In Pipavav a container repair facility is also being planned. However, due to pandemic the progress has been slow and we are constantly looking for an opportune time to commence our development there.

The wholly owned subsidiary of the Company, KMLL has commenced operation in 2016-17 after erecting the facilities of Phase I of the project and has shown marked improvement in the year under review compared to previous years. We have further increased our revenues during the year 2021-22. We have continued our ICD business and also handled FCI rake loading business efficiently throughout the year. However, we could not consolidate EXIM volumes due to huge scarcity of empty containers PAN India basis. We expect to keep this momentum going and are confident of consolidating our turnover further during next year.

# Annual Report 2021-2022

## PERFORMANCE

The Company as on date operates only in one segment i.e. bulk liquid storage facility, the revenues of which for the current year stood at ₹ 3,251.03 Lakhs as against ₹ 3,562.17 Lakhs of previous year showing a decrease of 8.73%. The Total Comprehensive Income for the year stood at ₹ (7,279.51) Lakhs as against ₹ 1,187.64 Lakhs due to provision of ₹ 6,858.33 Lakhs towards impairment of loans and Investments in wholly owned subsidiary Company i.e. KMLL and is disclosed as exceptional items.

## RISKS AND CONCERNS

Every business is exposed to a certain amount of risk and concerns some of which may be regulatory or change in policy pertaining to the business, economic parameters, trade policy and geo-political factors, market risk, governmental clearances and approvals, credit risk, which are difficult to foresee. Currently, the Company derives its major share of revenue from its Bulk Liquid Terminals at Kandla, Gujarat. Since, the Company is majorly dependent on these Terminals for its revenues, it is exposed to specific risks that are particular to its business and environment in which it operates. The Company manages these risks by following business and risk mitigation practices. The subsidiary company KMLL has plenty of opportunity to grow with more and more construction of warehouses and tapping the domestic food grain cargo from railway god shed and export cargo from nearby Industries.

## INTERNAL CONTROL SYSTEM

The Company has an appropriate internal control system for its various functions with the ultimate objective of improving the efficiency of operations, better financial management and compliance with the applicable laws.

The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations.

The Statutory Auditors have also examined the internal financial controls of the Company and have submitted an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting as at 31<sup>st</sup> March, 2022.

The Company has appointed Independent Internal Auditor M/s. S V Shah & Associates, Chartered Accountants to carry out internal audit of its activities. The detailed internal audit reports are discussed at length at various level and thereafter the said reports are also placed before the Audit Committee for review and discussion on half yearly basis. No significant deficiency or material weakness in internal financial controls were identified as part of the audit.

## FINANCIAL PERFORMANCE

The information relating to the financial performance of the Company is provided in the Directors' Report.

## MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company firmly believes that trained, talented and engaged employees are the critical differentiators and provide competitive advantage for sustaining and growing the business in the intensified spiral of global competition. As such, the Company continues its focus on high performance, talent retention, employee engagement and focused approach for smooth organizational workflow. The Company has a total strength of 50 people as at 31<sup>st</sup> March, 2022.

## KEY FINANCIAL RATIOS

PARTICULARS	FY 2021-22	FY 2020-21	Remarks
Inventory Turnover Ratio	208.90	169.42	There is no significant change.
Interest Coverage Ratio	1.75	3.19	Reduction in ratio is due to fall in sales and increase in Interest as well as other expenses.
Current Ratio	0.65	0.80	There is no significant change.

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

Debt-equity ratio	(0.01)	0.00	Due to decrease in other equity consequent to provision made for impairment of investments in and loans to subsidiary i.e. KMLL.
Operating Profit Margin	0.42	0.63	Due to reduction in sales because of fall in volume as well as rates.
Net Profit ratio	(195%)	41%	Due to provision made for impairment of investments in and loans to subsidiary i.e. KMLL.
Return on investment	0.22%	4.30%	Due to non-provision of Interest income on Loans and investment in Subsidiary i.e. KMLL under Ind-AS during current financial year.
Return on Capital employed	(66.22)	13.24	Due to provision made for impairment of investments in and loans to subsidiary i.e. KMLL.
Return on net worth	(86%)	7%	Due to Decrease in net income consequent to provisions made for impairment of investment made & loan given to subsidiary.
Debt Service coverage ratio	(11.73)	4.27	Due to decrease in other equity consequent to provision made for impairment of investments in and loans to subsidiary i.e. KMLL.
Return on Equity Ratio	(0.60)	0.08	Due to decrease in other equity consequent to provision made for impairment of investments in and loans to subsidiary i.e. KMLL.
Trade receivables turnover ratio	10.03	9.29	There is no significant change.
Trade payables turnover ratio	4.11	1.81	Due to payments made to Deendayal Port Trust during the current financial year.
Net Capital Turnover ratio	(5.87)	(4.04)	Due to decrease in sales and investments during the current financial year.

### **FORWARD LOOKING STATEMENT**

The above Management Discussion and Analysis Report contain “forward looking statement” within the meaning of applicable laws, and regulations and is futuristic in nature. All statements that address expectations or projections about the future, including, but not limited to statements about the Company’s strategy for growth, market position, expenditures and financial results are forward looking statements. The Company’s actual results, performance or achievement could thus differ materially from those projected in any such forward looking statements. Investors are requested to make their own independent judgments before taking any investment decisions and the Company assumes no responsibility.

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## CORPORATE GOVERNANCE REPORT

Pursuant to the application filed by Bank of Baroda before the Hon'ble National Company Law Tribunal (NCLT) Mumbai bench, in terms of Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the application and ordered the commencement of Corporate Insolvency Resolution Process ("CIRP") of the Company vide its order dated 7<sup>th</sup> March, 2022, order reference no. CP(IB)-1402/MB/2020. Mr. Prashant Jain is appointed as the Resolution Professional ("Interim Resolution Professional/Resolution Professional" hereafter referred as "RP") having registration No. IBBI/IPA-001/IP-P01368/2018-19/12131. The management of the affairs of the Company is vested in the RP.

Further, as per Regulation 15(2A) and (2B) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the provisions specified in Regulations 17, 18, 19, 20 and 21 of the Listing Regulations shall not be applicable during the CIRP process of the Company and the roles and responsibilities of the Board of Directors and the committees, specified in the respective regulations of the Listing Regulations, shall be fulfilled by the RP.

### 1. Company's philosophy on Code of Governance:

The Company's philosophy on Corporate Governance stresses the importance of transparency, accountability and protection of shareholder interests. The Board oversees periodic review of business plans, monitors performance and ensures compliance of regulatory requirements.

### 2. Board of Directors:

The Composition of the Board of Directors is in conformity with the stipulation laid down in the Code of Corporate Governance prescribed by the Securities and Exchange Board of India (SEBI) (Listing Obligations & Disclosure Requirements)(LODR) Regulations, 2015.

The Board includes individuals with considerable professional expertise from fields like Finance, Legal, Commercial, Business Administration and other related fields, who, not only bring a wide range of experience and expertise, but also impart the desired level of independence to the Board.

#### The Composition and Category of Directors as on 31<sup>st</sup> March, 2022 is as follows:

Name of Directors	Category
Shri H R Kilachand (DIN:00294835)	Executive Chairman (Promoter)
Shri A S Ruia (DIN: 00296622)	Non- executive, Independent Director
Shri R S Loona (DIN: 02305074)	Non- executive, Independent Director
Smt. Nilima Mansukhani (DIN:06964771)	Non- executive, Independent Director
Shri J K Devgupta (DIN: 00515391)	Non-executive Director
*Shri J N Godbole(DIN: 00056830)	Non- executive, Independent Director

Note: \*Shri J N Godbole ceased to be Director w.e.f. 4<sup>th</sup> January, 2022 due to his sudden demise and his Directorship / Committee position details are as on 4<sup>th</sup> January, 2022.

#### Board Meetings held and the dates thereof:

During the year, 4 Board Meetings were held on **29.06.2021, 12.08.2021, 11.11.2021 and 08.02.2022**. The gap between two consecutive meetings of the Board of Directors of the Company was more than 120 days. The Ministry of Corporate Affairs (the "MCA") vide its circulars had relaxed the requirement of having intervening gap of one hundred and twenty (120) days between any two (2) meetings of the board. All the meetings of the Board of Directors & committees were held through Video Conferencing (VC) facility only. None of the Directors hold the office of a director in more than the permissible number of Companies under the Companies Act, 2013 (the "Act") or Regulations 25 & 26 of the SEBI (LODR) Regulations, 2015.

Attendance of each Director at the Board Meetings held during 01.04.2021 to 31.03.2022, the last Annual General Meeting held on 24.08.2021 and the number of other Directorships & Chairmanship/ membership of Committees

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

of each Director in various Companies & Shareholding of Directors are as under:

Name of the Directors	No. of Shares held by Executive/ Non-Executive/ Independent Directors	Attendance Particulars		No. of Directorships and Committee Membership/ Chairmanship in other listed and unlisted public limited Companies		
		Board Meeting	Last AGM	Director ships#	Committee Memberships \$	Committee Chairmanships
Shri H R Kilachand	4,98,738	4/4	Yes	2	3	NIL
Shri A S Ruia	NIL	4/4	No	3	3	1
Shri R S Loona	NIL	4/4	Yes	1	1	NIL
Shri J K Devgupta	291	4/4	Yes	NIL	NIL	NIL
Mrs. Nilima A Mansukhani	NIL	4/4	Yes	NIL	1	1
Shri J N Godbole^	NIL	3/4	Yes	3	3	1

Notes: #Excludes private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

\$Chairmanship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone is considered as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

^Shri J. N Godbole, Independent Director, member of Audit Committee, Nomination & Remuneration committees and Chairman of the Corporate Social Responsibility Committee ceased to be the Director due to his sudden demise on 4<sup>th</sup> January, 2022.

**Name of other equity listed entities where Directors of the Company held Directorships as on 31<sup>st</sup> March 2022:**

Name of Director	Name of Other listed entities in which he is Director	Category of Directorship
Shri H R Kilachand	Kesar Enterprises Limited	Managing Director
Shri A S Ruia	Kesar Enterprises Limited	Independent Director
Shri R S Loona	NIL	N.A.
Mrs. Nilima Mansukhani	NIL	N.A.
Shri J K Devgupta	NIL	N.A.

**Skills / Expertise / competencies of the Board of Directors:**

The following skills/ expertise/ competencies have been identified by the Board for its effective functioning, and are currently available with the Board along with names of Directors who have such skills / expertise / competence:

Industry knowledge/ experience	Knowledge of Infrastructure & Logistic Industry	Shri H R Kilachand Shri J K Devgupta Shri A S Ruia
	Understanding of laws, rules, regulations and policies applicable to Infrastructure & Logistic Industry	Shri H R Kilachand Shri J K Devgupta Shri R S Loona

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Technical skills/ experience	General business management	Shri H R Kilachand Shri J K Devgupta Shri A S Ruia Shri J N Godbole (finance)*
	Accounting and finance	Shri H R Kilachand Shri J N Godbole (finance)* Shri R S Loona
	Strategic planning/ business development	Shri H R Kilachand Shri J K Devgupta Shri A S Ruia Shri J N Godbole (finance)*
	Information Technology	Shri H R Kilachand Shri J K Devgupta
Behavioural Competencies	Integrity and ethical standards	Shri H R Kilachand Shri J N Godbole (finance)* Shri A S Ruia Shri J K Devgupta Shri R S Loona Mrs. Nilima Mansukhani
	Decision making	Shri H R Kilachand Shri A S Ruia Shri J K Devgupta Shri J N Godbole (finance)* Shri R S Loona Mrs. Nilima Mansukhani
	Problem solving skills	Shri H R Kilachand Shri J N Godbole (finance)* Shri A S Ruia Shri J K Devgupta Shri R S Loona Mrs. Nilima Mansukhani

Note: \*Shri J N Godbole ceased to be Director w.e.f. 4<sup>th</sup> January 2022 due to his sudden demise.

## Disclosure by Independent Directors of the Company:

All the Independent Directors of the Company have provided declaration to the Board confirming satisfaction of the conditions of their independence as laid down under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified in LODR Regulations and are independent of the management.

## Details of Directors being appointed or re-appointed:

Shri J K Devgupta, Non- executive Director retires by rotation as Director at this Annual General Meeting and being eligible, offers himself for re-appointment as a Director.

Shri A S Ruia, Shri J N Godbole and Shri R S Loona, were re- appointed as Independent Directors at the 11<sup>th</sup> Annual General Meeting held on 19<sup>th</sup> September, 2019 for a second term of five years and accordingly they would hold office up to the conclusion of 16<sup>th</sup> Annual General Meeting of the Company.

Shri J K Devgupta was re- appointed as Non- Executive Director of the Company at the 11<sup>th</sup> Annual General meeting held on 19<sup>th</sup> September, 2019 under Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## Inter-se relationships among Directors:

None of the Directors of the Company are related to each other.

## Separate Meeting of Independent Directors:

Separate meeting of the Independent Directors of the Company was held on 8<sup>th</sup> February, 2022 without the presence of the Executive Chairman & Non- Executive Director of the Company. The meeting was attended by all the Independent Directors of the Company to review:

- the Performance of the Non-Independent Directors, performance of the Board as a whole;
- performance of the Chairman taking into account the views of Non-Executive Director; and
- assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

## Familiarization Program for the Directors:

The Company has a familiarization program for the Directors, including the Independent Directors, with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc. As required under Regulation 46 of the Listing Regulations, the details of the Familiarization Program are disclosed on the website: [www.kesarinfra.com/policies](http://www.kesarinfra.com/policies).

### 3. Board Committees

The Board has constituted the required Committees of Directors with delegation of powers. The Secretary of the Company acts as the Secretary to the Committees. Each Committee has its purposes, goals and responsibilities. These Committees comprise mainly of Independent Directors who as per the terms of reference oversee the Committee's function and executes its duties and responsibilities. The details of the Committees constituted by the Board are as under:

#### Audit Committee:

As per Section 177 of the Act & Regulation 18 of the SEBI (LODR) Regulations, the Company has constituted an Audit Committee.

#### Composition

The Audit Committee was reconstituted on 08.02.2022. Shri A S Ruia expressed his desire to step down as the Chairman of the committees w.e.f. 08.02.2022, he continued as the member of the committee. Mrs. Nilima Mansukhani was appointed as the Chairperson of the Audit committee w.e.f. 08.02.2022.

As on 31.03.2022, the Audit Committee comprises of four (4) Directors of whom three (3) are Independent Directors and one (1) is Executive Director. The Committee is Chaired by an Independent Director.

Name of Members	Category	Designation	Attendance
Mrs. Nilima Mansukhani*	Independent Director	Chairperson	4/4
Shri A S Ruia**	Independent Director	Member	4/4
Shri R S Loona	Independent Director	Member	4/4
Shri H R Kilachand	Executive Chairman	Member	4/4
Shri J N Godbole^	Independent Director	Member	3/4

Notes:\*Mrs. Nilima Mansukhani appointed as Chairperson w.e.f. 08.02.2022. \*\*Shri A S Ruia ceased to be Chairman w.e.f.08.02.2022. ^Shri J N Godbole ceased to be Director w.e.f. 04.01.2022 due to his sudden demise.

During the year, 4 meetings of the Audit Committee were held on **29.06.2021, 12.08.2021, 11.11.2021 and 08.02.2022**. The attendance of the members of the committee is mentioned above. As required, the CFO, CEO, Internal Auditor & Statutory Auditors or their representatives remained present as an Invitee in such Meetings. The Company Secretary acts as the Secretary of the Audit Committee.

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The Company has appointed M/s. S V Shah & Associates, Chartered Accountant as Internal Auditor of the Company. The reports of the Internal Auditors are placed before the Audit Committee along with the comments of the management on the action taken to remedy any deficiencies that may be observed on the working of the various departments of the Company.

## Terms of Reference

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
3. Approval of payment to the Statutory Auditors for any other services rendered by them.
4. Reviewing with the Management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement included in the Board's Report in terms of Section 134(3)(c) of the Companies Act,2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by the Management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with Listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. modified opinion(s) in the draft audit report.
5. Reviewing, with the Management, the Quarterly Financial Statements before submission to the Board for approval.
6. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the Auditor's independence and performance, and effectiveness of the audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate Loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing with the Management, the performance of the Statutory and Internal Auditors and adequacy of the internal control system.
13. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with the Internal Auditors of any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussions with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit to ascertain any area of concern.



## KESAR TERMINALS & INFRASTRUCTURE LIMITED

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of the Chief Financial Officer (CFO) (i.e. Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
20. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
22. Such other activities as the Board of Directors may determine from time to time.

### Nomination & Remuneration Committee:

As per Section 178 of the Act & Regulation 19 of the SEBI (LODR) Regulations, the Company has constituted Nomination & Remuneration Committee.

### Composition

The Nomination & Remuneration Committee was reconstituted on 08.02.2022 and Mrs. Nilima Mansukhani was appointed as member of the committee w.e.f. 08.02.2022. As on 31.03.2022, the Committee comprises of four (4) Directors, three (3) are Independent Directors and one is Executive Director (Executive Chairman). The Committee is Chaired by an Independent Director. One (1) meeting of the Committee was held on **29.06.2021**.

The composition of the Nomination and Remuneration Committee is in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. Majority of the Members of the Committee are Non-Executive Independent Directors.

Name	Category	Designation	Attendance
Shri R S Loona	Independent Director	Chairman	1/1
Shri A S Ruia	Independent Director	Member	1/1
Mrs. Nilima Mansukhani <sup>^</sup>	Independent Director	Member	-
Shri H R Kilachand	Executive Chairman	Member	1/1
Shri J N Godbole*	Independent Director	Member	1/1

Note: <sup>^</sup>Mrs. Nilima Mansukhani was appointed w.e.f. 08.02.2022. \*Shri J N Godbole ceased to be Director w.e.f. 04.01.2022 due to his sudden demise.

### Terms of reference:

- a. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- b. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - o use the services of an external agencies, if required;
  - o consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - o consider the time commitments of the candidates.

# Annual Report 2021-2022

- c. formulation of criteria for evaluation of performance of independent directors and the board of directors.
- d. devising a policy on diversity of board of directors identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- e. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- f. recommend to the board, all remuneration, in whatever form, payable to senior management.
- g. Such other activities as the Board of Directors may determine from time to time.

## Remuneration Policy for Directors:

### Remuneration to Executive Chairman

The Remuneration/ Compensation /Incentive etc. to be paid to Executive Chairman shall be governed as per the provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decides the remuneration & incentives to be paid out of the profit of the Company to the Executive Chairman.

### Remuneration to Non- Executive / Independent Director:

The Non - Executive / Independent Director may receive compensation / commission as per the provisions of the Companies Act, 2013. The Company pays sitting fees of Rs. 35,000 per meeting to its Non - Executive Directors for attending meetings of the Board and meetings of committees of the Board. The Company also pays commission to the Non-Executive Directors within the ceiling of 1 percent of the net profits of the Company as computed under the applicable provisions of the Act, with the approval of the members. The said commission is decided each year by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee.

### Remuneration of Executive Director:

Shri H R Kilachand was re - appointed, as Executive Chairman of the Company for a period of 3 (Three) years commencing from 20<sup>th</sup> December 2020 to 19<sup>th</sup> December 2023 by Special Resolution passed in the Annual General Meeting held on 9<sup>th</sup> September, 2020 . The details of the remuneration paid in the financial year 2021-22 is as below:

(Rs. In Lakhs)

Name	Salary (Fixed)	Contribution to PF	Perquisites	Incentive paid for the FY 2020-21	Total
H R Kilachand Executive Chairman	126.91	7.50	0	35.00	169.41

The details of the remuneration paid to the Independent Directors for the financial year 2021-22 is as below:

(Rs.in Lakhs)

Name	Sitting Fees	Commission**	Total
Shri A S Ruia	3.85	2.97	6.82
Shri J N Godbole *	2.80	2.97	5.77
Shri R S Loona	4.20	2.97	7.17
Shri J K Devgupta	1.75	2.97	4.72
Smt. Nilima Mansukhani	3.15	2.97	6.12

Note: \* Shri J N Godbole ceased to be Director w.e.f. 4<sup>th</sup> January 2022 due to his sudden demise. \*\*The Commission approved by the Board for the FY 2020-21 was paid in the FY 2021-22

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## Performance evaluation of Directors and criteria for Independent Directors

The Board carried out the evaluation of the performance of the Board and Committees of the Board. Further, in accordance with Schedule IV of the Companies Act, 2013 and the Listing Regulations, performance evaluation of the Independent Directors was done by the entire Board excluding the Director being evaluated and included the performance of the Directors and fulfilment of the independence criteria and their independence from the management. Feedback was sought from each Director by way of structured questionnaires, based on criteria approved by the Nomination and Remuneration Committee, for evaluation of performance of the Board, Committees of Board and Individual Directors. The Directors expressed their satisfaction with the evaluation process.

### Stakeholders' Relationship Committee:

As per Section 178 of the Act & Regulation 20 of the SEBI (LODR) Regulations, the Company has constituted Stakeholders' Relationship Committee.

### Composition

The Stakeholders' Relationship Committee was reconstituted on 08.02.2022. Shri A S Ruia expressed his desire to step down as the Chairman of the committees w.e.f. 08.02.2022, he continued as the member of the committee. Shri R S Loona was appointed as the Chairman of the committee w.e.f. 08.02.2022.

This Committee was constituted to specifically look into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividend, payment of unclaimed dividends etc. The Chairman of the Committee is Non- executive Independent Director.

### The Stakeholders' Relationship Committee comprised of:

Name	Category	Designation	Attendance
Shri R S Loona*	Independent Director	Chairman	1/1
Shri A S Ruia**	Independent Director	Member	1/1
Shri H R Kilachand	Executive Chairman	Member	1/1

Note: \*Shri R S Loona was appointed as Chairman w.e.f. 08.02.2022. \*\*Shri A S Ruia stepped down as Chairman w.e.f. 08.02.2022

The function of the Stakeholders' Relationship Committee is to strengthen the investor relations. The Committee looks into redressal of shareholders complaints and proper and timely attendance on the investor's grievances. The key responsibilities of the Committee are to look into: -

- (1) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, nonreceipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the financial year ended 31.03.2022, One (1) meeting of Stakeholders' Relationship Committee was held on 08.02.2022.

During the year ended 31.03.2022, the Company had received nil complaints / grievances, no complaint/grievance was pending as on 31.03.2022.

Mrs. Sarika Singh, Company Secretary was the Compliance Officer of the Company as on 31.03.2022.

# Annual Report 2021-2022

The Chairman of the Stakeholders' Relationship Committee Shri A S Ruia was not present due to his preoccupation in the Annual General Meeting of the Company held on 24<sup>th</sup> August, 2021 but he had authorized Shri R S Loona to attend the meeting on his behalf to answer the shareholders queries.

## Share Transfer Committee

In addition to the Stakeholders' Relationship Committee, the Board has constituted another committee referred as the Share Transfer Committee/ Authorised Persons comprising of members from the senior management to approve the transfer of equity shares of the Company. The Committee has been reconstituted on 08.02.2022. The members of the Share Transfer Committee are Shri H R Kilachand, Executive Chairman, Shri Vipul Doshi, Chief Financial Officer and Mrs. Sarika Singh, Company Secretary. There were 2 (Two) meetings held during the year ended 31<sup>st</sup> March, 2022 on 28.06.2021 and 08.02.2022. There are no pending share transfers as on 31.03.2022.

## Corporate Social Responsibility [CSR] Committee:

As the Company meets with one of the criteria of Section 135(1) of the Companies Act, 2013, it has constituted a CSR Committee. The Committee was reconstituted on 08.02.2022. Shri J N Godbole Chairman of the Committee passed away on 04.01.2022 and in his place Shri J K Devgupta was appointed as Chairman of the Committee. Mrs. Nilima Mansukhani was appointed as member of the Committee w.e.f. 08.02.2022. The composition of the CSR Committee is as below:

Name of the Committee members	Category	Designation	Attendance
Shri J K Devgupta	Non- Executive Director	Chairman (w.e.f.08.02.2022)	1/1
Shri J N Godbole*	Non- Executive Director	Chairman (till 04.01.2022)	1/1
Shri R S Loona	Independent Director	Member	1/1
Shri H R Kilachand	Executive Chairman	Member	1/1
Mrs. Nilima^ Mansukhani	Independent Director	Member	-

Note: \*Shri J N Godbole ceased to be Director w.e.f. 4<sup>th</sup> January 2022 due to his sudden demise. ^ appointed as member of the Committee w.e.f. 08.02.2022

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act and recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy and Annual Action plan on CSR. Terms of reference of CSR committee specified below:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII;
- recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- monitor the implementation & adherence to Corporate Social Responsibility Policy of the company from time to time.
- ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company.
- Such other activities as the Board of Directors may determine from time to time.

The Company has formulated the CSR policy, which is uploaded on the website: [www.kesarinfra.com/policies](http://www.kesarinfra.com/policies). During the year, One (1) meeting of the CSR committee was held on 29.06.2021.

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

#### 4. General Body Meetings:

i. Location and time where the last three Annual General Meetings were held:

AGM	Financial Year Ended	Date	Location	Time	Particulars of Special Resolution Passed
13th	31.03.2021	24.08.2021	Meeting conducted Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	3:30 p.m.	None
12 <sup>th</sup>	31.03.2020	09.09.2020	Meeting conducted Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	3:30 p.m.	<ol style="list-style-type: none"> <li>1. Additional remuneration to Shri H R Kilachand (DIN:00294835), Whole Time Director.</li> <li>2. Increase in overall Managerial Remuneration limit under Section 197(1) of the Companies Act, 2013.</li> <li>3. Increase in remuneration of Shri H R Kilachand (DIN: 00294835), Whole-time Director.</li> <li>4. Re- appointment &amp; payment of remuneration to Shri H R Kilachand (DIN: 00294835) as a Whole-Time Director.</li> </ol>
11th	31.03.2019	19.09.2019	M. C. Ghia Hall	3:30 p.m.	<ol style="list-style-type: none"> <li>1. Re-appointment of Shri A S Ruia as Independent Director.</li> <li>2. Re-appointment of Shri J N Godbole as Independent Director.</li> <li>3. Re-appointment of Shri R S Loona as Independent Director.</li> <li>4. Re-appointment of Shri J K Devgupta as Non- Executive Non-Independent Director.</li> </ol>

During the Financial year 2021-22, the Company has not passed any Special Resolution through EGM or postal ballot.

#### 5. Means of communication:

Quarterly, half-yearly and annual financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Regulations and are also published in the "Free Press Journal (Mumbai, Indore and Bhopal) in English and "Navshakti" in Marathi newspapers. Quarterly, half-yearly and annual financial results are also uploaded on the website of the Company [www.kesarinfra.com](http://www.kesarinfra.com). There were no presentations / calls made to the analysts or institutional investors during the year under review.

# Annual Report 2021-2022

## 6. General Shareholder information:

a.	<b>Annual General Meeting</b>		<b>Particulars</b>
	Day	:	<b>Tuesday</b>
	Date	:	<b>13<sup>th</sup> September, 2022</b>
	Time	:	<b>3:00 p.m.</b>
	Venue		through Video Conferencing / Other Audio Visual Means as set out in the Notice convening the 14 <sup>th</sup> Annual General Meeting.
	Cut off date for E-voting		Tuesday, 6 <sup>th</sup> September, 2022
	E-voting dates		Friday, 9 <sup>th</sup> September, 2022 to Monday, 12 <sup>th</sup> September, 2022
b.	Financial Year Reported	:	1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022.
c.	Dividend Payment Date	:	NA
d.	Listing on stock exchange		BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. The Company had paid Annual Listing fees due to BSE for the financial year 2022-23.
e.	Stock Exchange Code Number	:	BSE Scrip Code: 533289
f.	Registrar & transfer agents		Link Intime India Pvt. Ltd, C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai 400083. email: rnt.helpdesk@linkintime.co.in. Telephone Number 022-4918 6270. Fax Number 022-4918 6060, Website: www.linkintime.co.in
g.	Date of Book Closure	:	Tuesday, 6 <sup>th</sup> September, 2022 to Tuesday, 13 <sup>th</sup> September, 2022 (both days inclusive)
h.	Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and impact on equity:		The Company has not issued any GDRs / ADRs / warrants or any other convertible instruments.
i.	Commodity price risk or foreign exchange risk and hedging activities:		NIL
j.	Next Financial Year ending	:	31 <sup>st</sup> March, 2023
k.	Next Annual General Meeting	:	By 30 <sup>th</sup> September, 2023
l.	ISIN	:	INE096L01025 numbers in NSDL & CDSL
	Custodial Fees of the Equity Shares for the FY 2022-23 has been paid to the depositories viz. NSDL and CDSL.		
m.	Credit Rating	:	NIL
n.	Disclosure with respect to demat suspense account/ unclaimed suspense/c	:	NIL
o.	Plant Locations	:	Terminals I & II at Kandla, Gujarat.
<b>Contact Details for Correspondence</b>			
p.	<b>Link Intime India Pvt. Ltd,</b> C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai 400083. email: rnt.helpdesk@linkintime.co.in. Telephone Number 022-4918 6270. Fax Number 022-4918 6060, Website: www.linkintime.co.in Contact Person: Mr. Ishwar Suvarna Email: ishwar.suvarna@linkintime.co.in		<b>Kesar Terminals &amp; infrastructure Limited Registered Registered Office</b> Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai-400020.email: <a href="mailto:headoffice@kesarinfra.com">headoffice@kesarinfra.com</a> , website: <a href="http://www.kesarinfra.com">www.kesarinfra.com</a> . Contact person. Mrs. Sarika Singh, Company Secretary Email: sarikasingh@kesarindia.com

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

### 7. Share Transfer System:

The Board has delegated the authority for approving, transmission, name deletion, remat, if any etc. of Company's securities to the Share transfer committee.

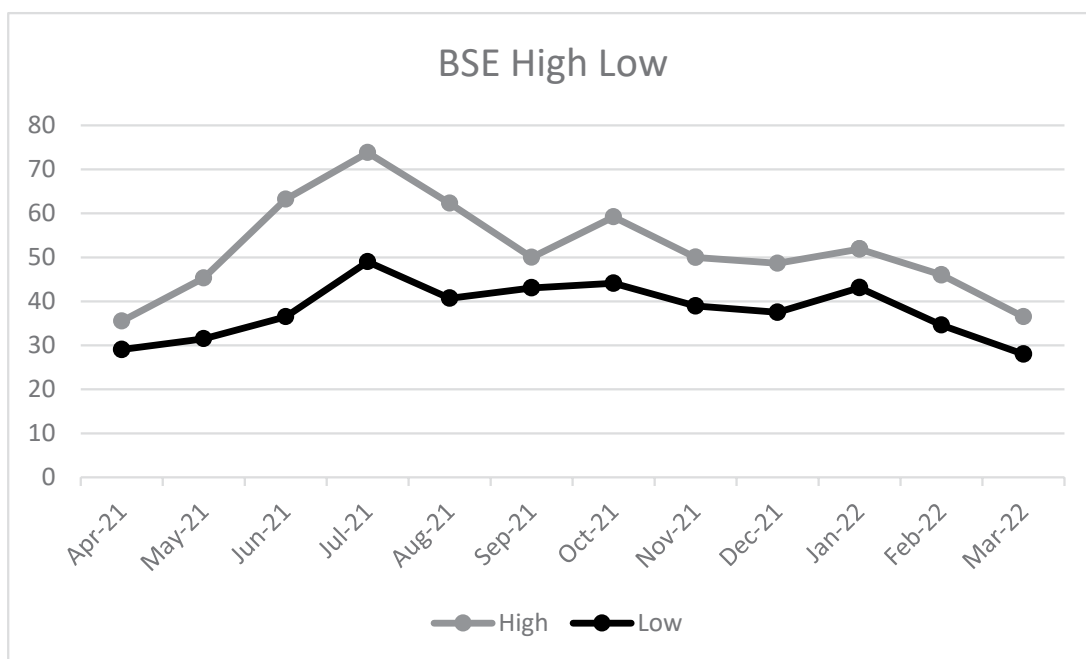
In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities.

Further, in accordance with the SEBI Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, regarding issuance of securities in dematerialised form only in case of various investor service requests viz. issue of duplicate share certificate, claim from Unclaimed Suspense Account, renewal / exchange of share certificate; endorsement, sub-division / splitting of share certificate; consolidation of share certificates/ folios; transmission of shares and transposition. The Company, after verification and process of the service request, is issuing the 'Letter of confirmation' to the shareholders, as per the requirement.

Members in physical form are requested to consider converting their holdings to dematerialised form. Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company. The Company obtains from a Practicing Company Secretary, half yearly certificate of compliance with the formalities as required under Regulation 40 (9) of the SEBI (LODR) and files a copy of the certificate with the Stock Exchange.

### 8. The monthly high/low quotation of shares traded on BSE Limited is as follows:

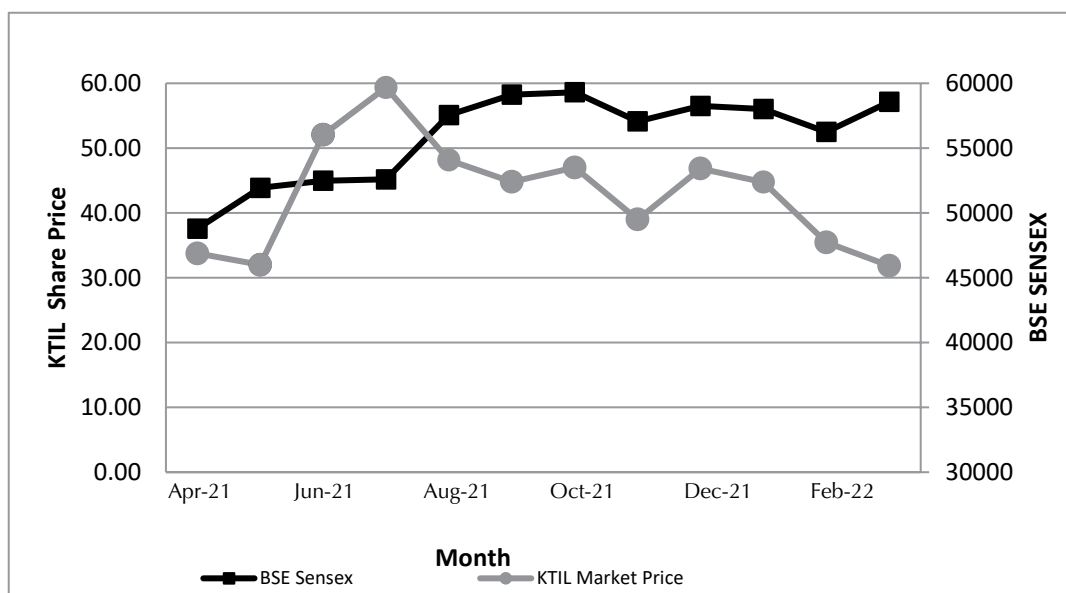
MONTH	BSE		Months	BSE	
	High	Low		High	Low
April, 2021	35.50	29.05	October, 2021	59.20	44.10
May, 2021	45.30	31.50	November, 2021	50.00	38.95
June, 2021	63.20	36.50	December, 2021	48.65	37.50
July, 2021	73.80	49.00	January, 2022	51.90	43.10
August, 2021	62.30	40.70	February, 2022	46.00	34.60
September, 2021	50.00	43.05	March, 2022	36.50	28.00



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## 9. Performance of the share Price of the Company in comparison to the BSE Sensex:

Month	BSE – Closing	Sensex	Month	BSE – Closing	Sensex
Apr-21	33.75	48782.36	Oct-21	47.00	59306.93
May-21	32.00	51937.44	Nov-21	39.00	57064.87
Jun-21	52.05	52482.71	Dec-21	46.85	58253.82
Jul-21	59.35	52586.84	Jan-22	44.75	58014.17
Aug-21	48.15	57552.39	Feb-22	35.45	56247.28
Sep-21	44.80	59126.36	Mar-22	31.85	58568.51



## 10. Distribution of equity shareholding as on 31<sup>st</sup> March, 2022:

Number of Shares	Number of Shareholders		Share held in each class	
	Number.	%	Number	%
Upto - 500	5455	83.82	671666	6.14
501 -1,000	512	7.86	382344	3.50
1,001- 2,000	276	4.24	395215	3.62
2,001 – 3,000	86	1.32	214933	1.97
3,001 – 4,000	46	0.70	161465	1.48
4,001- 5,000	26	0.40	117422	1.07
5,001- 10,000	51	0.78	362380	3.32
10,001 - and above	56	0.86	8621050	78.90
Total	6508	100	10926475	100



## KESAR TERMINALS & INFRASTRUCTURE LIMITED

### 11. Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories.

Shares held in	2021-22	%	2020-21	%
Physical form	180819	1.65	190867	1.75
Electronic form with NSDL	9348469	85.56	9350694	85.58
Electronic form with CDSL	1397187	12.78	1384914	12.67
<b>Total</b>	<b>10926475</b>	<b>100</b>	<b>10926475</b>	<b>100</b>

The Company's shares are traded on BSE Limited (BSE).

### 12. Categories of Shareholders as on 31<sup>st</sup> March, 2022:

About 98.34% of the total shareholding in the Company representing 1,07,45,656 shares are held in dematerialized form.

Sr No	Category of Shareholder	2021-22		2020-21	
<b>A.</b>	<b>Promoter &amp; its Group - Indian</b>				
a.	Individual / HUF	1820369	16.66	1820369	16.66
b.	Bodies Corporate	4858553	44.47	4838793	44.29
	<b>Total Shareholding Promoter &amp; Group Total (A)</b>	<b>6678922</b>	<b>61.13</b>	<b>6659162</b>	<b>60.95</b>
<b>B1</b>	<b>Public Shareholding – Institutions</b>				
a.	Mutual Funds	145	0.00	145	0.00
b.	Financial Institutions / Banks	1436	0.01	1436	0.01
c.	Central Government/				
d.	Insurance Companies	527196	4.82	527196	4.82
	<b>Sub-Total-B(1)</b>	<b>528777</b>	<b>4.84</b>	<b>528777</b>	<b>4.84</b>
<b>B.2</b>	<b>Non-Institutions</b>				
a.	Individual Shareholders (share capital up to Rs. 1 lakhs)	2340594	21.42	2347400	21.48
b.	Individual Shareholders share capital above Rs. 1 lakhs)	436650	4.00	398896	3.65
	<b>Others</b>				
c.	IEPF	103372	0.95	99138	0.91
d.	Hindu Undivided Family	193456	1.77	174025	1.59
e.	Non-Resident Indians (Repat & Non-Repat)	106589	0.97	73046	0.066
f.	Independent Director/ Non Independent (Non promoter)	291	0.00	291	0.00
g.	Clearing Member	7053	0.06	241434	2.21
h.	Bodies Corporate (Body Corp-Ltd Liability Partnership)	530771	4.86	404306	3.70
	<b>Sub-Total-B(2)</b>	<b>3718776</b>	<b>34.03</b>	<b>3738536</b>	<b>34.22</b>
	<b>Total public shareholding (B)=B(1)+B(2)</b>	<b>4247553</b>	<b>39.05</b>	<b>4267313</b>	<b>39.05</b>
	<b>Total (A+B)</b>	<b>10926475</b>	<b>100</b>	<b>10926475</b>	<b>100</b>

### 13. Other Disclosures:

- **Related Party Transaction:** All transactions entered into during the financial year 2021-22 with related Parties as defined under the Companies Act, 2013 were in the ordinary course of business and on an arm's length basis. The Material Related Party transactions, i.e. no transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements were entered during the year by the Company. Accordingly,

# Annual Report 2021-2022

the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act in Form AOC-2 is not required to be annexed to the Directors' Report. The Company has given in the notes to accounts, a list of related parties as per Indian Accounting Standard 24 and the transactions entered into with them. The Board has revised the policy on related party transactions 08.02.2022 and the same is available on the Company's website i.e. [www.kesarinfra.com](http://www.kesarinfra.com).

- No loans/advances in the nature of debt was given to firms/companies in which directors are interested.
- **Penalties, strictures imposed:** No penalties/strictures imposed on the Company by the Stock Exchanges or SEBI or any other authority on any matter relating to capital markets during the last three years.
- **Whistle Blower Policy / Vigil Mechanism:** The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Policy ensures that strict confidentiality is maintained while dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. We confirm that during the financial year 2021-22 no Employees of the Company was denied access to the Audit Committee. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company: [www.kesarinfra.com/policies](http://www.kesarinfra.com/policies).
- **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web based complaints redressal system through SCORES. The Action Taken Reports are uploaded online by the Company for any complaints received on SCORES platform, thereby making it convenient for the investors to view their status online. No complaint was received through Scores in the period under review.
- **Subsidiary:** The Audit Committee reviews the significant issues, including financial statements pertaining to subsidiary company Kesar Multimodal Logistics Ltd (KMLL). Attention of the Directors is drawn to significant transactions and arrangements entered into by KMLL. The performance of subsidiary is also reviewed by the Board periodically. The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at the following link <https://www.kesarinfra.com/policies>.
- **Certificate from Practising Company Secretary:** Certificate as required under Part C of Schedule V of Listing Regulations received from M/s. Ragini Chokshi & Co., Practising Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI / Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at its meeting held on 22<sup>nd</sup> July, 2022. The Certificate is enclosed at the end of the corporate governance report.
- **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:** No complaint has been received in the Financial Year 2021-22.
- **Commodity price risks and commodity hedging activities:** The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.
- **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** The Company has not raised funds during the period under review.
- **Certification of Chief Executive Officer & Chief Financial Officer:** The requisite certification from the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certifying inter- alia that the Financial Statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs, as required under Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been placed before the Board of Directors of the Company and annexed to this report.
- The Company has complied with all applicable mandatory requirements of the SEBI (LODR) Regulations 2015, a certificate from M/s. Ragini Chokshi & Co., Practising Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated there under is annexed to this Report.
- All the requirements of corporate governance report of sub paragraphs (2) to (10) Para C of Schedule V of the Listing Regulations have been duly complied with.
- The Company follows the Indian Accounting Standards (IND-AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Company has not adopted a treatment different from that prescribed in the aforesaid Indian Accounting Standards, in the preparation of financial statements.
- **Recommendations of Committees to the Board:** There were no instances during the financial year 2021-22 wherein the Board had not accepted recommendations made by any Committee of the Board.
- Declaration signed by the Chief Executive Officer stating that the members of Board of Directors and Senior

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management, is annexed to this Report.

- **Incompliance of the discretionary requirements as specified in Part E of Schedule II of SEBI (LODR) Regulations, 2015:**

The Internal Auditor of the Company reports to the Audit Committee of the Board of Directors.

#### **14. Total fees paid to Statutory Auditors of the Company:**

Total fees paid for all services by Kesar Terminals & Infrastructure Ltd (KTIL) to M/s. Chandabhoy & Jassoobhoy, Statutory Auditor for the FY 2021-22:

Particulars	Amount (Rs.in lakhs)
Audit fees	7.25
Towards Consultancy	0
Other Fees paid to firms in the network entity of which Auditors are part of	0
<b>Total</b>	<b>7.25</b>

Note: Statutory Auditor's Out of Pocket Expenses for the FY 2021-22 is Rs. 0.57 Lakhs.

#### **15. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund:**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Shareholders, who have not encashed their dividend warrants in respect of the dividend declared for the financial year 2014-15 onwards, are requested to send all their documents and communications pertaining to both physical and demat shares to the RTA - Link Intime India Private Limited at the address mentioned above.

The details of declared dividends are as under:

Date of declaration	For the Financial Year	Rate of Dividend	Due date of transfer to IEPF
04.07.2014	2013-2014	Final@15%	10-08-2021
23.09.2015	2014-2015	Final@35%	30-10-2022
03.08.2016	2015-2016	Final@10%	09-09-2023
12.09.2017	2016-2017	Final@10%	19-10-2024
27.09.2018	2017-2018	Final@20%	03-11-2025
19.09.2019	2018-2019	Final@20%	25-10-2026
12.03.2020	2019-2020	Interim@25%	18-04-2027
24.08.2021	2020-2021	Final@30%	30-09-2028

Shareholders may note that unclaimed dividend for a period of seven years from the date it becomes due for payment, shall be transferred to "Investor Education and Protection Fund" (IEPF) in terms of Section 125 of the Companies Act, 2013. Thereafter, the shareholders will not be able to get the same from the Company.

The details of unclaimed dividends and shares transferred to IEPF during FY 2021-22 are as follows:

Financial Year	Amount of unclaimed Dividend Transferred	No. of Shares transferred
2013-14	Rs. 1,12,326	1234
2013-14	Rs. 1,11,282	3000

The members whose shares had been transferred to IEPF may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website: [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend / shares so transferred.

# Annual Report 2021-2022

## CEO and CFO certification

### The Board of Directors Kesar Terminals & infrastructure Limited

We, Navlesh Kumar, Chief Executive Officer and Vipul Doshi, Chief Financial Officer of Kesar Terminals & infrastructure Limited, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2022 and;
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. During the year, we have indicated to the auditors and the Audit committee:
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud if any that we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Kesar Terminals & infrastructure Limited**  
(Company under Corporate Insolvency Resolution Process)

**Navlesh Kumar**  
Chief Executive Officer

**Vipul Doshi,**  
Chief Financial Officer

Place: Mumbai  
Date: 22nd July, 2022

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **CERTIFICATE ON CORPORATE GOVERNANCE**

### **Certificate on compliance with the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Members,  
**KESAR TERMINALS & INFRASTRUCTURE LIMITED**  
Oriental House,  
7 Jamshedji Tata Road,  
Churchgate Mumbai-400020.

We have examined the compliance of the conditions of Corporate Governance by **KESAR TERMINALS & INFRASTRUCTURE LIMITED** ('the Company') for the financial year ended 31<sup>st</sup> March, 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended 31<sup>st</sup> March, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Ragini Chokshi & Co.**  
(Company Secretaries)

**REENA BORDIA**  
(Partner)

CP No: 24214

ACS No: 64465

UDIN: A064465D000346582

Place: Mumbai  
Date: 19-05-2022

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### **Declaration by the CEO under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliances with Code of Conduct**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2022.

**For Kesar Terminals & infrastructure Limited**  
(Company under Corporate Insolvency Resolution Process)

Place: Mumbai  
Date: 22<sup>nd</sup> July, 2022

**Navlesh Kumar**  
Chief Executive Officer

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## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
**The Members,**  
**KESAR TERMINALS & INFRASTRUCTURE LIMITED**  
Oriental House,  
7 Jamshedji Tata Road,  
Churchgate Mumbai-400020.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **KESAR TERMINALS & INFRASTRUCTURE LIMITED** having CIN **L45203MH2008PLC178061** and having registered office at Oriental House, 7 Jamshedji Tata Road, Churchgate Mumbai-400020 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	HARSH RAJNIKANT KILACHAND	00294835	20/12/2017
2.	ANILKUMAR SUSHILKUMAR RUIA	00296622	21/01/2008
3.	JAYANTO KUMAR DEVGUPTA	00515391	22/05/2014
4.	RAJINDER SINGH LOONA	02305074	01/06/2010
5.	NILIMA ASHOK MANSUKHANI	06964771	21/05/2018
6.	JAYANT NARAYAN GODBOLE *	00056830	29/01/2010

\*Mr. Jayant Godbole (DIN: 00056830) ceased to be a director of the Company w.e.f 04/01/2022 due to death.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

**For Ragini Chokshi & Co.**  
(Company Secretaries)

**REENA BORDIA**  
(Partner)

CP No: 24214

ACS No: 64465

UDIN: A064465D000346551

Place: Mumbai  
Date: 19-05-2022

## INDEPENDENT AUDITOR'S REPORT

To the Members of Kesar Terminals and Infrastructure Limited

Report on the Audit of the Standalone Ind AS Financial Statements

### Qualified Opinion

We have audited the accompanying standalone Ind AS financial statements of **Kesar Terminals and Infrastructure Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

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

### Basis for Qualified Opinion

- a. We draw attention to Note 32 of the standalone Ind AS financial statements in respect of litigation with the Deendayal Port Trust (DPT) in respect of their demand of transfer/upfront fees and increase in lease rentals for the leasehold lands and renewal of the said leases. As stated in Note, the Hon'ble Gujarat High Court has issued an order against the Company and the Company is examining the possibility of contesting the same in the Hon'ble Supreme Court of India. However, pending action on the above, no provision/adjustments have been made in the standalone Ind AS financial statements in respect of incremental liability or any impact on the leased assets recognised in the financial statements being the same currently not ascertainable and depreciation on assets constructed on lease hold land has been continued to be charged as per the rates prescribed in Schedule II of the Companies Act 2013 and right to use lease assets are continued to be recognised based on the lease period as already determined and recognised earlier. The final outcome of the matter may have impact on the profits of the Company as well as the Right to use – Lease assets recognized by the Company.
- b. We draw attention to Note 33 of the standalone Ind AS financial statements with regard to Company's non-current investment in and other non-current loan to Kesar Multimodal Logistics Limited (KMLL), a wholly owned subsidiary company, aggregating ₹ 9,803.04 lakhs and ₹ 3,913.63 lakhs respectively as at March 31, 2022. As stated in the said note, KMLL has incurred substantial losses till current year and the net worth of KMLL has been fully eroded. In view of loan and interest payment defaults by KMLL, the lenders of KMLL have filed a petition against KMLL and the Company (being a corporate guarantor) with the National Company Law Board (NCLT) - Mumbai under the Insolvency and Bankruptcy Code (IBC) 2016. The petition against KMLL was admitted on 17th February 2022 and Mr. Prashant Jain was appointed as the Interim Resolution Professional (IRP) under the Insolvency and Bankruptcy Code, 2016. In view of the above, Management is of the view that there is an impairment in the value of the above loans to and investments in KMLL.

However, the extent of impairment has not been ascertained and an approximate provision for impairment of loans and investments of ₹6,858.33 lakhs i.e. 50 % of total investments and loans outstanding as on 31.03.2022 has been made in the financial statements which is not in accordance with the requirements of Ind AS 36 – 'Impairment of Assets'. Also, during the year, the management has taken a decision not to book the Notional Interest Income as per IND AS on investments in KMLL (i.e. 0% preference shares and Interest free Unsecured Loans) and notional commission on corporate guarantee given on Loans taken by KMLL w.e.f. 01.04.2021. In the absence of sufficient appropriate audit evidence to support Management's assessment as above or any other relevant alternate evidence, we are unable to comment upon whether provision for impairment of loans and investments made is adequate and adjustments, if any, that may be required to the carrying values of these non-current investments and loans and the consequential impact on the standalone Ind AS financial statements.

- c. We draw attention to Note 33 of the standalone Ind AS financial statements in respect of the petition filed against the Company being a corporate guarantor for the borrowings availed by the Subsidiary Company, KMLL from

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lenders which has been admitted in the NCLT, Mumbai under the Insolvency and Bankruptcy Code (IBC) 2016. As explained in Note 33 of the financial statements, the One Time Settlement (OTS) proposal been submitted to the lenders by the Company of the KMLL and an amount of ₹800 lakhs has been paid to the lenders of the KMLL, which shall be adjusted against the OTS amount upon sanction of the OTS by the consortium banks. The said amount has been disclosed as 'Other Current assets' pending sanction of the OTS proposal. However, no provision has been made in the books of account in respect of liability if any that may arise out of the invocation of the Corporate Guarantee as stated above and in view of the petition against the Company being admitted in the NCLT, Mumbai. Further, the IBC proceedings admitted against the Company may have impact on the assets and liabilities of the Company.

We conducted our audit in accordance with Standards on Auditing (SAs) 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 standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and 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 qualified opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period.

These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

## Emphasis of Matters

As stated in Note 52, balances of trader receivables, trade payables, borrowings, loans and advances and security deposits are subject to confirmations, reconciliations and consequential adjustments. Further, pursuant to commencement of CIRP proceedings for the subsidiary company and the Company, the Resolution Professional (RP) is in the process of ascertaining the claims from all the creditors. Pending completion of the said process, the impact of the above on the financial statements will be accounted on completion of the said process.

## Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, Management Discussion and Analysis Report and Corporate Governance Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone Ind AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

## Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder.



## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 standalone Ind AS financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

The Honourable National Company Law Tribunal, Mumbai ("NCLT") by order dated 7th March 2022 admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by Bank of Baroda against the company, being the corporate guarantor in respect of debts of subsidiary company Kesar Multimodal Logistics Ltd who has defaulted in repaying the outstanding loans. Shri Prashant Jain Registration Number (IBBI/IPA-001/IP-P01368/2018-2019/12131) has been appointed as Interim Resolution Professional to carry out functions as mentioned under Insolvency & Bankruptcy Code, 2016.

In view of the ongoing CIRP and suspension of powers of Board of Directors on 07/03/2022, the powers of adoption of this standalone financial statement vests with RP under provisions of the code as the powers of the Board of Directors are suspended.

As per Section 134 of the Companies Act, 2013, the financial statements of a Company are required to be authenticated by the Chairperson of the Board of Directors, where authorized by the Board or at least two directors, of which one shall be managing director or CEO (being a Director), the CFO and the Company Secretary where they are appointed. Under IBC 2016, such powers shall vest with the Resolution Professional Mr. Prashant Jain.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 this standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS

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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 standalone Ind AS financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained, except for the possible effects of the matters described in the Basis for Qualified Opinion section, 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 other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended except as otherwise stated in para (a) of the Basis of Opinion section of this report with regard to the impairment of non-current investment in and other non-current loan to Kesar Multimodal Logistics Limited (KMLL), a wholly owned subsidiary company (IND AS 36 – Impairment of Assets);
  - e. The matters described under the Basis for Qualified Opinion and Emphasis of Matter section of our report, in our opinion, may have an adverse effect on the functioning of the Company;
  - f. On the basis of the written representations received from the directors as on March 31, 2022, and 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. However, in view of corporate insolvency Resolution process (CIRP) from March 07, 2022, the powers of Board of Directors stand suspended as per section 17 of the code and such powers are exercised by the Resolution Professional from March 07, 2022 onwards;
  - g. With respect to the adequacy of the internal financial controls with reference to standalone Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) As stated in Note 33, the petition filed by the lenders of the Subsidiary Company against the Company under section 7 of the Insolvency and Bankruptcy Code 2016 has been admitted on 7<sup>th</sup> March 2022 and the CIRP process has started. The impact of the above on financial statements of the Company cannot be ascertained at present. The Company has disclosed the impact of other pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 32 and 33 to the standalone Ind AS financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There has been no delay in transferring amounts, 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 notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on such audit procedures that we have 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 mis-statement.
- (v) The dividend declared and paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.

For **Chandabhoy & Jassoobhoy**  
Chartered Accountants  
Firm Registration No. 101647W

**Bhupendra T. Nagda**  
Partner  
Membership No. 102580  
UDIN: 22102580ANLRVK8915

Place: Mumbai  
Date: July 22, 2022

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## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Kesar Terminals and Infrastructure Limited on the standalone Ind AS financial statements for the year ended March 31, 2022]

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable interval and no material discrepancies were noticed on verification between the physical assets and the book records. In our opinion, the frequency of verification of Property, Plant and Equipment is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- The leasehold lands have been transferred from Kesar Enterprises Limited to the Company on account of scheme of demerger sanctioned by Hon'ble High Court of Bombay. However, Deendayal Port Trust has raised a demand towards transfer/upfront fees for which Company had filed a Letter Patent Appeal (LPA)/ Special Leave Application (SCA) in Hon'ble High Court of Gujarat against the demand raised by the DPT. Further, for certain portion of leasehold land where the lease period is expired, the Company had filed LPA/ SCA for the renewal of the said lease. However, vide Order dated 06.05.2022, the SCA and LCA filed by the Company has been dismissed by the Hon'ble High Court of Gujarat. The Company is examining the possibility of contesting the said order in Hon'ble Supreme Court of India against the order of Hon'ble High Court of Gujarat. Also Refer Note no. 32 of the standalone Ind AS financial statements.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) According to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable and procedures and coverage as followed by management were appropriate. As informed to us, no discrepancies were noticed on verification carried out during the year between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. Hence, clause 3(ii) (b) of the Order is not applicable to the Company during the year.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has provided following loans or provided advances in the nature of loans, or stood guarantee, or provided security during the year: -

(Rupees in Lakhs)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/provided / renewed during the year				
- Subsidiaries			3,038.79	
- Others			3.17	
Balance Outstanding as at balance sheet date in respect of above cases	10,811.00			
- Subsidiaries	(Also Refer Note 33 of the standalone Ind AS financial statements)		3,913.63	
- Others			2.30	

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

- (b) According to the information and explanations given to us, investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.
- (c) According to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal has been stipulated and the said loans are interest free. Loans aggregating to ₹2,194.74 lakhs constituting 72.22 % of the aggregate loans granted during the year fell due during the year and have not been repaid during the year and the same have been further renewed during the year.
- (d) According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of sections 185 and 186 of the Companies Act.
- (v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year and hence the directives issued by Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been generally regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other applicable statutory dues to the appropriate authorities during the year. According to the information and explanations given to us, there are no material undisputed statutory dues outstanding as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material statutory dues referred to in sub-clause (a) above which have not been deposited on account of any dispute as at March 31, 2022 except as under:

<b>Name of the statute</b>	<b>Nature of dues</b>	<b>Amount (₹ in lakhs)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>	<b>Remarks</b>
Income Tax Act, 1961	Income Tax	7.92	Assessment Year 2013-14	Commissioner of Income Tax (Appeals)	-
Income Tax Act, 1961	Income Tax	439.33	Assessment Year 2013-14	Commissioner of Income Tax (Appeals)	-
Income Tax Act, 1961	Income Tax	15.61	Assessment Year 2014-15	Commissioner of Income Tax (Appeals)	-
Income Tax Act, 1961	Income Tax	22.14	Assessment Year 2017-18	Commissioner of Income Tax (Appeals)	-
Income Tax Act, 1961	Income Tax	48.90	Assessment Year 2018-19	Commissioner of Income Tax (Appeals)	-

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- (viii) According to the information and explanations given to us, there are no such transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to the lenders except that the Corporate guarantee given by the Company towards borrowings availed by Company's wholly owned subsidiary Company has been invoked by the bank against which a dispute had arisen and the NCLT has admitted the case under IBC 2016. Also refer Note 33 to the standalone Ind AS financial statements.
- (b) According to the information and explanations given to us, the Company is not declared as wilful defaulter by any banks or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which they were raised during the year.
- (d) In our opinion and according to the information and explanations given to us, the funds raised on short term basis have not been utilized for long term purposes by the Company during the year.
- (e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, Clause 3(x)(a) of the Order is not applicable to the Company during the year.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.
- (xi) (a) Based on the audit procedures performed and the information and explanations given by the management, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors during the year in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, no whistle blower complaints have been received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Hence Clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has internal audit system commensurate with size and nature of its business.
- (b) The reports of the internal auditors for the period under audit were considered by us while framing our opinion on the financial statements of the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year.
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Clause 3(xvi)(b) of the Order is, therefore, not applicable to the Company.
  - (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
  - (d) According to the information and explanations given to us, the Company does not have any CIC as a part of the Group.
- (xvii) According to the information and explanations given to us, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and further based on our examination of the records of the Company, except for the possible effects of the matters mentioned in the Basis for Qualified Opinion section of our report, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanation given to us, the Company does not have any unspent amounts in respect of any ongoing projects or other than any ongoing projects as specified in section 135 of the Companies Act. Hence, clause xx (a) and (b) of the order are not applicable to the Company for the year.

For **Chandabhoy & Jassoobhoy**  
Chartered Accountants  
Firm Registration No. 101647W

**Bhupendra T. Nagda**  
Partner  
Membership No. 102580  
UDIN: 22102580ANLRVK8915

Place: Mumbai  
Date: July 22, 2022

# Annual Report 2021-2022

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**[Referred to in paragraph 2 (g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Kesar Terminals and Infrastructure Limited on the standalone Ind AS financial statements for the year ended March 31, 2022**

**Report on the Internal Financial Controls with reference to the standalone Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Kesar Terminals and Infrastructure Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

### **Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.



# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **Inherent Limitations of Internal Financial Controls with reference to standalone financial statements**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022 based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Chandabhoy & Jassoobhoy**  
Chartered Accountants  
Firm Registration No. 101647W

**Bhupendra T. Nagda**  
Partner  
Membership No. 102580  
UDIN: 22102580ANLRVK8915

Place: Mumbai  
Date: July 22, 2022

# Annual Report 2021-2022

## STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022

			(₹ In Lakhs)	
PARTICULARS		Note No.	As at 31st March 2022	As at 31st March 2021
<b>I.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, plant and equipment	2	2,594.75	2,783.08
	(b) Capital work in progress	2	42.67	8.33
	(c) Right to Use - Lease Assets	2	4,739.14	4,902.78
	(d) Intangible assets	2	1.02	1.68
	(e) Financial assets			
	(i) Investments	3	6,858.39	9,803.09
	(ii) Loans	4	0.57	3,069.82
	(iii) Others	5	45.00	39.06
	(f) Deferred tax assets (net)	6	30.95	786.50
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	7	7.49	6.80
	(b) Financial assets			
	(i) Investments	8	-	890.65
	(ii) Trade receivables	9	272.77	375.31
	(iii) Cash and cash equivalents	10	183.92	105.93
	(iv) Bank balances other than cash and cash equivalents	11	11.49	15.94
	(v) Loans	12	1.73	1.82
	(c) Other current assets	13	835.90	36.34
	(d) Current tax assets (net)	14	82.26	54.46
	<b>TOTAL</b>		<b>15,708.05</b>	<b>22,881.59</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share capital	15	546.32	546.32
	(b) Other equity	16	7,876.51	15,319.92
<b>2</b>	<b>Liabilities</b>			
	<b>I Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	17	69.13	83.43
	(ii) Lease Liabilities	18	5,027.50	5,004.75
	(b) Provisions	19	56.09	68.64
	<b>II Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	20	31.85	30.42
	(ii) Lease Liabilities	21	1,682.99	1,392.65
	(iii) Trade payables	22		
	Total outstanding dues of micro enterprises and small enterprises		1.88	21.18
	Total outstanding dues of creditors other than micro enterprises and small enterprises		110.80	244.06
	(iv) Other financial liabilities	23	185.19	61.93
	(b) Other current liabilities	24	82.81	79.08
	(c) Provisions	25	36.98	29.21
	<b>TOTAL</b>		<b>15,708.05</b>	<b>22,881.59</b>
	Significant accounting policies	1		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached  
For and on behalf of

For and on behalf of the Board of Directors

**Chandabhoy & Jassoobhoy**  
Chartered Accountants  
Firm Registration No.101647W

**Bhupendra T Nagda**  
Partner  
Membership No.F 102580

**Prashant Jain\***  
Resolution Professional  
Appointed under IBC Code,2016  
IP Reg No.IBBI/IPA-001/  
IP-P01368/2018-19/12131

**V J Doshi**  
Chief Financial Officer

**H R Kilachand**  
Executive Chairman  
DIN 00294835

**Sarika Singh**  
Company Secretary

**A S Ruia**  
Director  
DIN 00296622

\* The signature of the Resolution Professional only signifies that the financial statements have been taken on record by him.

Place: Mumbai  
Date: July 22, 2022

Place: Mumbai  
Date: July 22, 2022

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ In Lakhs)

PARTICULARS	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>I. Income:</b>			
Revenue from operations	26	3,251.03	3,562.17
Other income	27	107.09	468.33
<b>Total Income</b>		<b>3,358.12</b>	<b>4,030.50</b>
<b>II. Expenses:</b>			
Employee benefits expense	28	899.43	846.97
Finance cost	29	702.48	661.50
Depreciation and amortisation expense	2	386.82	377.79
Other expenses	30	840.37	698.43
<b>Total Expenses</b>		<b>2,829.10</b>	<b>2,584.69</b>
<b>III. Profit before Exceptional items &amp; Tax (I-II)</b>		<b>529.02</b>	<b>1,445.81</b>
<b>IV. Provision for Impairment of Loans and Investments in subsidiary company</b>		6,858.33	-
<b>V. Profit before tax (III-IV)</b>		<b>(6,329.31)</b>	<b>1,445.81</b>
<b>VI. Tax expense:</b>			
(a) Current tax		295.00	310.00
(b) Deferred tax		(127.53)	(68.50)
(c) Deferred Tax reversal of fair value of investments		789.23	-
(d) Excess provision of earlier years written back		(3.32)	21.58
<b>VII. Profit for the year (V-VI)</b>		<b>(7,282.69)</b>	<b>1,182.73</b>
<b>VIII Other comprehensive income</b>			
<b>A Items that will not be reclassified to profit or loss</b>			
(i) Measurements of defined employee benefit plans		4.48	6.93
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.30)	(2.02)
<b>B (i) Items that will be reclassified to profit or loss.</b>		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss.		-	-
<b>Total Other comprehensive income</b>		3.18	4.91
<b>IX Total comprehensive income for the year (VII + VIII)</b>		<b>(7,279.51)</b>	<b>1,187.64</b>
<b>X Earnings per equity share of ₹ 5 each ;</b>	46		
Basic (₹)		(66.65)	10.82
Diluted (₹)		(66.65)	10.82
Significant accounting policies	1		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached For and on behalf of the Board of Directors  
For and on behalf of

Chandabhoy & Jassoobhoy  
Chartered Accountants  
Firm Registration No.101647W

Prashant Jain\*  
Resolution Professional  
Appointed under IBC Code,2016  
IP Reg No.IBBI/IPA-001/  
IP-P01368/2018-19/12131

H R Kilachand  
Executive Chairman  
DIN 00294835

A S Ruia  
Director  
DIN 00296622

Bhupendra T Nagda  
Partner  
Membership No.F 102580

V J Doshi  
Chief Financial Officer

Sarika Singh  
Company Secretary

\* The signature of the Resolution Professional only signifies that the financial statements have been taken on record by him.

Place: Mumbai  
Date: July 22, 2022

Place: Mumbai  
Date: July 22, 2022

# Annual Report 2021-2022

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ In Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>NET PROFIT BEFORE TAX</b>	<b>(6,329.31)</b>	<b>1,445.81</b>
<b>Non-cash adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation and amortisation expenses	386.82	377.79
Provision for Impairment of Loans and Investments in subsidiary company	6,858.33	
Gain on Valuation/Sale of Mutual Funds	(19.02)	(15.65)
Interest Income	(1.33)	(438.17)
Finance Cost	702.48	661.50
Profit on sale of Property, plant and equipment	(14.41)	(2.33)
Provision/write back for doubtful receivables	(2.09)	(0.34)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,581.47</b>	<b>2,028.61</b>
<b>Movements in working capital:</b>		
(Increase)/Decrease in Inventories	(0.69)	1.38
(Increase)/Decrease in Trade Receivables	104.62	16.94
(Increase) / Decrease in Other Current Financial Assets	-	28.89
(Increase)/Decrease in Current Financial Assets Loans	0.09	0.57
(Increase) / Decrease in Other non current Financial assets	(4.94)	4.85
(Increase) / Decrease in Other current assets	(1.16)	(1.45)
Increase / (Decrease) in Trade Payables	(152.55)	(221.67)
Increase / (Decrease) in Current Financial Liabilities-Others	123.97	49.72
Increase / (Decrease) in Other Current Liabilities	2.11	0.84
Increase / (Decrease) in Current Provision	12.25	(11.78)
Increase / (Decrease) in Non Current Provision	(12.55)	7.56
<b>CASH GENERATED FROM OPERATIONS</b>	<b>1,652.62</b>	<b>1,904.46</b>
Taxes Paid	(226.91)	(273.63)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>1,425.71</b>	<b>1,630.83</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of property, plant and equipment including intangible assets & capital work in progress	(69.95)	(148.45)
Sale of property, plant and equipment	17.41	2.95
Purchase of Investment in Mutual Fund	(1,302.85)	(900.00)
Sale of Investment in Mutual Fund	2,212.53	25.00
Amount paid towards One Time Settlement (refer note no 13(d))	(800.00)	-
Loan to Subsidiary	(844.05)	(848.40)
Interest Received	1.59	5.29
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(785.32)</b>	<b>(1,863.61)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Repayment of Borrowings	(30.86)	(22.93)
Proceeds from Borrowings	18.00	69.16
Dividend Paid	(164.60)	(3.76)
Lease Liabilities paid	(379.18)	(38.07)
Interest and Finance Charges Paid	(10.21)	(7.97)
<b>NET CASH (USED IN) FINANCING ACTIVITIES</b>	<b>(566.85)</b>	<b>(3.57)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>73.54</b>	<b>(236.35)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>121.87</b>	<b>358.22</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>195.41</b>	<b>121.87</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
CASH AND CASH EQUIVALENTS	183.92	105.93
OTHER BANK BALANCES *	11.49	15.94
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>195.41</b>	<b>121.87</b>

\* Other Bank balances includes Unclaimed Dividend of ₹.11.49 Lakhs (previous year ₹.12.19 Lakhs) which company can utilise only towards settlement of the respective unclaimed dividend and ₹Nil (previous year ₹.3.75 Lakh) is held as lien with bank)

Note : Figures in brackets are outflows

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## STANDALONE CASH FLOW STATEMENT (Contd.)

**Note :** The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind-AS 7) - Statement of Cash Flow.

### Changes in liabilities arising from financing activities.

PARTICULARS	As at March 31, 2021	Net Cash Flow	Non Cash Changes		As At March 31, 2022
			Fair Value Changes	Current/ Non Current Classification	
Borrowings Non current	83.43	17.55	-	(31.85)	69.13
Other Financial Liabilities	30.42	(30.42)	-	31.85	31.85

Note : Figures in brackets are outflows

The accompanying notes form an integral part of the standalone financial statements

**As per our report of even date attached For and on behalf of the Board of Directors**  
**For and on behalf of**

**Chandabhoy & Jassoobhoy**  
**Chartered Accountants**  
**Firm Registration No.101647W**

**Bhupendra T Nagda**  
**Partner**  
**Membership No.F 102580**

**Prashant Jain\***  
**Resolution Professional**  
**Appointed under IBC Code,2016**  
**IP Reg No.IBBI/IPA-001/**  
**IP-P01368/2018-19/12131**

**V J Doshi**  
**Chief Financial Officer**

**H R Kilachand**  
**Executive Chairman**  
**DIN 00294835**

**Sarika Singh**  
**Company Secretary**

**A S Ruia**  
**Director**  
**DIN 00296622**

\* The signature of the Resolution Professional only signifies that the financial statements have been taken on record by him.

**Place: Mumbai**  
**Date: July 22, 2022**

**Place: Mumbai**  
**Date: July 22, 2022**

# Annual Report 2021-2022

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

### A : Equity Share Capital (Equity shares of ₹ 5 each issued, subscribed and fully paid)

(₹ In Lakhs)

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2022
546.32	-	546.32	-	546.32

Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance as at March 31, 2021
546.32	-	546.32	-	546.32

### B : Other Equity

(₹ In Lakhs)

PARTICULARS	Reserve and Surplus			Total Other Equity
	General Reserves	Retained Earnings	Other Comprehensive Income	
<b>Balance as at April 01, 2020</b>	<b>3,974.99</b>	<b>10,065.79</b>	<b>(8.31)</b>	<b>14,032.47</b>
<b>Total Comprehensive income for the year</b>				
Profit for the year	-	1,182.73	-	1,182.73
Other Comprehensive Income for the year	-	-	4.91	4.91
Prior Period adjustment		99.81		99.81
Transfer to General Reserves	1,000.00	(1,000.00)		-
<b>Balance as at April 01, 2021</b>	<b>4,974.99</b>	<b>10,348.33</b>	<b>(3.40)</b>	<b>15,319.92</b>
<b>Total Comprehensive income for the year</b>				
Profit for the year	-	(7,282.69)	-	(7,282.69)
Other Comprehensive Income	-	-	3.18	3.18
Final Dividend Paid	-	(163.90)	-	(163.90)
<b>Closing Balance as at March 31, 2022</b>	<b>4,974.99</b>	<b>2,901.74</b>	<b>(0.22)</b>	<b>7,876.51</b>

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached  
For and on behalf of

For and on behalf of the Board of Directors

Chandabhoy & Jassoobhoy  
Chartered Accountants  
Firm Registration No.101647W

Prashant Jain\*  
Resolution Professional  
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Place: Mumbai  
Date: July 22, 2022

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Date: July 22, 2022

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### Background :

The Company was incorporated on 21<sup>st</sup> January 2008. On 12<sup>th</sup> March 2010, the Hon'ble High Court of Bombay had passed an order pursuant to Section 391 to 394 of the Companies Act 1956, sanctioning the Scheme of Arrangement by way of Demerger for transfer of the Storage Division of Kesar Enterprises Limited (KEL) into the Company as a going concern with effect from 1<sup>st</sup> January 2009 (AAppointed Date).

Pursuant to the Scheme of Demerger, in consideration of the transfer of Storage Undertaking into the Company, 47,53,113 Equity Shares of ₹.10 each, fully paid up are issued and allotted on 1<sup>st</sup> June 2010 by the Company to the shareholders of Kesar Enterprises Limited (KEL) in the ratio of 10:7 i.e. for every 10 shares in KEL, 7 shares in the company.

The Company is mainly engaged in the business of renting of liquid storage tanks at Kandla and is in process of commencing its operation at Pipavav and Kakinada Port.

The Honourable National Company Law Tribunal, Mumbai ("NCLT") by order dated 7th March 2022 admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by Bank of Baroda against the company, being the corporate guarantor in respect of debts of subsidiary company Kesar Multimodal Logistics Ltd who has defaulted in repaying the outstanding loans. Shri Prashant Jain Registration Number (IBBI/IPA-001/IP-P01368/2018-2019/12131) has been aAppointed as Interim Resolution Professional to carry out functions as mentioned under Insolvency & Bankruptcy Code, 2016.

In view of the ongoing CIRP and suspension of powers of Board of Directors on 07/03/2022, the powers of adoption of this standalone financial statement vests with RP under provisions of the code as the powers of the Board of Directors are suspended.

As per Section 134 of the Companies Act, 2013, the financial statements of a Company are required to be authenticated by the Chairperson of the Board of Directors, where authorized by the Board or at least two directors, of which one shall be managing director or CEO (being a Director), the CFO and the Company Secretary where they are aAppointed. Under IBC 2016, such powers shall vest with the Resolution Professional Mr. Prashant Jain.

### 1. Significant Accounting Policies

#### A. Statement of Compliance with Ind-AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

#### B. Basis of Measurement

The financial statements have been prepared on historical cost basis except the following:

- Certain financial assets and liabilities are measured at fair value;
- Defined benefit plans- plan assets measured at fair value.

#### C. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period or the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

- D.** The functional currency of the Company is the Indian Rupee (₹). These financial statements are presented in Indian Rupees and all values are rounded to the nearest Lakhs, except when otherwise stated.

**E. Use of Estimates**

The preparation of financial statements in conformity with recognition and measurement principles of Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of the revenue and expenses during the reporting period and disclosures of contingent liabilities as of the date of the financial statements. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to the financial statements.

**Key accounting estimates :**

**a) Income taxes:**

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

**b) Defined Benefit Obligations:**

The cost of the defined benefit gratuity plan and defined benefit leave encashment plan, the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary escalation and mortality rates, rates of employee turnover. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Salary escalation and gratuity increases are based on expected future inflation rates.

**c) Fair value measurement of financial instruments :**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### F. Revenue Recognition:

The Company derives revenue primarily from sale of services. The Company is engaged in the business of renting of storage tanks and warehousing.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services.

The Company does not expect to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

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

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

For performance obligation where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of services is recognised at a time on which the performance obligation is satisfied.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as 'unearned income' under liabilities.

Revenue is measured at the fair value of the consideration received or receivable. The amount recognised as revenue is exclusive of GST (Goods and Services Tax) and discounts.

Insurance Claims are recognised only when the claim is admitted/expected to be admitted and there is no uncertainty on receiving the claim.

Interest income is recognized using the effective interest rate method, taking into account the amount outstanding and the rate applicable.

### G. Property, Plant and Equipment

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 01, 2016 as the deemed cost under IND AS, Hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

### H. Depreciation:

- a) Depreciation on Plant and Machinery and Building has been provided on Straight Line Method based on remaining useful life of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

- b) Depreciation on other assets has been provided on Written Down Value Method based on remaining useful life of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- c) For property, plant and equipment purchased / disposed off during the year, depreciation has been provided on pro-rata basis with reference to the useful life of the asset period, at the applicable rates.
- d) The estimated useful life of the property, plant and equipment are as given below :

Description of Asset	Useful Life
Computers	3 to 6 years
Office Equipment	3 to 10 Years
Furniture & Fixtures	10 Years
Roads	5 Years
Buildings	3 to 30 Years
Plant & Machinery	10 to 25 Years
Vehicles	8 Years
Leasehold Land	30 Years

- e) Depreciation on property, plant and equipment, whose actual cost does not exceed ₹5,000 is provided at the rate of hundred percent and is fully depreciated in the year of acquisition.
- f) Premium on Leasehold Land/Concession Premium is amortised over the period of the lease/Concession period.
- g) Depreciation on Intangible Assets representing computer software has been provided on Written Down Value Method based on remaining useful life. The useful life as estimated by the management for computer software is 6 years.
- h) The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed at each financial year end.

### I. Capital Work-in-Progress:

These are stated at cost to date relating to projects in progress, incurred during construction / pre-operative period (Net of income) and the same is allocated to the respective property, plant and equipment on the completion of their construction.

### J. Inventories:

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### K. Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### L. Employee benefits:

#### Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be fully paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

#### Post-Employment Benefits

##### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

##### Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid at 15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

### M. Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity, in which case, the tax is also recognised in other comprehensive income or equity.

#### - Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the reporting date.

#### - Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax relating to items recognized outside the Statement of Profit and Loss are recognized outside the Statement of Profit and Loss, either in other comprehensive income or in equity.

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### **Minimum Alternate Tax (MAT)**

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit become eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note on Accounting for credit available in respect of minimum alternative tax under the Income Tax Act, 1961 issued by ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT credit entitlement. The Company review the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

### **N. Earnings Per Share:**

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of Equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss after tax for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **O. Provisions:**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

### **P. Contingent Liabilities and Contingent assets :**

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

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

Contingent assets are neither recognized nor disclosed, in the financial statements except when there is a virtual certainty to receive the same.

### **Q. Leases:**

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

#### **As a lessee**

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

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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

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

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

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

### **Short-term leases and leases of low-value assets**

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of less than 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### **Under Ind AS 17**

In the comparative period, as a lessee the company classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent.

Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognized in the company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Land under perpetual lease is accounted as finance lease which is recognised at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognised as a finance lease obligation. Land under non-perpetual lease is treated as operating lease.

Operating lease payments for land are recognised as prepayments and amortised on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

### **As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### **Arrangements in the nature of lease**

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Company applies the requirements of Ind AS 116 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

### **R. Cash and cash equivalents:**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

### **S. Impairment of Non-Financial Assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

### **T. Financial instruments**

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

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

or equity instrument of another entity. Financial Instruments are further divided in two parts viz. Financial Assets and Financial Liabilities.

### Part I - Financial Assets

#### a) Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets which are not at fair value through the Statement of Profit and Loss, are adjusted to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

##### Financial Asset at amortised cost:

A Financial Asset is measured at the amortised cost if both the following conditions are met:

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income and the losses arising from impairment are recognised in the Statement of Profit and Loss.

##### Financial Asset at FVTOCI (Fair Value through Other Comprehensive Income)

A Financial Asset is classified as at the FVTOCI if following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

##### Financial Assets at FVTPL (Fair Value through the Statement of Profit and Loss)

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

#### Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to

# Annual Report 2021-2022

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

which Ind-AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Investment in subsidiaries is carried at cost in the financial statements.

### c) **De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangements and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### d) **Impairment of financial assets**

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

1. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
2. Financial assets that are debt instruments and are measured as at FVTOCI
3. Trade receivables or any contractual right to receive cash or another financial asset
4. Loan commitments which are not measured as at FVTPL
5. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk rather; it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.



## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss.

### Part II - Financial Liabilities

#### a) Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through the Statement of Profit and Loss. Loans and borrowings and payables are also classified as above.

#### b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### **Financial liabilities at fair value through the Statement of Profit and Loss**

Financial liabilities at fair value through the Statement of Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through the Statement of Profit and Loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains / losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through the Statement of Profit and Loss.

##### **Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities under borrowings. The dividends on these preference shares, if any are recognised in the Statement of Profit and Loss as finance cost.

### **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

#### **c) De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

#### **d) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **U. Foreign Currency Transactions**

Transactions in foreign currencies are accounted at the initially recorded exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the year-end rates. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in statement of profit and loss. In case of forward contracts (non speculative), the premium or discount being the differences between the forward exchange rate and the exchange rate at the inception of the contract is recognized as expense or income over the life of the contract. The exchange difference either on settlement or translation is recognized in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are reported using the exchange rate prevalent at the date of transaction.

### **V. Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is netted off with the related costs, which they are intended to compensate. Where the grant relates to property, plant and equipment, it is netted off with the specified property, plant and equipment if grants related to specific property, plant and equipment otherwise netted off on prorata basis to all eligible property, plant and equipment.

The loan or assistance is initially recognized and measured at fair value or nominal value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTE 2 Property, Plant and Equipments, Capital Work in Progress, Right to use-Lease Assets and Intangible Assets (Owned, unless stated otherwise)

PARTICULARS	Gross Block			Accumulated Depreciation/Amortisation			Net Block	
	Balance as at 1st April, 2021	Additions	Disposals	Balance as at 31st March, 2022	Balance as at 1st April, 2021	Depreciation / amortization charge for the year	On Disposal/ Adjustment	Balance as at 31st March, 2022
<b>(a) Property, Plant and Equipments</b>								
<b>(i) Land</b>								
(1) Free Hold Land	498.32	-	-	498.32	-	-	-	498.32
(2) Lease Hold Land	259.05	-	-	259.05	56.02	11.89	-	191.14
(3) Lease Hold Land Premium	0.11	-	-	0.11	0.11	-	-	-
<b>Total</b>	<b>757.48</b>	<b>-</b>	<b>-</b>	<b>757.48</b>	<b>56.13</b>	<b>11.89</b>	<b>-</b>	<b>689.46</b>
<b>(ii) Buildings (on Leased Land)</b>	399.88	-	-	399.88	126.80	34.94	-	238.14
<b>(iii) Plant and Equipment</b>	2,181.01	0.13	-	2,181.14	558.19	111.88	-	1,511.07
<b>(iv) Furniture and Fixtures</b>	30.23	2.00	0.06	32.17	19.11	2.75	0.05	10.36
<b>(v) Office Equipments</b>	76.72	9.82	0.32	86.22	47.67	14.01	0.28	24.82
<b>(vi) Vehicles</b>	221.14	25.25	23.47	222.92	75.48	47.05	20.51	120.90
<b>Total (a)</b>	<b>3,666.46</b>	<b>37.20</b>	<b>23.85</b>	<b>3,679.81</b>	<b>883.38</b>	<b>222.52</b>	<b>20.84</b>	<b>2,594.75</b>
<b>(b) Capital Work In Progress</b> (Refer Note No.34)	8.33	34.34	-	42.67	-	-	-	42.67
<b>(c) Right to Use - Lease Assets</b> (Refer Note No.32)	5,230.06	-	-	5,230.06	327.28	163.64	-	4,739.14
<b>(d) Intangible Assets</b>	6.43	-	-	6.43	4.75	0.66	-	1.02
<b>Total (a+b+c+d)</b>	<b>8,911.28</b>	<b>71.54</b>	<b>23.85</b>	<b>8,958.97</b>	<b>1,215.41</b>	<b>386.82</b>	<b>20.84</b>	<b>7,377.58</b>

(₹ In Lakhs)

### CWIP Ageing schedule FOR THE YEAR ENDED 31ST MARCH 2022

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	34.08	-	-	-	34.08
Projects temporarily suspended	0.27	-	-	8.33	8.59

# Annual Report 2021-2022

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTE 2 Property, Plant and Equipments, Capital Work in Progress, Right to use-Lease Assets and Intangible Assets (Owned, unless stated otherwise)  
(FOR THE YEAR ENDED 31ST MARCH, 2021)

PARTICULARS	Gross Block			Accumulated Depreciation/Amortisation			Net Block Balance as at 31st March, 2021
	Balance as at 1st April, 2020	Additions	Disposals	Balance as at 1st April, 2020	Depreciation / amortization charge for the year	On Disposal/ Adjustment	
<b>(a) Property, Plant and Equipments</b>							
<b>(i) Land</b>							
(1) Free Hold Land	498.32	-	-	-	-	-	498.32
(2) Lease Hold Land	259.05	-	-	44.13	11.89	-	203.03
(3) Lease Hold Land Premium	0.11	-	-	0.11	-	-	-
<b>Total</b>	<b>757.48</b>	<b>-</b>	<b>-</b>	<b>44.24</b>	<b>11.89</b>	<b>-</b>	<b>701.35</b>
(ii) Buildings (on Leased Land)	397.97	1.91	-	92.16	34.64	-	273.08
(iii) Plant and Equipment	2,163.76	17.25	-	442.00	116.19	-	1,622.82
(iv) Furniture and Fixtures	25.77	4.46	-	17.05	2.06	-	11.12
(v) Office Equipments	62.90	13.94	0.12	34.21	12.32	(1.14)	29.05
(vi) Vehicles	117.57	105.50	1.93	40.95	35.97	1.44	145.66
<b>Total (a)</b>	<b>3,525.45</b>	<b>143.06</b>	<b>2.05</b>	<b>670.61</b>	<b>213.07</b>	<b>0.30</b>	<b>2,783.08</b>
<b>(b) Capital Work In Progress</b> (Refer Note No 34)	8.33	-	-	-	-	-	8.33
<b>(c) Right to Use - Lease Assets</b> (Refer Note No.32)	5,230.06	-	-	163.64	163.64	-	4,902.78
<b>(d) Intangible Assets</b>							
Computer software	6.43	-	-	3.67	1.08	-	1.68
<b>Total (a+b+c+d)</b>	<b>8,770.27</b>	<b>143.06</b>	<b>2.05</b>	<b>837.92</b>	<b>377.79</b>	<b>0.30</b>	<b>1,215.41</b>

### CWIP Ageing schedule FOR THE YEAR ENDED 31ST MARCH 2021

CWIP	Amount in CWIP for a period of			Total*
	Less than 1 year	1-2 years	2-3 years More than 3 years	
Projects in progress	-	-	-	-
Projects temporarily suspended	-	-	8.33	8.33

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 3. NON CURRENT FINANCIAL ASSETS - INVESTMENTS

PARTICULARS	As at 31st March, 2022	(₹ In Lakhs) As at 31st March, 2021
<b>Investments</b>		
<b>A) Investment in Unquoted Equity Instruments</b>		
<b>Subsidiary Company</b>		
4,18,00,000 Equity Shares (Previous Year : 4,18,00,000) of ₹ 10/- each fully paid in Kesar Multimodal Logistics Limited Extent of Holding:- 100% ( Previous Year : 100%) of total issued and paid up Equity Share Capital of Kesar Multimodal Logistics Limited (Out of the above shares, 35.00 Lakh shares are pledged to the lender of the subsidiary company.)	4,180.00	4,180.00
<b>Others</b>		
200 Shares of ₹ 25 each fully paid in Jain Sahakari Bank Ltd (Previous Year: 200 Shares)	0.05	0.05
<b>B) Investments in Unquoted Preference Shares</b>		
<b>Subsidiary Company</b>		
3,48,30,000 Zero Coupon Redeemable Preference Shares (Previous Year: 3,48,30,000) of ₹ 10/- each fully paid in Kesar Multimodal Logistics Limited. Extent of Holding:- 100% (Previous Year : 100%) of total issued and paid up Zero Coupon Redeemable Preference Share Capital of Kesar Multimodal Logistics Limited	1,211.78	1,211.78
Contribution towards Equity Capital (Corporate Guarantee and Interest on Preference Shares and unsecured Loans)	4,411.26	4,411.26
Less : Provision for Impairment of Investments in Subsidiary company (Refer note no.33)	(2,944.70)	-
{Aggregate amount of Unquoted - Investments is ₹ 6,858.35 Lakhs (Previous Year: ₹ 9,803.09 Lakhs)}		
<b>Total</b>	<b>6,858.39</b>	<b>9,803.09</b>

### 4. NON-CURRENT FINANCIAL ASSETS - LOANS

<b>Unsecured, Considered good</b>		
(a) Loans and Advances to Employees	0.57	0.24
(b) Loan to related party : Kesar Multimodal Logistics Ltd (Subsidiary Company)	3,913.63	3,069.58
Less : Provision for Impairment of Loans given to subsidiary company (Refer note no.33)	(3,913.63)	-
<b>Total</b>	<b>0.57</b>	<b>3,069.82</b>

Type of Borrower	As at 31st March, 2022		As at 31st March, 2021	
	Amount outstanding*	% of Total	Amount outstanding*	% of Total
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties (Kesar Multimodal Logistics Ltd)	3,913.63	99.94	3,069.58	99.93
<b>Total</b>	<b>3,913.63</b>		<b>3,069.58</b>	

# Annual Report 2021-2022

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>5. NON-CURRENT FINANCIAL ASSETS - OTHERS</b>		
<b>Unsecured, Considered good</b>		
(a) Security Deposits	26.11	26.10
(b) Fixed Deposits with maturity of more than 12 months (Held as lien/security with various customers and government agencies)	15.88	11.27
(c) Interest accrued on Deposits	3.01	1.69
<b>Total</b>	<b>45.00</b>	<b>39.06</b>
<b>6. DEFERRED TAX ASSETS (NET)</b>		
<b>(a) Deferred Tax Assets</b>		
i) Expenses allowable on payment basis for Tax purposes	27.96	29.40
ii) Fair Valuation of Investments and Lease Payments	310.73	992.66
	<b>338.69</b>	<b>1,022.06</b>
<b>(b) Deferred Tax Liability</b>		
Impact of difference between carrying value of fixed asset as per tax base and as per financial statements	(307.74)	(328.11)
<b>(c) Mat Credit Entitlement</b>	-	92.55
<b>Net Deferred Tax Assets (a+b+c)</b>	<b>30.95</b>	<b>786.50</b>
<b>7. INVENTORIES</b>		
<b>Stores and spares</b>	7.49	6.80
(Valued at Lower of Cost and Net Realisable Value)		
<b>Total</b>	<b>7.49</b>	<b>6.80</b>
<b>8. CURRENT INVESTMENTS</b>		
<b>Investment in Mutual Funds (Unquoted)</b>		
Nil Units (Previous Year : 61,76,438) in HDFC Ultra Short Term Mutual Fund	-	737.43
Nil Units (Previous Year : 4,48,077 ) in SBI Savings Fund	-	153.22
<b>Total</b>	<b>-</b>	<b>890.65</b>
Aggregate amount of Unquoted Investment at Market Value (NAV)	-	<b>890.65</b>
<b>Aggregate Cost of Unquoted Investment</b>	<b>-</b>	<b>874.96</b>
<b>9. CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES</b>		
<b>Unsecured</b>		
Considered Good*	272.77	375.31
Considered Doubtful	5.57	7.66
<b>Total</b>	<b>278.34</b>	<b>382.97</b>
Less: Allowance for bad and doubtful debts	(5.57)	(7.66)
<b>Total</b>	<b>272.77</b>	<b>375.31</b>

Provision for doubtful debt has been made at 2% of the Trade Receivables.

\*Includes ₹5.85 Lakhs (Previous Year : ₹ Nil) receivable from Kesar Enterprises Ltd where the Director of the Company is Director therein.

## KESAR TERMINALS & INFRASTRUCTURE LIMITED

### NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	As at 31st March, 2022					
	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	260.49	-	-	3.31	14.54	278.34
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables – considered good						
(v) Disputed Trade Receivables – which have significant increase in credit risk						
(vi) Disputed Trade Receivables – credit impaired						
<b>Sub Total</b>	<b>260.49</b>	<b>-</b>	<b>-</b>	<b>3.31</b>	<b>14.54</b>	<b>278.34</b>
Less: Allowance for bad and doubtful debts						(5.57)
<b>Total</b>						<b>272.77</b>

Particulars	As at 31st March, 2021					
	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	365.12	-	3.31	-	14.54	382.97
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables – considered good						
(v) Disputed Trade Receivables – which have significant increase in credit risk						
(vi) Disputed Trade Receivables – credit impaired						
<b>Sub Total</b>	<b>365.12</b>	<b>-</b>	<b>3.31</b>	<b>-</b>	<b>14.54</b>	<b>382.97</b>
Less: Allowance for bad and doubtful debts						(7.66)
<b>Total</b>						<b>375.31</b>

# Annual Report 2021-2022

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>10. CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS</b>		
(a) Balance with Banks		
- In Current Accounts	182.95	104.89
(b) Cash on hand	0.97	1.04
<b>Total</b>	<b>183.92</b>	<b>105.93</b>
<b>11. CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
(a) Balance with Banks on unclaimed Dividend Accounts	11.49	12.19
(b) Fixed Deposits with original maturity of more than 3 months but less than 12 months (Held as lien with bank)	-	3.75
<b>Total</b>	<b>11.49</b>	<b>15.94</b>
<b>12. OTHER FINANCIAL ASSETS - LOANS Unsecured , Considered Good</b>		
Loans and Advances to Employees	1.73	1.82
<b>Total</b>	<b>1.73</b>	<b>1.82</b>
<b>13. OTHER CURRENT ASSETS Unsecured, Considered good</b>		
(a) Prepaid expenses	29.14	29.47
(b) GST Input Credit	4.90	1.98
(c) Interest accrued on Deposits	-	1.58
(d) Other advances recoverable in cash or kind*	801.86	3.31
<b>Total</b>	<b>835.90</b>	<b>36.34</b>
<p>* Company being the promoter/holding company/corporate guarantor has submitted an One time Settlement (OTS) proposal towards the above and for settlement of dues of KMLL and has paid ₹800.00 Lakhs in No Lien Account to banks towards OTS proposal. The same will be adjusted towards the OTS settlement amount if and when the same is sanctioned. The same is included in note no. 13(d) above. Also refer note no.33 (b).</p> <p>*Includes ₹1.00 Lakhs (Previous Year : ₹ Nil) receivable from Kesar Enterprises Ltd where the Director of the Company is Director therein.</p>		
<b>14. CURRENT TAX ASSETS (NET)</b>		
Income Taxes paid	82.26	54.46
(Net of provision for Tax of ₹ 786.13 lakhs (Previous Year: ₹1,477.26 lakhs))		
<b>Total</b>	<b>82.26</b>	<b>54.46</b>



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ In Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
<b>15. SHARE CAPITAL</b>		
<b>Authorised</b>		
2,50,00,000 (Previous Year: 2,50,00,000) Equity Shares of ₹ 5 each (Previous Year : ₹ 5 each)	1,250.00	1,250.00
25,00,000 (Previous Year : 25,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each (Previous Year : ₹ 10 each)	250.00	250.00
<b>Issued, Subscribed &amp; Fully Paid up</b>		
1,09,26,475 (Previous Year: 1,09,26,475) Equity Shares of ₹ 5 each (Previous Year: ₹ 5 each) fully paid up	546.32	546.32
<b>Total</b>	<b>546.32</b>	<b>546.32</b>

(a) **Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of reporting period**

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	Number	₹ in Lakhs	Number	₹ in Lakhs
<b>Shares outstanding at the beginning of the year</b>	10,926,475	546.32	10,926,475	546.32
Shares issued during the year	-	-	-	-
Allotment of Shares on account of sub division	-	-	-	-
Issue on account of Bonus Shares	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>10,926,475</b>	<b>546.32</b>	<b>10,926,475</b>	<b>546.32</b>

(b) **Terms / rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹ 5 per share (Previous Year : ₹5 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their holdings.

(c) **Details of each Equity Shareholder holding more than 5% of Shares**

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kesar Corporation Pvt Limited	3,145,747	28.79%	3,125,987	28.61%
Kesar Enterprises Limited	1,040,000	9.52%	1,040,000	9.52%
V V Sahasrabudhe*	640,348	5.86%	640,348	5.86%

\*Holder for Harsh Family Trust

(d) **Aggregate Number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

PARTICULARS	Year (Aggregate No. of Shares)				
	2020-21	2019-20	2018-19	2017-18	2016-17
<b>Equity Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	420,249
Shares bought back	-	-	-	-	-

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### (e) Shareholding of Promoters

Shares held by promoters at the end of the year

Promoter name	As at 31.03.2022			As at 31.03.2021		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Rajnikant A Kilachand HUF	20,073	0.18	-	20,073	0.18	-
Harsh Rajnikant Kilachand	39,929	0.37	-	39,929	0.37	-
Rohita Harsh Kilachand	303,409	2.78	-	303,409	2.78	-
Rohan Harsh Kilachand	305,241	2.79	-	305,241	2.79	-
Harsh Rajnikant Kilachand	498,738	4.56	-	498,738	4.56	-
Vinayak Vasudeo Sahasrabudhe	640,348	5.86	-	640,348	5.86	-
India Carat Pvt Ltd	14,780	0.14	-	14,780	0.14	-
Seel Investment Pvt Ltd	319,852	2.93	-	319,852	2.93	-
Indian Commercial Company Pvt Ltd	338,174	3.09	-	338,174	3.09	-
Kesar Enterprises Ltd.	1,040,000	9.52	-	1,040,000	9.52	-
Kesar Corporation Pvt Ltd	3,145,747	28.79	0.63%	3,125,987	28.61	3.70%
<b>Total</b>	<b>6,678,922</b>	<b>61.13</b>		<b>6,659,162</b>	<b>60.95</b>	

(₹ In Lakhs)

PARTICULARS	As at	
	31st March, 2022	31st March, 2021
<b>16. OTHER EQUITY</b>		
<b>(a) General Reserve</b>		
Opening Balance	4,974.99	3,974.99
(+) Transfers made during the year	-	1,000.00
<b>Closing Balance</b>	<b>4,974.99</b>	<b>4,974.99</b>
<b>(b) Retained Earnings</b>		
Opening balance	10,348.33	10,065.79
(+) Net Profit for the current year	(7,282.69)	1,182.73
(-) Final Dividend Paid	163.90	-
(+) Prior Period adjustment	-	99.81
(-) Transfer to Reserves	-	(1,000.00)
<b>Closing Balance</b>	<b>2,901.74</b>	<b>10,348.33</b>
<b>(c) Other Comprehensive Income</b>		
Opening balance	(3.40)	(8.31)
(+) Addition during the year	3.18	4.91
<b>Closing Balance</b>	<b>(0.22)</b>	<b>(3.40)</b>
<b>Total</b>	<b>7,876.51</b>	<b>15,319.92</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	As at 31st March, 2022	(₹ In Lakhs) As at 31st March, 2021
<b>17. NON CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
<b>(a) Secured Borrowings</b>		
<b>Term Loans From Banks</b>		
Vehicle Loans	69.13	83.43
Secured by way of hypothecation of respective vehicles.		
Terms of Repayments:- Repayable in 36 to 60 Equated		
Monthly Installments starting from the date of the loan and		
carrying Interest ranging from 8.01% to 9.90% p.a.		
(refer note no.47)		
<b>Total</b>	<b>69.13</b>	<b>83.43</b>
[Out of total Secured Borrowings of ₹ 100.98 Lakhs (Previous Year : ₹113.85 Lakhs), borrowings of ₹31.85 Lakhs (Previous Year : ₹30.42 Lakhs) having Current Maturities, have been disclosed in Note No.20]		
<b>18. NON CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES</b>		
Lease Liability Payable (refer note no.32)	5,027.50	5,004.75
<b>Total</b>	<b>5,027.50</b>	<b>5,004.75</b>
<b>19. NON CURRENT PROVISIONS</b>		
<b>Provision for employee benefits</b>		
Leave Encashment (unfunded)	56.09	68.64
<b>Total</b>	<b>56.09</b>	<b>68.64</b>
<b>20. CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
<b>Current maturities of long-term debt</b>		
Current maturities of long-term debt - secured borrowings (refer note no. 17)	31.85	30.42
<b>Total</b>	<b>31.85</b>	<b>30.42</b>
<b>21. CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES</b>		
Lease Liability payable (refer note no.32)	1,682.99	1,392.65
<b>Total</b>	<b>1,682.99</b>	<b>1,392.65</b>
<b>22. TRADE PAYABLES</b>		
(a) Total outstanding dues of micro enterprises and small enterprises (refer note no. 45)	1.88	21.18
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	110.80	244.06
<b>Total</b>	<b>112.68</b>	<b>265.24</b>

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### TRADE PAYABLES AGEING

(₹ In Lakhs)

PARTICULARS	As at 31st March, 2022				Total
	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.88				1.88
(ii) Others	110.80				110.80
(iii) Disputed dues - MSME					
(iv) Disputed dues - Others					
<b>Total</b>	<b>112.68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112.68</b>

PARTICULARS	As at 31st March, 2021				Total
	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	21.28				21.28
(ii) Others	78.57				78.57
(iii) Disputed dues - MSME					-
(iv) Disputed dues - Others				165.39	165.39
<b>Total</b>	<b>99.85</b>	<b>-</b>	<b>-</b>	<b>165.39</b>	<b>265.24</b>

(₹ In Lakhs)

PARTICULARS	As at	As at
	31st March, 2022	31st March, 2021
<b>23. CURRENT FINANCIAL LIABILITIES - OTHERS</b>		
(a) Interest accrued but not due on borrowings	0.01	0.02
(b) Unclaimed dividends	11.49	12.19
(c) Unearned Income	60.69	49.72
(d) Other advance from customer*	113.00	-
<b>Total</b>	<b>185.19</b>	<b>61.93</b>

\* Other advance from customer includes advance from a customer for financing the cost of customisation of one of the tank as per the customer's requirements and the same has been refunded back after the close of the year.

### 24. OTHER CURRENT LIABILITIES

(a) Advance from Customers	2.67	4.16
(b) Statutory Liabilities	44.72	50.69
(c) Payables -(For Capital Goods)	1.76	0.17
(d) Outstanding Liabilities for expenses	33.66	24.06
<b>Total</b>	<b>82.81</b>	<b>79.08</b>

### 25. CURRENT PROVISIONS

#### Provision for employee benefits

(a) Gratuity (Funded)	5.30	5.76
(b) Leave Encashment (Unfunded)	31.68	23.45
<b>Total</b>	<b>36.98</b>	<b>29.21</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	As at 31st March, 2022	(₹ In Lakhs) As at 31st March, 2021 (₹ In Lakhs)
<b>26. INCOME FROM OPERATIONS</b>		
<b>PARTICULARS</b>	<b>For the year ended 31st March, 2022</b>	<b>For the year ended 31st March, 2021</b>
(a) Sale of Services (Income from providing storage tanks on hire/rental basis for liquid cargo and other related services)	3,237.33	3,552.18
(b) Other operating revenue (Handling charges)	13.70	9.99
<b>Total</b>	<b>3,251.03</b>	<b>3,562.17</b>
<b>27. OTHER INCOME</b>		
(a) Interest on		
(i) Fixed Deposits	1.14	4.63
(ii) Others	0.19	1.38
(iii) Loans, preference shares issued and Corporate Guarantee given to related party (Refer Note No. 33(b))	-	432.16
(b) Credit Balance Written Back	0.01	-
(c) Provision/write back for doubtful receivables	2.09	0.34
(d) Sale of Scrap	14.23	10.53
(e) Insurance Claim Received	39.92	-
(f) Profit on Sale of property plant and equipments	14.41	2.35
(g) Gain on Valuation/Sale of Mutual Funds	19.02	15.65
(h) Miscellaneous Receipts	16.08	1.29
<b>Total</b>	<b>107.09</b>	<b>468.33</b>
<b>28. EMPLOYEE BENEFITS EXPENSE</b>		
(a) Salaries and Wages	798.55	755.63
(b) Contribution to Provident Fund	58.12	57.34
(c) Contribution to Gratuity Fund	12.11	13.06
(d) Staff Welfare	30.65	20.94
<b>Total</b>	<b>899.43</b>	<b>846.97</b>
<b>29. FINANCE COST</b>		
(a) Interest Expense	702.20	661.32
(b) Other Borrowing Costs Bank Charges	0.28	0.18
<b>Total</b>	<b>702.48</b>	<b>661.50</b>

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	(₹ In Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>30. OTHER EXPENSES</b>		
(a) Storage & Handling Charges	57.59	42.24
(b) Power & Fuel	82.07	87.37
(c) Rent	35.33	53.93
(d) Repairs		
(i) Plant & Machinery	267.84	188.18
(ii) Others	26.08	19.37
(e) Insurance	28.03	27.11
(f) Rates & Taxes	8.74	11.65
(g) Legal & Professional Fees	70.19	26.31
(h) Directors Sitting Fees	15.75	14.25
(i) Commission to Directors	14.85	15.00
(j) Auditors Remuneration		
(i) Statutory Audit Fees including Quarterly Reviews	7.25	5.40
(ii) For Other Matters	-	0.75
(iii) Out Of Pocket Expenses	0.57	0.40
(k) Travelling and Conveyance Expenses	63.58	66.53
(l) Security Expenses	24.10	21.04
(m) Health & Safety Expenses	21.04	14.95
(n) Business Promotion Expenses	18.63	11.14
(o) Computer & Software Expenses	9.66	9.32
(p) Motor Car Expenses	20.08	14.97
(q) Office Expenses	17.06	9.30
(r) Listing Fees	3.00	3.00
(s) CSR Expenditure u/s 135 of Companies Act, 2013 (refer note no 39)	25.33	37.34
(t) Miscellaneous Expenses	23.60	18.88
<b>Total</b>	<b>840.37</b>	<b>698.43</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 31 Capital and other Commitments

(₹ in Lakhs)

PARTICULARS	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>Other:</b>		
Estimated amount of contracts remaining to be executed and not provided for on capital account	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

### 32 Contingent Liabilities

PARTICULARS	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>(a) Claims against the Company not acknowledged as debts:</b>		
i) Additional demand on account of revision in rates of Lease Rent and Transfer fee/upfront rent for change in name*	6,754.18	5,968.77
ii) Additional demand on account of Electricity Charges **	53.42	53.42
<b>b) Guarantee:</b>		
i) Corporate Guarantee given in favor of Banker's, towards credit facilities granted to Kesar Multimodal Logistics Limited (Subsidiary Company) (KMLL) to set up a "Composite Logistics Hub" at Powerkheda in Madhya Pradesh. <b>(Refer Note No 33 (b))</b>	10,811.00	10,811.00
ii) Bank Guarantee in favor of Commissioner of Customs, Kandla	3.75	3.75
iii) Bank Guarantee in favor of Director General of Fire Services, Andhra Pradesh	9.33	9.33
<b>c) Disputed liability on account of Income Tax</b>	496.12	7.92
<b>Total</b>	<b>18,127.80</b>	<b>16,854.19</b>

\* Pursuant to Scheme of Demerger, the Company has requested Deendayal Port Trust (DPT) (formerly known as Kandla Port Trust (KPT)) for transfer of leasehold land situated at Kandla in its name which is presently in the name of Kesar Enterprises Ltd. However, DPT has raised a demand on account of such transfer/ upfront fee for change in the name. Further DPT has also raised demand in respect of increase in lease rent on account of revision of rates. The Company has filed a Letters Patent Appeal (LPA) / Special Civil Application (SCA) in High Court of Gujarat, against the demand raised by the DPT. However, for certain portion of leasehold land where the lease period is expired, the Company had filed LPA/SCA for the renewal of the said lease. However, vide Order dated 06.05.2022, the SCA and LCA filed by the Company has been dismissed by the Hon'ble High Court of Gujarat. The company is examining the possibility of contesting the said order in Hon'ble Supreme Court of India against the order of Hon'ble High Court of Gujarat. Pending action on the above, no provision/adjustment have been made in the financial statements being the same currently non-ascertainable and accordingly depreciation on Assets constructed on lease hold land has been continued to be charged as per the rates prescribed in Schedule II of the Companies Act 2013 and right to use lease assets are continued to be recognised based on the lease period as already determined and recognised earlier.

\*\* Hon'ble High Court of Gujarat has set aside demand of Gujarat Electricity Board; contrarily Gujarat Electricity Board has filed Special Leave Petition in Hon'ble Supreme Court. Order is awaited.

- 33 a) The Company, as at March 31, 2022, has a non-current investments that comprises of Equity Investment in the Subsidiary Company Kesar Multimodal Logistics Limited ('KMLL') amounting to ₹4,180.00 Lakhs (March 31, 2021, ₹4,180.00 Lakhs), investment in zero coupon redeemable preference shares of KMLL amounting

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

to ₹1,211.78 Lakhs (March 31, 2021 ₹1,211.78 Lakhs) and contribution towards equity capital amounting to ₹4,411.26 Lakhs (March 31, 2021 ₹4,411.26 Lakhs). Further, the Company has non-current loan in KMLL amounting to ₹3,913.63 Lakhs (March 31, 2021 ₹3,069.58 Lakhs). KMLL has incurred substantial losses till current year and its net worth as at March 31, 2022 has been fully eroded.

- b) The total outstanding loans (including interest) availed by the Company's subsidiary - Kesar Multimodal Logistics Ltd (KMLL) from Banks as at 31.03.2022 is ₹17,110.02 Lakhs (March 31, 2021, ₹14,988.39 Lakhs). There were defaults in repayments of said borrowings. Accordingly, Strategic Debt Restructuring (SDR) of KMLL was invoked by the Banks on 20.11.2017, the approval of the SDR was informed to KMLL in the Joint Lenders Meeting held on 17.01.2018. However, upon withdrawal of the SDR scheme by RBI vide circular dated 12.02.2018, borrowings of KMLL have been classified as a Non-Performing Asset (NPA) by the lenders, thereafter the lead Bank i.e. Dena Bank (now Bank of Baroda) has vide its letter dated 28.03.2018 recalled the loans from KMLL and invoked the Corporate Guarantee given by the Company, which had been contested by the Company.

KMLL had filed a Special Leave Petition (SLP) with the Hon'ble Supreme Court of India against the applicability of the said RBI circular and the Hon'ble Supreme Court of India has, on 2.4.2019, quashed the impugned Circular dated 12.2.2018 issued by RBI as such all the actions taken under the said circular, including actions by which the Insolvency Code has been triggered must fall along with the said Circular.

Lenders of KMLL had filed a Company Petition u/s 7 of the IBC, 2016 against the borrower (i. e. KMLL) and the Guarantor (i.e. the Company) in November 2020 with NCLT – Mumbai under the IBC 2016. The same had been admitted by the NCLT vide Order dated 17.02.2022 against KMLL and Order dated 07.03.2022 against KTIL. The Lenders of KMLL have also filed an Original Application before the Debt Recovery Tribunal (DRT) – Jabalpur against the Company and its subsidiary company (i.e. KMLL), however, since the Company Petition against both KMLL and the Company have been admitted by NCLT, Mumbai, Section 14 of the IBC has been invoked and moratorium period has commenced under IBC thereby all other matters filed by and against the Company in DRT have been sub-judiced sine die (i.e. kept in abeyance).

In view of huge losses in KMLL and pendency of Insolvency & Bankruptcy Code, 2016 (IBC) proceedings, the management, as a prudent accounting practice, has taken a view to make provision for impairment of loans and Investments of ₹ 6,858.33 Lakhs [i.e. 50% of the total loans and investments outstanding as on 31.03.2022]. The same is shown in exceptional items. Also, during the year, the management has taken a decision not to book the Notional Interest Income as per IND AS on investments in KMLL (i.e. 0% preference shares and Interest free Unsecured Loans) and notional commission on corporate guarantee given on Loans taken by KMLL w.e.f. 01.04.2021. The management will consider final call of further provisions / write off of its carrying value of investments in KMLL once resolution plan is approved by NCLT.

Further in view of above, Deferred Tax asset in respect of fair value of investment of ₹ 789.23 Lakhs as at 31.03.2021 is reversed during the year.

The company had given Corporate Guarantee to the Lenders of KMLL, pursuant to which lenders of KMLL had also filed a company petition with hon'ble NCLT, Mumbai against the Company under section 7 of the IBC. The same has got admitted on 07.03.2022.

The Company, being the Corporate Guarantor, has deposited a sum of ₹800.00 Lakhs to be kept in No Lien Account with the banks towards the One-time Settlement (OTS) proposal for settlement of dues of KMLL. The same will be adjusted towards the OTS settlement amount if and when the same is sanctioned. Accordingly, pending finalisation of above OTS proposal, the company has made no provision against liability for invocation of corporate guarantee w.r.t. loans taken by KMLL from the bank.

### 34 Capital Work in Progress includes

(₹ in Lakhs)

PARTICULARS	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Preoperative Expenses in respect of Pipavav Project	8.59	8.33
Phenol Area TLF Modification Terminal-1	25.36	-
Weighbridge Expansion Terminal-2	8.72	-
<b>Total</b>	<b>42.67</b>	<b>8.33</b>



**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2022**

**35 Employee Benefit**

**Defined Benefit Plan (Gratuity Fund) - Funded**

In accordance with Indian Accounting Standard 19 "Employee Benefits", actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan.

(a) The amounts recognized in the balance sheet are as follows: (₹ in Lakhs)

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Present Value of benefit obligations	244.39	239.80
Fair Value of plan assets	(239.09)	(234.04)
Net liability /(Assets)	5.30	5.76
Amount in balance sheet Liabilities/ (Assets)	5.30	5.76

(b) The amounts recognized in the statement of profit and loss are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Current service cost	11.72	11.65
Interest on obligation	0.39	1.41
Past Service Costs	-	-
Total included in employee benefit expense	12.11	13.06

(c) Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Opening defined benefit obligation	239.79	237.83
Current Service costs	11.72	11.65
Interest costs	16.43	16.24
Past Service Cost	-	-
Actuarial losses/ (gains) on obligations – Due to Experience	0.93	(6.06)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	0.04	-
Actuarial losses/ (gains) on obligations – Due to Change in Financial Assumptions	(4.59)	(0.31)
Benefits paid	(19.93)	(19.55)
Closing defined benefit obligation	244.39	239.79

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(d) The amount recognized in the other comprehensive Income (OCI) is as follows:

(₹ in Lakhs)

PARTICULARS	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Actuarial (Gains)/Losses on obligation for the period	(3.62)	(6.38)
Return on Plan Assets, excluding interest income	(0.86)	(0.55)
Net actuarial losses (gains) recognized in year	(4.48)	(6.93)

(e) The Reconciliation of liability in the Balance Sheet are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 <sup>st</sup> March 2022	For the year ended on 31 <sup>st</sup> March 2021
Opening net Liability/ (asset)	5.76	20.63
Expenses recognized in Statement of Profit and Loss	12.11	13.06
Expenses recognized in OCI	(4.48)	(6.93)
Net Liability / (asset) Transfer In	-	-
Employers Contribution	(8.09)	(21.00)
Net Liability/(Assets) Recognised in the Balance Sheet	5.30	5.76

(f) The amount recognized as Interest Cost in the statement are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 <sup>st</sup> March 2022	For the year ended on 31 <sup>st</sup> March 2021
Present Value of Benefit Obligation at the beginning	239.79	237.83
Fair Value of Plant Assets at the beginning	(234.04)	(217.21)
Net Liability / (Assets) At the Beginning	5.76	20.62
Interest Cost	16.43	16.24
Interest Income	(16.04)	(14.83)
Net Interest cost for Current Period	0.39	1.41

(g) Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Opening fair value of plan assets	234.04	217.21
Adjustment in funds	-	-
Expected return on plan assets	16.04	14.83
Actuarial gains / (losses)	0.86	0.55
Contributions by employer	8.09	21.00
Assets Transferred In /Acquisitions	-	-
Benefits paid	(19.93)	(19.55)
Closing fair value of plan assets	239.09	234.04

Plan Assets are invested in Group Gratuity Scheme of Life Insurance Corporation of India.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(h) Principal actuarial assumptions at the balance sheet date:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Discount rate	7.15%	6.85%
Salary escalation rate	8.00%	8.00%
Expected return on plan assets	7.15%	6.85%
Attrition rate	1.00%	1.00%
Mortality Tables	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08) Ultimate

The expected rate of return on plan assets is based on the expectations of the average long-term rate of return expected on investments of the fund during the estimated term of the obligation.

The estimates of future salary escalation is considered taking into account inflation, seniority promotion and other relevant factors.

(i) Amounts for the current and previous four years are as follows: (₹ in Lakhs)

PARTICULARS	Defined Benefit (Gratuity) Plan				
	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020	For the year ended 31 <sup>st</sup> March 2019	For the year ended 31 <sup>st</sup> March 2018
Defined benefit obligation	244.39	239.80	237.83	217.36	249.90
Plan assets	239.09	234.04	217.21	214.77	257.43
Surplus/ (deficit)	(5.30)	(5.76)	(20.62)	(2.59)	7.53

(j) Experience Adjustment:

PARTICULARS	Defined Benefit (Gratuity) Plan				
	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021	For the year ended 31 <sup>st</sup> March 2020	For the year ended 31 <sup>st</sup> March 2019	For the year ended 31 <sup>st</sup> March 2018
On plan Liability (Gains)/ Losses	0.93	(6.06)	(4.12)	(7.12)	(4.13)
On plan Assets Gains/ (Losses)	0.86	0.55	0.95	(4.98)	4.70

Amount recognized as expense in respect of Compensated Leave Absence is ₹ 15.39 Lakhs (March 31, 2021 ₹ 23.11 Lakhs).

### Defined Contribution Plans

Amount recognized as an expense in respect of "Contribution to Provident Funds" is ₹58.12 Lakhs (March 31, 2021 ₹57.34 Lakhs)

# Annual Report 2021-2022

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### (k) Maturity Analysis of the Benefit Payments: From the Fund

#### Projected Benefits Payable in Future Years From the Date of Reporting

(₹ in Lakhs)

PARTICULARS	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
1st Following Year	23.35	22.62
2nd Following Year	11.96	3.77
3rd Following Year	16.74	30.98
4th Following Year	71.81	16.09
5th Following Year	27.57	67.58
Sum of Years 6 To 10	97.47	97.52
Sum of Years 11 and above	175.00	176.49

### (l) Sensitivity Analysis

PARTICULARS	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
Projected Benefit Obligation on Current Assumptions	244.39	239.80
Delta Effect of +1% Change in Rate of Discounting	(14.18)	(14.67)
Delta Effect of -1% Change in Rate of Discounting	15.98	16.55
Delta Effect of +1% Change in Rate of Salary Increase	13.44	14.33
Delta Effect of -1% Change in Rate of Salary Increase	(13.02)	(13.06)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.30)	(0.62)
Delta Effect of -1% Change in Rate of Employee Turnover	0.29	0.65

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

#### Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

**Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for lifetime and payable till retirement age only, plan does not have any longevity risk.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2022**

**36. RISK MANAGEMENT FRAMEWORK**

The Company's principal financial liabilities, comprises borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations directly or indirectly. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. Market risk is applicable to variable rate borrowing. Equity risk is not applicable since company does not have equity investments. Foreign exchange risk is not applicable since the company does not have long term imports. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

<b>Risk Management</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits
Liquidity Risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Interest Rate Risk	Variable Rate Borrowing	Interest rate sensitivity	Mix of fixed versus floating rate

**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. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

**Trade receivables**

Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

**a) Ageing :**

(₹ in Lakhs)

<b>PARTICULARS</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
0-180 days	260.49	365.12
More than 180 days	17.85	17.85
<b>Total</b>	<b>278.34</b>	<b>382.97</b>

**b) Movement in expected credit loss allowance on trade receivables :**

(₹ in Lakhs)

<b>PARTICULARS</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Balance at the beginning of the year	7.66	8.00
Add:- Additional provision made	-	-
Less:- Provision write off	-	-
Less:- Provision reversed	2.09	0.34
Balance at the end of the year	5.57	7.66

# Annual Report 2021-2022

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department.

### Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, preference shares and unsecured loans.

The table below provides details regarding the maturities of significant financial liabilities as of 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021

#### Year ended 31<sup>st</sup> March, 2022

(₹ in Lakhs)

PARTICULARS	Upto 1 Year	1 to 5 years	> 5 years	Total
Car Loan	31.85	69.13	-	100.98
Trade Payables	112.68	-	-	112.68
Others	185.19	-	-	185.19
Lease liability	1,682.99	2,672.48	2,355.02	6,710.49

#### Year ended 31<sup>st</sup> March, 2021

PARTICULARS	Upto 1 Year	1 to 5 years	> 5 years	Total
Car Loan	30.42	83.43	-	113.85
Trade Payables	265.24	-	-	265.24
Others	61.93	-	-	61.93
Lease liability	1392.65	2616.75	2388.00	6397.40

### Interest rate risk

The Company has only fixed rate borrowing.

### 37. Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the value of the share and to reduce the cost of capital.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(₹ in Lakhs)

PARTICULARS	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Net Debt</b>		
a) Long term Borrowing and Other Current Liabilities	100.98	113.85
b) Cash and Cash Equivalent	183.92	105.93
<b>Net Debt (a-b)</b>	<b>(82.94)</b>	<b>7.92</b>
<b>Equity</b>		
c) Equity share capital	546.32	546.32
d) Other Equity	7,876.51	15,319.91
<b>Total – Equity (c+d)</b>	<b>8,422.83</b>	<b>15,866.23</b>
Net debt/Equity Ratio	(0.01)	0.00

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 38. Financial Instruments by category

The criteria for recognition of financial instruments is explained in significant accounting policies. The carrying value of financial instruments by categories is as follows:

(₹ in Lakhs)

PARTICULARS	March 31, 2022			March 31, 2021		
	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL
<b>Financial Assets;</b>						
-Non Current Investments	6,858.39			9,803.09		
-Other Non Current Assets	45.57			3,108.88		
-Current Investments						890.65
-Trade Receivable	272.77			375.31		
-Cash and Cash equivalent	183.92			105.93		
-Other Bank Balances	11.49			15.94		
Current Financial Assets-Others	1.73			1.82		
<b>Total financial Asset</b>	<b>7,373.87</b>			<b>13,410.97</b>		<b>890.65</b>
<b>Financial Liabilities</b>						
-Long term Borrowings	69.13			83.43		
-Short term Borrowings	31.85			30.42		
-Lease Liability	6,710.49			6397.40		
-Trade payable	112.68			265.24		
-Other Financial Liabilities	185.19			61.93		
<b>Total financial liabilities</b>	<b>7,109.34</b>			<b>6,838.42</b>		

### 39. CSR Expenditure:

(₹ in Lakhs)

PARTICULARS	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
a) Excess amount spent in earlier years brought forward	4.69	-
b) Gross Amount required to be spent by the Company during the year	30.03	32.65
c) Amount spent during the year *	30.58	37.34
d) Excess of CSR spent carried forward to avail set off in next 3 financial years	5.24	4.69

\* ₹30.58 Lakh is spent during the year towards donating Oxygen Generation Unit to Public Health care unit in Baheri, Utter Pradesh during second wave of Covid 19.

### 40. Segment Reporting

In the opinion of the Management and based on consideration of dominant source and nature of risks and returns, the company's activities during the year revolved around single segment namely, "Liquid Storage Business". Considering the nature of company's business and operations, there are no separate reportable segments (Business and/or Geographical) in accordance with the requirement of Indian Accounting Standard 108.

# Annual Report 2021-2022

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 41. Related party disclosures under Indian Accounting Standard -24

Names of related parties and nature of related party relationships:

#### a) Key Management Personnel and their relatives:

##### Key Management Personnel:

Mr. H R Kilachand	Executive Chairman
Mr.A.S.Ruia	Independent Director
Mr.J.N.Godbole	Independent Director (Expired on 04.01.2022)
Mr.R.S.Loona	Independent Director
Mr.J.K.Devgupta	Independent Director
Mrs.Nilima Ashok Mansukhani	Independent Director
Mr.Navlesh Kumar	CEO
Mr.V.J. Doshi	CFO
Mrs. Sarika Singh	Company Secretary

##### Relatives of Key Management Personnel:

Mrs. Natasha Harsh Kilachand	Wife of Executive Chairman
Mr. Rohan H Kilachand	Son of Executive Chairman
Ms. Rohita H Kilachand	Daughter of Executive Chairman
Mrs. Nidhi R Kilachand	Daughter in Law of Executive Chairman

#### b) Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence;

Kesar Enterprises Limited  
Kesar Corporation Pvt. Ltd.  
Indian Commercial Co. Pvt. Ltd.  
Kilachand Devchand & Co. Pvt. Ltd.  
Kilachand Devchand Commercial Pvt. Ltd. (Struck off on 22/10/2021)  
India Carat Pvt Ltd  
Seel Investment Pvt. Ltd.

#### c) Subsidiary Company:

Kesar Multimodal Logistics Limited

#### d) Others

H R Kilachand (HUF)  
Harsh Family Trust  
Rajnikant Kilachand (HUF)



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Disclosure of transactions with related parties and the status of outstanding balance as on 31st March, 2022:

(₹ in Lakhs)

Particulars	Kesar Enterprises Limited	Kesar Multimodal Logistics Ltd	H R Kilachand	Indian Commercial Co. Pvt. Ltd.
<b>(a) Transactions</b>				
Reimbursement of Expenses	9.81 (4.81)			Nil (1.65)
Payments made on their behalf	1.00 (Nil)			
Sharing of Common Expenses	17.70 (Nil)			
Managerial Remuneration			169.41 (176.75)	
Long term loans and advances-Classified as Loans		844.05 (628.80)		
Long term loans and advances-Classified as Contribution to Equity Capital of subsidiary		(Nil) (219.60)		
<b>(b) Balance outstanding</b>				
Other Receivable	1.00 (Nil)			
Receivable - Sharing of Common Expenses	5.85 (Nil)			
Managerial Remuneration			6.43 (Nil)	
Long term loans and advances-Classified as Loans		3,913.63 (3,069.58)		
Preference shares-Classified as investment in preference shares Investment		1,211.78 (1211.78)		
Contribution to Equity Capital of subsidiary		4,411.26 (4,411.26)		
Investments in Equity Share Capital		4,180.00 (4,180.00)		
Corporate Guarantee (Refer Note No.32)		10,811.00 (10,811.00)		

(Figures in brackets represents previous year)

# Annual Report 2021-2022

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### Details of Director's Sitting fees and commission paid to Independent and Non-Executive Directors

(₹ in Lakhs)

Name of the Director	For the year ended 31st March 2022		For the year ended 31st March 2021	
	Director's Sitting fees	Commission paid	Director's Sitting fees	Commission paid
Mr.A.S.Ruia	3.85	2.97	3.30	3.00
Mr.J.N.Godbole	2.80	2.97	3.30	3.00
Mr.R.S.Loona	4.20	2.97	3.65	3.00
Mrs.Nilima Ashok Mansukhani	3.15	2.97	2.55	3.00
Mr.J.K.Devgupta	1.75	2.97	1.45	3.00

### Dividend Paid to Key Management Personnel and their relatives, Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence:

Name	During the Year 2021-22	During the Year 2020-21
H R Kilachand	7.48	-
Rohan Harsh Kilachand	4.58	-
Rohita Harsh Kilachand	4.55	-
H R Kilachand (HUF)	0.60	-
Indian Commercial Co. Pvt. Ltd.	5.07	-
Seel Investment Pvt. Ltd.	4.80	-
Indian Carat Pvt Ltd	0.22	-
Kesar Corporation Pvt Ltd	47.19	-
Kesar Enterprises Ltd	15.60	-
V V Sahasrabudhe (Holder for Harsh Family Trust)	9.61	-
Rajnikant A Kilachand HUF	0.30	-

### Key Management personnel compensation

Name	Designation	During the Year 2021-22	During the Year 2020-21
Navlesh Kumar	CEO	62.53	50.80
V.J. Doshi	CFO	118.74	98.71
Sarika Singh	Company Secretary	15.06	13.13

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

- 42 Loans and advances in the nature of loans given to Subsidiary Company/Guarantees given on behalf of Subsidiary in accordance with schedule V of SEBI (Listing Obligations & Disclosure requirements) Regulations, 2015 & Section 186 of the Companies Act, 2013.

**Name of Entity: Kesar Multimodal Logistics Ltd. (KMLL)**

(₹ in Lakhs)

Sr. No.	PARTICULARS	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
1	Loan outstanding ; i) Classified as Loans ii) Classified as Contribution to Equity Capital of subsidiary	3,913.63** 439.06	3,069.58 439.06
	Maximum amount Outstanding ; i) Classified as Loans ii) Classified as Contribution to Equity Capital of subsidiary	3,913.63 439.06	3,069.58 439.06
	Terms of Repayments & Repayment Schedule	Repayable on demand after three years	Repayable on demand after three years
	Purpose	Payment to contractor & administrative expenses	Payment to contractor & administrative expenses
2	Corporate Guarantee (principal limit)	10,811.00*	10,811.00*
	Purpose	Payment to contractor & administrative expenses	Payment to contractor & administrative expenses
3	a) Investment in Equity Shares b) Investment in Preference Shares; i) Classified as investment in preference shares Investment ii) Classified as Contribution to Equity Capital of subsidiary	4,180.00 1,211.78** 2,271.22	4,180.00 1,211.78 2,271.22
4	Security given (Pledge of investment of 35.00 Lakhs equity shares of Kesar Multimodal Logistics Ltd with lender of KMLL)	350.00	350.00

\* The total outstanding loans of Lenders as at 31<sup>st</sup> March 2022 is ₹ 17,110.02 Lakhs (Previous Year ₹ 14,988.39 Lakhs) against Corporate Guarantee.

\*\* As against the investments in the form of Loan and investment in Preference share capital in KMLL, the company has made a provision for impairment written off a sum of ₹ 6,858.33 lakhs as referred in note no. 33 above.

### 43 Supplementary statutory information

(₹ in Lakhs)

PARTICULARS	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
(a) Expenditure in foreign currency (Foreign Travelling & Business Promotion Expenses)	0.71	2.61

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## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 44 Leases

#### Maturity analysis of lease liabilities

(₹ in Lakhs)

Maturity analysis –contractual undiscounted cash flows	As on 31st March, 2022	As on 31st March, 2021
Less than one year	1,646.70	1,392.65
One to five years	2,672.49	2,616.75
More than five years	21,303.76	21,992.71
Total undiscounted lease liabilities at 31 March 2022	25,622.95	26,002.11
Lease liabilities included in the statement of financial position at 31 March 2022	6,710.50	6,397.40
Current	1,682.99	1,392.65
Non-Current	5,027.50	5,004.75

#### Amounts recognised in profit or loss

PARTICULARS	2021-22	2020-21
Interest on lease liabilities	692.28	653.54
Variable lease payments not included in the measurement of lease liabilities	-	-
Income from sub-leasing right-of-use assets	-	-
Expenses relating to short-term leases	-	-
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	30.01	29.12

#### Amounts recognised in the statement of cash flows

PARTICULARS	2021-22	2020-21
Total cash outflow for leases	379.18	38.07

- 45 The Micro, Small and Medium Enterprises to whom amount was payable and outstanding for more than stipulated period (as per the terms & conditions of the orders) are as under: -

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier	1.88	21.18
The amount of Principal and interest paid beyond the appointed day	24.69	5.20
The amount of interest due and payable on delayed payments	-	0.03
The amount of interest accrued and remaining unpaid	-	0.03
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

This disclosure is on the basis of information available with the Company regarding the status of Suppliers as defined under the "The Micro, Small & Medium Enterprises Act, 2006."

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 46 Earnings per Share (EPS):

PARTICULARS	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
<b>Basic &amp; Diluted EPS:</b>		
a) Net profit attributable to Equity Shareholders (₹ in Lakhs)	(7,282.69)	1,182.73
b) Weighted average number of Equity Shares Outstanding	1,09,26,475	1,09,26,475
Basic & Diluted EPS (₹)	(66.65)	10.82
Face Value per Share (₹)	5.00	5.00

47 Details of vehicle loans where no charges or satisfaction are registered with Registrar of Companies are given below.

Details	Name of the Bank	Date Of Loan	Amount (₹ in Lakhs)	Reasons
Maruti Ciaz	ICICI Bank	01-07-2017	10.70	Charges not registered with MCA as no documents provided by the lenders.
Tata Harrier	YES Bank	21-09-2019	16.75	
Jaguar	YES Bank	18-10-2019	44.00	
Ertiga	ICICI Bank	31-10-2018	8.76	

48 Based on initial assessment, the Management does not expect any significant medium to long-term impact on the business of the Company due to the COVID-19 pandemic. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory, and receivables basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. The company continues to monitor the future economic conditions.

### 49 Ratio Analysis

(₹ in Lakhs)

PARTICULARS	2021-22	2020-21	% Variance	Reason for variance
<b>(i) Current Ratio</b>				
Current Assets	1,395.59	1,487.25		
Current Liabilities	2,132.50	1,858.56		
Current Ratio	0.65	0.80	-18%	
<b>(ii) Debt-equity ratio</b>				Due to decrease in other equity consequent to provision made for impairment of investments in and loans to subsidiary.
Long term Borrowing and Other Current Liabilities	100.98	113.85		
Cash and Cash Equivalent	183.92	105.93		
<b>Total</b>	<b>(82.94)</b>	<b>7.92</b>		
<b>Equity</b>				
Equity share capital	546.32	546.32		
Other Equity	7,876.51	15,319.92		
<b>Total</b>	<b>8,422.83</b>	<b>15,866.24</b>		
Net debt/Equity Ratio	-0.01	0.00	-2073%	
<b>(iii) Debt Service coverage ratio</b>				Due to decrease in EBITDA consequent to provision made for impairment of investments in and loans to subsidiary.
EBITDA	(6,266.93)	2,204.02		
Interest, Pricipal & lease payments	534.24	516.04		
	(11.73)	4.27	-375%	

# Annual Report 2021-2022

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	2021-22	2020-21	% Variance	Reason for variance
<b>(iv) Return on Equity Ratio</b>				Due to decrease in Net Income consequent to provision made for impairment of investments in and loans to subsidiary.
Net income	(7,279.51)	1,187.64		
Shareholder's Equity	12,144.53	15,222.52		
	(0.60)	0.08	-868%	
<b>(v) Inventory Turnover Ratio</b>				
Opening Stock	6.80	8.18		
Closing Stock	7.49	6.80		
Average Stock	7.14	7.49		
Cost of Goods sold	1,492.27	1,269.13		
Inventory Turnover	208.90	169.42	23%	
<b>(vi) Trade receivables turnover ratio</b>				
Opening Debtors	375.31	391.91		
Closing Debtors	272.77	375.31		
Average Debtors	324.04	383.61		
Sales	3,251.03	3,562.17		
Debtors Turnover	10.03	9.29	8%	
<b>(vii) Trade payables turnover ratio</b>				Due to substantial payments made to Deendayal Port Trust during the current year.
Other Expenses	775.70	620.19		
Average Trade payables	188.96	342.97		
	4.11	1.81	127%	
<b>(viii) Net Capital Turnover ratio</b>				Due to reduction in sales and decrease in investments during the year
Net Sales	3,251.03	3,747.81		
Working Capital	(554.11)	(927.71)		
	(5.87)	(4.04)	45%	
<b>(ix) Net Profit ratio</b>				Due to decrease in Net Profit consequent to provision made for impairment of investments in and loans to subsidiary.
Net Profit	(6,329.28)	1,445.80		
Sales	3,251.03	3,562.17		
Net Profit Margin (%)	-195%	41%	-580%	
<b>(x) Return on Capital employed</b>				Due to decrease in earnings and other equity consequent to provision made for impairment of investments in and loans to subsidiary.
Earnings before Interest and Tax	(5,623.65)	2,112.22		
Capital Employed	8,491.96	15,949.67		
	(66.22)	13.24	-600%	
<b>(xi) Return on investment</b>				Due to non booking of notional Interest income on investments in and loan to subsidiary company.
Opening Investment	10,693.74	9,416.00		
Closing Investment	6,858.39	10,678.05		
Average Investments	8776.06	10,047.03		
Gain/Interest Income on Investments	19.02	432.16		
Return on Investments	0.22%	4.30%	-95%	

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 50 Tax Expenses

#### (a) Income tax expense

(₹ in Lakhs)

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Current tax</b>		
Current Tax	295.00	310.00
Adjustments of prior year	(3.32)	21.58
<b>Total-A</b>	<b>291.68</b>	<b>331.58</b>
<b>Deferred tax</b>		
Deferred tax charge/(credit)	661.70	(68.50)
MAT credit Entitlement	-	-
<b>Total-B</b>	<b>661.70</b>	<b>(68.50)</b>
<b>Total tax expense A+B</b>	<b>953.38</b>	<b>263.08</b>

#### b) Reconciliation of tax expense and the accounting profit

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit before tax	529.02	1445.81
Income tax expense calculated at 29.12%	154.06	421.02
(i) Tax effect of:		
Add :		
Corporate social responsibility expenses not allowed as deduction	7.38	10.87
Provisions for Retirement Benefits	1.54	(3.06)
Difference in Depreciation and Amortisation	73.21	69.10
Gain on Valuation of Mutual Fund	4.40	(4.40)
Deduction available as per section 80-IA of the Income Tax Act, 1961	-	(107.44)
Deduction available as per section 80G of the Income Tax Act, 1961	-	(3.35)
Deferred Tax Expense for the year	661.71	(66.49)
Interest on lease liability	201.17	190.31
Profit on Sale of Fixed Assets	(4.20)	(0.68)
Additional Income as calculated by using effective interest rate	-	(125.84)
Rent expenses as per GAAP	(141.95)	(138.44)
Provisions for doubtful Debts	(0.61)	(0.10)
Excess provision of previous years reversed	(3.33)	21.58
<b>Total Expenses</b>	<b>953.38</b>	<b>263.08</b>

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The following table provides the details of income tax assets and liabilities as at March 31, 2022 and March 31, 2021:

(₹ in Lakhs)

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
Income tax assets	868.39	1,531.72
Current income tax liabilities	786.13	1,477.26
<b>Net balance</b>	<b>82.26</b>	<b>54.46</b>

The gross movement in the current tax asset/ (liability) for the years ended March 31, 2022 and March 31, 2021 is as follows :

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
Net current income tax Asset/(liability) at the beginning	54.46	45.16
Income tax paid (including MAT credit entitlement adjustment)	324.19	319.81
Current income tax expense	(295.00)	(310.00)
Previous years adjustment	(1.39)	(0.51)
Net current income tax liability at the end	<b>82.26</b>	<b>54.46</b>

- 51 The company is under the process of identifying the transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- 52 The balances in respect of Trade receivables, Trade Payables, Borrowings, Loan and advances and security deposits are subject to confirmation and consequential reconciliation if any. As per the Code, Resolution Professional is in the process of receiving, collating, verifying, and admitting all the admissible claims submitted by the Creditors and Employees of the Company. However, pending the completion of the process, the impact of such claims will be considered on completion of said process.
- 53 The previous year figures have been regrouped and reclassified wherever necessary to correspond with the current year classification/disclosure.

As per our report of even date attached  
For and on behalf of

For and on behalf of the Board of Directors

Chandabhoy & Jassoobhoy  
Chartered Accountants  
Firm Registration No.101647W

Bhupendra T Nagda  
Partner  
Membership No.F 102580

Prashant Jain\*  
Resolution Professional  
Appointed under IBC Code,2016  
IP Reg No.IBBI/IPA-001/  
IP-P01368/2018-19/12131

V J Doshi  
Chief Financial Officer

H R Kilachand  
Executive Chairman  
DIN 00294835

Sarika Singh  
Company Secretary

A S Ruia  
Director  
DIN 00296622

\* The signature of the Resolution Professional only signifies that the financial statements have been taken on record by him.

Place: Mumbai  
Date: July 22, 2022

Place: Mumbai  
Date: July 22, 2022



## INDEPENDENT AUDITOR'S REPORT

### To the Members of Kesar Terminals and Infrastructure Limited Report on the Audit of the Consolidated Ind AS Financial Statements

#### Qualified Opinion

We have audited the accompanying consolidated Ind AS financial statements of **Kesar Terminals and Infrastructure Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters mentioned in the Basis for Qualified Opinion section of our report, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the consolidated state of affairs of the Group, as at March 31, 2022, their consolidated loss including other comprehensive income, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

#### Basis for Qualified Opinion

- a. We draw attention to Note 35 of the consolidated Ind AS financial statements in respect of litigation with the Deendayal Port Trust (DPT) in respect of their demand of transfer/upfront fees and increase in lease rentals for the leasehold lands and renewal of the said leases. As stated in Note, the Hon'ble Gujarat High Court has issued an order against the Company and the Company is examining the possibility of contesting the same in the Hon'ble Supreme Court of India. However, pending action on the above, no provision/adjustments have been made in the consolidated Ind AS financial statements in respect of incremental liability or any impact on the leased assets recognized in the financial statements being the same currently not ascertainable and depreciation on assets constructed on lease hold land has been continued to be charged as per the rates prescribed in Schedule II of the Companies Act 2013 and right to use lease assets are continued to be recognized based on the lease period as already determined and recognized in earlier years. The final outcome of the matter may have impact on the profits of the Company as well as the Right to use – Lease assets recognized by the Company.
- b. We draw attention to Note 36 of the consolidated Ind AS financial statements in respect of the petition against the Company being a corporate guarantor for the borrowings availed by the Subsidiary Company, Kesar Multimodal Logistics Ltd (KMLL) from lenders which has been admitted in Hon'ble National Company Law Tribunal (NCLT), Mumbai under the Insolvency and Bankruptcy Code (IBC) 2016 on 7<sup>th</sup> March 2022. As explained in Note 36 of the financial statements, the One Time Settlement (OTS) proposal been submitted to the lenders of KMLL by the Company and an amount of ₹800 lakhs has been paid to the lenders which shall be adjusted against the OTS amount upon sanction of the OTS by the consortium banks. The said amount has been disclosed as 'Other Current assets' pending sanction of the OTS proposal. However, no provision has been made in the books of account in respect of liability if any that may arise out of the invocation of the Corporate Guarantee as stated above and in view of the petition against the Company being admitted in NCLT, Mumbai. Further, the IBC proceedings admitted against the Company may have impact on the assets and liabilities of the Company.
- c. As stated in Note 36, the Subsidiary Company has not yet performed impairment testing with respect to the value of its Property, Plant and Equipments of the Subsidiary Company situated at Composite Logistics Hub at Pawarkheda, Madhya Pradesh in view of the Subsidiary company incurring losses and net worth being completely eroded, turnover of the Subsidiary company not improved as per Company's expectations and the CIRP proceedings initiated against the Subsidiary Company under the Insolvency and Bankruptcy Code, 2016. Accordingly, the impairment in the value of the carrying amount of Property, Plant and Equipments of the subsidiary company is not ascertained and no provision has been made thereto as required by Indian Accounting Standard (IND AS 36) 'Impairment of Assets'.

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We conducted our audit in accordance with the Standards on Auditing (SAs) 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 consolidated Ind AS financial statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below is sufficient and appropriate to provide a basis for our qualified opinion.

## Material Uncertainty Related to Going Concern

We draw attention to Note 36 of the consolidated Ind AS financial statements with regard to preparation of financial statements of Kesar Multimodal Logistics Limited (KMML), a wholly owned subsidiary of the Parent Company on going concern basis. KMML has incurred losses during the current and previous financial years and defaulted in repayment of borrowings to the lenders. In view of defaults by KMML, lenders of subsidiary company i.e. KMML have filed a petition against the borrower (i.e. KMML) and the Corporate Guarantor i.e. the Company with Hon'ble National Company Law Board (NCLT), Mumbai under the Insolvency and Bankruptcy Code (IBC) 2016 which are admitted by the NCLT. The lenders of KMML have also filed an Original Application before the Debt Recovery Tribunal (DRT) – Jabalpur against the subsidiary company i.e. KMML and the Company i.e. KIL. The initial reply is filed but since the petitions against both the Subsidiary Company and the Company have been admitted in NCLT, all the matters filed by and against the Subsidiary Company and the Company have been sub-judiced sine die (i.e kept in abeyance). The Company has also submitted a One Time Settlement (OTS) proposal to the lenders of the Subsidiary Company for settlement of dues of the Subsidiary Company. The above factors, along with other matters as set forth in the aforesaid note, indicate that a material uncertainty exists on the Subsidiary Company's ability to continue as a going concern. However, the financial statements of the Subsidiary Company have been prepared on 'going concern' basis based on management's expectation of the improvement in the Subsidiary Company's revenues and business and favourable outcome of the OTS. Our report is not modified in respect of this matter.

The above matter has been drawn attention to in the 'Material Uncertainty relation to Going Concern' section of the audit report issued by the auditor of KMML vide their report dated May 25, 2022.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

## Emphasis of Matters

- a. We draw attention to Note 36 of the consolidated Ind AS financial statements which states that the Subsidiary Company has defaulted in repayment of principal dues and interest payable to lenders. The Subsidiary Company has provided interest liability based on last sanctioned terms by the lender upto March 31, 2022. In view of the defaults by the Subsidiary Company, the lenders of the Subsidiary Company have filed petitions against the Subsidiary Company and the Company, being Corporate Guarantor with Hon'ble National Company Law Board (NCLT), Mumbai under the Insolvency and Bankruptcy Code (IBC) 2016 which are admitted by the NCLT on February 17, 2022 and March 7, 2022 respectively. Accordingly, the Resolution Professional (RP) has been appointed and the Corporate Insolvency Resolution Process (CIRP) has been commenced.

Further, the Company has submitted One Time Settlement (OTP) proposal with the lenders for settlement of dues of the Subsidiary Company which is yet to be approved by the lenders. Pending outcome of the above, no further adjustment has been made in the consolidated Ind AS financial statements in respect of the principal amount of

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

loans and interest provided thereon and all other assets and liabilities of the Subsidiary Company which will be accounted when the OTS/CIRP proceedings are finalized.

- b. As stated in Note 56, balances of trader receivables, trade payables, borrowings, loans and advances and security deposits are subject to confirmations, reconciliations and consequential adjustments. Further, pursuant to commencement of CIRP proceedings for the Subsidiary Company and the Company, the Resolution Professional (RP) is in the process of ascertaining the claims from all the creditors. Pending completion of the said process, the impact of the above on the financial statements will be accounted on completion of the said process.

### **Other Information**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, Management Discussion and Analysis Report and Corporate Governance Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated Ind AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

The Hon'ble National Company Law Tribunal, Mumbai ("NCLT") by order dated 7th March 2022 admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by Bank of Baroda against the company, being the corporate guarantor in respect of debts of subsidiary company Kesar Multimodal Logistics Ltd who has defaulted in repaying the outstanding loans. Shri Prashant Jain Registration Number (IBBI/IPA-001/IP-P01368/2018-2019/12131) has been appointed as Interim Resolution Professional to carry out functions as mentioned under Insolvency & Bankruptcy Code, 2016.

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In view of the ongoing CIRP and suspension of powers of Board of Directors on 07/03/2022, the powers of adoption of this consolidated financial statement vests with RP under provisions of the code as the powers of the Board of Directors are suspended.

As per Section 134 of the Companies Act, 2013, the financial statements of a Company are required to be authenticated by the Chairperson of the Board of Directors, where authorized by the Board or at least two directors, of which one shall be managing director or CEO (being a Director), the CFO and the Company Secretary where they are appointed. Under IBC 2016, such powers shall vest with the Resolution Professional Mr. Prashant Jain.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiary, which are companies incorporated in India, have adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

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We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

We did not audit the Ind AS financial statements of one subsidiary whose Ind AS financial statements reflect total assets of ₹14,037.09 lakhs and net assets of ₹(9,400.85) lakhs as at March 31, 2022, total revenue of ₹1,002.12 lakhs, total net loss after tax of ₹3,855.59 lakhs and total comprehensive income of ₹(3,854.09) lakhs and net cash inflows amounting to ₹112.11 lakhs for the year ended on that date, as considered in the Consolidated Ind AS financial statements. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary is based solely on the report of the other auditors.

Our opinion on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

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

As required by section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained, except for the possible effects of the matters described in the Basis for Qualified Opinion section, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended except as otherwise stated in the Basis of Opinion Para of this report with regard the impairment of fixed assets of the Subsidiary Company (IND AS 36 – Impairment of Assets);
- e. The matters described in the Basis for Qualified Opinion section, Material Uncertainty Related to Going Concern section and Emphasis of Matter section of our report, in our opinion, may have an adverse effect on the functioning of the Group;
- f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of

# Annual Report 2021-2022

its Subsidiary Company, none of the directors of the Group companies, is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act. However, in view of Corporate Insolvency Resolution Process (CIRP) from February 17, 2022 and March 07, 2022 in respect of the Subsidiary Company and the Company respectively, the powers of Board of Directors stand suspended as per section 17 of the code and such powers are exercised by the Resolution Professional from February 17, 2022 and March 07, 2022 onwards respectively;

- g. With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary company, and the operating effectiveness of such controls, we give our separate report in the “Annexure”.
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditors, referred to in Other Matters paragraph, on separate Ind AS financial statements of a subsidiary, the remuneration paid/ provided to their directors during the year by the Holding Company and its subsidiary company incorporated in India is in accordance with the provisions of section 197 of the Act;

- i. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) As stated in Note 36, the petition filed by the lenders of the Subsidiary Company against the Company and its Subsidiary Company under section 7 of the Insolvency and Bankruptcy Code 2016 has been admitted on 7<sup>th</sup> March 2022 and 17<sup>th</sup> February 2022 respectively and the CIRP process of the Subsidiary Company and the Company have commenced. The impact of the above and the CIRP process on financial statements of the Company cannot be ascertained at present. The consolidated Ind AS financial statements disclose the impact of other pending litigations on the consolidated financial position of the Group, – Refer Note 35, 36 and 56 to the consolidated Ind AS financial statements;
  - (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses ;
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company;
  - (iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company or the Subsidiary 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 or its Subsidiary 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, other than as disclosed in the notes to the accounts, no funds have been received by the company or the Subsidiary 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 or the Subsidiary 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;
  - (c) Based on such audit procedures that we have 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 mis-statement.

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

- (v) The dividend declared and paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.
- j. There have been qualifications or adverse remarks by the auditors on the Companies (Auditors Report) Order (CARO) report of the subsidiary company included in the consolidated Ind AS financial statements. The details of the subsidiary company and the paragraph numbers of the CARO report containing the qualifications or adverse remarks are as given below :

<b>Sr. No.</b>	<b>Name</b>	<b>CIN</b>	<b>Holding Company/ Subsidiary/ Associates/ Joint venture</b>	<b>Clause number of the CARO report which is qualified or adverse</b>
1	Kesar Multimodal Logistics Limited	U74120MH2011PLC222597	Subsidiary	Clause ix (a)
2	Kesar Multimodal Logistics Limited	U74120MH2011PLC222597	Subsidiary	Clause xvii
3	Kesar Multimodal Logistics Limited	U74120MH2011PLC222597	Subsidiary	Clause xix

For **Chandabhoy & Jassoobhoy**  
Chartered Accountants  
Firm Registration No. 101647W

**Bhupendra T. Nagda**  
Partner  
Membership No. 102580  
UDIN: 22102580ANLSBH9963

Place: Mumbai  
Date: July 22, 2022

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## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

**[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Kesar Terminals & Infrastructure Limited on the consolidated Ind AS financial statements for the year ended March 31, 2022]**

**Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of Kesar Terminals & Infrastructure Limited ("the Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding Company and its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements of Holding Company and its subsidiary company, which are companies incorporated in India based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to consolidated Ind AS financial statements.

### **Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

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



## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one Subsidiary company, which is company incorporated in India, is based solely on the corresponding report of the auditors of such company incorporated in India. Our opinion is not qualified in respect of this matter.

For **Chandabhoy & Jassoobhoy**  
Chartered Accountants  
Firm Registration No. 101647W

**Bhupendra T. Nagda**  
Partner  
Membership No. 102580  
UDIN: 22102580ANLSBH9963

Place: Mumbai  
Date: July 22, 2022

# Annual Report 2021-2022

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

		(₹ in Lakhs)		
PARTICULARS		Note	As at	As at
		No.	31st March 2022	31st March 2021
<b>I.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
(a)	Property, plant and equipments	3	14,399.86	15,305.06
(b)	Capital work in progress	3	577.56	541.93
(c)	Right to Use - Lease Assets	3	5,693.35	5,923.86
(d)	Intangible assets	3	3.23	4.71
(e)	Financial Assets			
(i)	Investments	4	0.05	0.05
(ii)	Loans	5	0.57	0.24
(iii)	Others	6	99.40	238.62
(f)	Deferred Tax Assets (net)	7	30.95	-
<b>2</b>	<b>Current assets</b>			
(a)	Inventories	8	7.49	6.80
(b)	Financial Assets			
(i)	Investments	9	-	890.65
(ii)	Trade receivables	10	504.47	630.88
(iii)	Cash and cash equivalents	11	253.03	143.12
(iv)	Bank balances other than cash and cash equivalents	12	126.73	50.98
(v)	Loans	13	1.73	1.82
(vi)	Others	14	66.00	1.24
(c)	Other current assets	15	936.55	100.66
(d)	Current tax assets (net)	16	115.57	80.29
	<b>TOTAL</b>		<b>22,816.54</b>	<b>23,920.91</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
(a)	Share capital	17	546.32	546.32
(b)	Other equity	18	(3,625.57)	(520.82)
<b>2</b>	<b>Liabilities</b>			
<b>A</b>	<b>Non-current liabilities</b>			
(a)	Financial liabilities			
(i)	Borrowings	19	69.13	83.43
(ii)	Lease Liabilities	20	5,182.16	5,187.64
(b)	Provisions	21	68.78	89.50
(c)	Deferred tax liabilities (net)	22	-	2.73
<b>B</b>	<b>Current liabilities</b>			
(a)	Financial Liabilities			
(i)	Borrowings	23	31.85	30.42
(ii)	Lease Liabilities	24	2,125.64	2,154.49
(iii)	Trade payables	25		
	- Total outstanding dues of micro enterprises and small enterprises		23.98	22.41
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		240.17	433.60
(iv)	Others financial liabilities	26	17,295.21	15,050.32
(b)	Other current liabilities	27	814.34	807.48
(c)	Provisions	28	44.53	33.39
	<b>TOTAL</b>		<b>22,816.54</b>	<b>23,920.91</b>
	Significant accounting policies	2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached For and on behalf of the Board of Directors  
For and on behalf of

Chandabhoj & Jassoobhoj  
Chartered Accountants  
Firm Registration No.101647W

Bhupendra T Nagda  
Partner  
Membership No.F 102580

Prashant Jain\*  
Resolution Professional  
Appointed under IBC Code,2016  
IP Reg No.IBBI/IPA-001/  
IP-P01368/2018-19/12131

V J Doshi  
Chief Financial Officer

H R Kilachand  
Executive Chairman  
DIN 00294835

Sarika Singh  
Company Secretary

A S Ruia  
Director  
DIN 00296622

\* The signature of the Resolution Professional only signifies that the financial statements have been taken on record by him.

Place: Mumbai  
Date: July 22, 2022

Place: Mumbai  
Date: July 22, 2022

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

PARTICULARS	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>I Income:</b>			
Revenue from operations	29	4,253.15	4,484.40
Other income	30	123.80	71.72
<b>Total Income</b>		<b>4,376.95</b>	<b>4,556.12</b>
<b>II Expenses:</b>			
Employee benefits expense	31	1,101.44	1,025.41
Finance cost	32	2,986.44	2,693.07
Depreciation and amortization expense	3	1,174.40	1,167.54
Other expenses	33	1,896.06	1,801.95
<b>Total Expenses</b>		<b>7,158.34</b>	<b>6,687.97</b>
<b>III. Profit before Exceptional items &amp; Tax (I-II)</b>		<b>(2,781.39)</b>	<b>(2,131.85)</b>
<b>IV Tax Expense:</b>			
(a) Current tax		295.00	310.00
(b) Deferred tax including MAT credit entitlement		(127.53)	(115.16)
(d) Excess provision of earlier years written back		(3.33)	21.58
<b>V Loss for the year (III-IV)</b>		<b>(2,945.53)</b>	<b>(2,348.27)</b>
<b>Loss for the year attributable to</b>			
a. Owners of the Company		(2,945.53)	(2,348.27)
b. Non-Controlling Interest		-	-
<b>VI Other Comprehensive Income</b>			
A Items that will not be reclassified to profit or loss.			
(i) Measurements of defined employee benefit plans		5.98	7.33
(ii) Income tax relating to items that will not be reclassified to profit or loss.		(1.30)	(2.02)
B (i) Items that will be reclassified to profit or loss.		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss.		-	-
<b>Total Other Comprehensive Income for the year (net of tax)</b>		<b>4.68</b>	<b>5.31</b>
<b>Total Other Comprehensive Income for the year attributable to</b>			
a. Owners of the Company		4.68	5.31
b. Non-Controlling Interest		-	-
<b>VII Total Comprehensive Income for the year (V + VI)</b>		<b>(2,940.85)</b>	<b>(2,342.96)</b>
<b>Total Comprehensive Income for the year attributable to</b>			
a. Owners of the Company		(2,940.85)	(2,342.96)
b. Non-Controlling Interest		-	-
<b>VIII Earnings per equity share of ₹ 5 each ;</b>			
Basic (in ₹)	48	(26.96)	(21.49)
Diluted (in ₹)	48	(26.96)	(21.49)
Significant accounting policies	2		

The accompanying notes form an integral part of the standalone financial statements

**As per our report of even date attached For and on behalf of the Board of Directors**  
**For and on behalf of**

**Chandabhoy & Jassoobhoy**  
**Chartered Accountants**  
**Firm Registration No.101647W**

**Bhupendra T Nagda**  
**Partner**  
**Membership No.F 102580**

**Prashant Jain\***  
**Resolution Professional**  
**Appointed under IBC Code,2016**  
**IP Reg No.IBBI/IPA-001/**  
**IP-P01368/2018-19/12131**

**V J Doshi**  
**Chief Financial Officer**

**H R Kilachand**  
**Executive Chairman**  
**DIN 00294835**

**Sarika Singh**  
**Company Secretary**

**A S Ruia**  
**Director**  
**DIN 00296622**

\* The signature of the Resolution Professional only signifies that the financial statements have been taken on record by him.

**Place: Mumbai**  
**Date: July 22, 2022**

**Place: Mumbai**  
**Date: July 22, 2022**

# Annual Report 2021-2022

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2022

		(₹ in Lakhs)	
PARTICULARS		For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	<b>NET LOSS BEFORE TAX</b>	<b>(2,781.39)</b>	<b>(2,131.85)</b>
	<b>Non-cash adjustments to reconcile loss before tax to net cash flows:</b>		
	Depreciation and amortisation expense	1,174.40	1,167.54
	Gain on Valuation/Sale of Mutual Funds	(19.02)	(15.65)
	Interest Income	(10.75)	(13.76)
	Finance Costs	2,986.44	2,693.07
	Profit / Loss on Sale of Property, Plant and Equipment	(14.47)	(2.37)
	Profit/(Loss) on termination of lease	(2.47)	-
	Provision/write back for doubtful receivables	(2.58)	2.86
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,330.16</b>	<b>1,699.84</b>
	<b>Movements in working capital:</b>		
	(Increase)/Decrease in Inventories	(0.69)	1.38
	(Increase)/Decrease in Trade Receivables	129.00	(143.95)
	(Increase)/Decrease in Other Current Financial Assets-Others	(64.76)	28.58
	(Increase)/Decrease in Other Current Financial Assets-Loans	0.09	0.57
	(Increase)/Decrease in Other non current Financial assets	132.84	(44.08)
	(Increase)/Decrease in Other current assets	(23.93)	5.24
	Increase / (Decrease) in Trade Payables	(191.85)	(177.24)
	Increase / (Decrease) in Current financial liabilities-others	123.97	-
	Increase / (Decrease) in Other Current Liabilities	18.09	114.37
	Increase / (Decrease) in Current Provisions	15.62	(10.61)
	Increase / (Decrease) in Non Current Provisions	(19.22)	13.95
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>1,449.32</b>	<b>1,488.05</b>
	Taxes paid	(234.40)	(274.03)
	<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (A)</b>	<b>1,214.92</b>	<b>1,214.02</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	Purchase of property, plant and equipment including intangible assets & capital work in progress	(85.02)	(157.85)
	Sale of Property, plant & equipment	17.52	3.00
	Purchase of Investments in Mutual Fund	(1,302.85)	(900.00)
	Sale of Investments in Mutual Fund	2,212.53	25.00
	Amount paid towards One Time Settlement (refer note no 15(d))	(800.00)	-
	Interest Received	4.86	6.37
	Government Grant Received relating to Property, plant & equipment	-	18.17
	<b>NET CASH GENERATED FROM INVESTING ACTIVITIES (B)</b>	<b>47.04</b>	<b>(1,005.31)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	Repayment of Borrowings	(107.56)	(23.54)
	Proceeds from Borrowings	18.00	69.16
	Dividend Paid	(164.60)	(3.76)
	Lease liabilities paid	(792.98)	(413.21)
	Interest Paid	(29.17)	(26.50)
	<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>(1,076.31)</b>	<b>(397.85)</b>
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>185.65</b>	<b>(189.14)</b>
	<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>194.10</b>	<b>383.24</b>
	<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>379.75</b>	<b>194.10</b>
	<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
	CASH AND CASH EQUIVALENTS*	253.02	143.12
	OTHER BANK BALANCES **	126.73	50.98
	<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>379.75</b>	<b>194.10</b>

\*Cash and Cash Equivalents includes ₹ 39.01 Lakhs (March 31, 2021 ₹ 5.40 Lakhs) held as lien/security with bank and customer.

\*\* Other Bank balances includes Unclaimed Dividend of ₹ 11.49 Lakhs (previous year ₹ 12.19 Lakhs) which company can utilise only towards settlement of the respective unclaimed dividend and ₹ 115.24 Lakhs (previous year 38.79) is held as lien with bank and customer.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS (Contd.)

Note : The Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind-AS 7) - Statement of Cash Flow.

### Changes in liabilities arising from financing activities.

(₹ in Lakhs)

PARTICULARS	As At 31st March, 2021	Net Cash Flow	Non Cash Changes		Other Non Cash Changes	As At 31st March, 2022
			Fair Value Changes	Current/ Non Current Classification		
Borrowings Non current	83.43	17.55	-	(31.85)	-	69.13
Other Financial Liabilities-Current	15,018.81	(107.12)	-	31.85	2,198.32	17,141.87

Note : Figures in brackets are outflows

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached For and on behalf of the Board of Directors  
For and on behalf of

**Chandabhoy & Jassoobhoy**  
Chartered Accountants  
Firm Registration No.101647W

**Bhupendra T Nagda**  
Partner  
Membership No.F 102580

**Prashant Jain\***  
Resolution Professional  
Appointed under IBC Code,2016  
IP Reg No.IBBI/IPA-001/  
IP-P01368/2018-19/12131

**V J Doshi**  
Chief Financial Officer

**H R Kilachand**  
Executive Chairman  
DIN 00294835

**Sarika Singh**  
Company Secretary

**A S Ruia**  
Director  
DIN 00296622

\* The signature of the Resolution Professional only signifies that the financial statements have been taken on record by him.

Place: Mumbai  
Date: July 22, 2022

Place: Mumbai  
Date: July 22, 2022

# Annual Report 2021-2022

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

### A : Equity Share Capital (Equity shares of ₹ 5 each issued, subscribed and fully paid)

(₹ in Lakhs)

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2022
546.32	-	546.32	-	546.32

Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance as at March 31, 2021
546.32	-	546.32	-	546.32

### B : Other Equity

(₹ in Lakhs)

PARTICULARS	Reserve and Surplus			Total Other Equity
	General Reserves	Retained Earnings	Other Comprehensive Income	
<b>Balance as at 31st March, 2020</b>	<b>3,974.99</b>	<b>(2,246.45)</b>	<b>(6.21)</b>	<b>1,722.33</b>
<b>Total Comprehensive income for the year</b>				
Profit for the year	-	(2,348.27)	-	(2,348.27)
Other Comprehensive Income	-	-	5.31	5.31
Prior Period adjustment		99.81	-	99.81
Transfer to General Reserves	1,000.00	(1,000.00)	-	-
<b>Balance as at 31st March, 2021</b>	<b>4,974.99</b>	<b>(5,494.91)</b>	<b>(0.90)</b>	<b>(520.82)</b>
<b>Total Comprehensive income for the year</b>				
Profit for the year	-	(2,945.53)	-	(2,945.53)
Other Comprehensive Income	-	-	4.68	4.68
Final Dividend Paid	-	(163.90)	-	(163.90)
<b>Balance as at 31st March, 2022</b>	<b>4,974.99</b>	<b>(8,604.34)</b>	<b>3.78</b>	<b>(3,625.57)</b>

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached For and on behalf of the Board of Directors  
For and on behalf of

Chandabhoy & Jassoobhoy  
Chartered Accountants  
Firm Registration No.101647W

Bhupendra T Nagda  
Partner  
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DIN 00296622

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Place: Mumbai  
Date: July 22, 2022

Place: Mumbai  
Date: July 22, 2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### Background

The Company was incorporated on 21st January 2008. On 12th March 2010, the Hon'ble High Court of Bombay had passed an order pursuant to Section 391 to 394 of the Companies Act 1956, sanctioning the Scheme of Arrangement by way of Demerger for transfer of the Storage Division of Kesar Enterprises Limited (KEL) into the Company as a going concern with effect from 1st January 2009 (Appointed Date).

Pursuant to the Scheme of Demerger, in consideration of the transfer of Storage Undertaking into the Company, 4,753,113 Equity Shares of ₹10 each, fully paid up are issued and allotted on 1st June 2010 by the Company to the shareholders of Kesar Enterprises Limited (KEL) in the ratio of 10:7 i.e. for every 10 shares in KEL, 7 shares in the company.

Kesar Terminals and Infrastructure Ltd is mainly engaged in the business of renting of liquid storage tanks at Kandla and is in process of commencing its operation at Pipavav and Kakinada Port.

Kesar Multimodal Logistics Ltd was incorporated on 30th September 2011 as a Special Purpose Vehicle to execute Concession Agreement entered on 24th October 2011 between the Company and the Madhya Pradesh State Agricultural Marketing Board (Mandi Board) to set up a "Composite Logistics Hub" at Powerkheda, Madhya Pradesh, on Public Private Partnership (PPP) basis.

The Honourable National Company Law Tribunal, Mumbai ("NCLT") admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by Bank of Baroda against the company, being the corporate guarantor in respect of debts of subsidiary company Kesar Multimodal Logistics Ltd who has defaulted in repaying the outstanding loans vide order dated 07/03/2022 and against KMLL vide order dated 17/02/2022. Shri Prashant Jain Registration Number (IBBI/ IPA-001/IP-P01368/2018-2019/12131) has been appointed as Interim Resolution Professional to carry out functions as mentioned under Insolvency & Bankruptcy Code, 2016.

In view of the ongoing CIRP and suspension of powers of Board of Directors on 07/03/2022, the powers of adoption of this standalone financial statement vests with RP under provisions of the code as the powers of the Board of Directors are suspended.

As per Section 134 of the Companies Act, 2013, the financial statements of a Company are required to be authenticated by the Chairperson of the Board of Directors, where authorized by the Board or at least two directors, of which one shall be managing director or CEO (being a Director), the CFO and the Company Secretary where they are appointed. Under IBC 2016, such powers shall vest with the Resolution Professional Mr. Prashant Jain.

### 1 Principles of Consolidation

The Consolidated Financial Statements relate to Kesar Terminals & Infrastructure Ltd and its wholly owned Subsidiary Company Kesar Multimodal Logistics Ltd. The consolidated financial statements are prepared on the following basis :

- A The financial statements of the Company and its subsidiary are combined on line-by-line basis by adding together the items of assets, liabilities, equity, income, expense and cashflows after fully eliminating material intra group balances and intra group transactions and resulting unrealized profit or losses on the group transactions.
- B Share of Non controlling interest's in net assets of the subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's Shareholder.

Non controlling Interest in the net assets of subsidiary consists of:

- (i) The amount of share in Equity Shareholder's Funds attributable to the non controlling interest at the date on which investment in subsidiary is made; and
- (ii) The non controlling interest's share of movements in share in Equity Shareholder's Funds attributable to the minority, since the date the parent subsidiary relationship comes into existence.

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(iii) The Subsidiary Company considered in the consolidated financial statement is

Name of the Subsidiary	Country of Incorporation	Proportion of ownership interest
Kesar Multimodal Logistics Ltd.	India	100.00%

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

### 2 Significant Accounting Policies

#### A Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### B Basis of Measurement

The financial statements have been prepared on historical cost basis except the following:

- Certain financial assets and liabilities are measured at fair value;
- Defined benefit plans- plan assets measured at fair value.

#### C Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period and cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

#### D The functional currency of the Group is the Indian Rupee (₹). These financial statements are presented in Indian Rupees and all values are rounded to the nearest Lakhs, except when otherwise stated.

#### E Use of Estimates

The preparation of financial statements in conformity with recognition and measurement principles of Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of the revenue and expenses during the reporting period and disclosures of contingent liabilities as of the date of the financial statements. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to the financial statements.

#### Key accounting estimates :

##### (i) Income taxes:

The Group's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.



**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2022****(ii) Defined Benefit Obligation:**

The cost of the defined benefit gratuity plan and defined benefit leave encashment plan, the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates, rates of employee turnover. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

**(iii) Fair value measurement of financial instruments:**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**F Revenue Recognition:**

The Group derives revenue primarily from sale of services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those services.

The Group does not expect to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

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

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

For performance obligation where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of services is recognised at a time on which the performance obligation is satisfied. Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as 'unearned income' under liabilities.

Revenue is measured at the fair value of the consideration received or receivable. The amount recognised as revenue is exclusive of GST (Goods and Services Tax) and discounts.

Insurance Claims are recognised only when the claim is admitted/expected to be admitted and there is no uncertainty on receiving the claim.

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Interest income is recognized using the effective interest rate method, taking into account the amount outstanding and the rate applicable.

### G Property, Plant and Equipment

The Group had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 01, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Concession Premium paid/payable by the subsidiary Company to the Mandi Board for use of the land received under the concession agreement dated 24.10.2011 till the construction period is capitalized as fixed assets.

### H Depreciation:

- (i) Depreciation on Plant and Machinery and Building has been provided on Straight Line Method based on remaining useful lives of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- (ii) Depreciation on other assets has been provided on Written Down Value Method based on remaining useful lives of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- (iii) For property, plant and equipment purchased / disposed off during the year, depreciation has been provided on pro-rata basis with reference to the useful life of the asset period, at the applicable rates.
- (iv) The estimated useful life of the property, plant and equipment are as given below :

Description of Asset	Useful Life
Computers	3 to 6 years
Office Equipment	3 to 10 Years
Furniture & Fixtures	10 Years
Roads	5 Years
Buildings	3 to 30 Years
Plant & Machinery	10 to 25 Years
Vehicles	8 Years
Leasehold Land	30 to 44 Years

- (v) Depreciation on property, plant and equipment, whose actual cost does not exceed ₹5,000 is provided at the rate of hundred percent and is fully depreciated in the year of acquisition.
- (vi) Premium on Leasehold Land/Concession Premium is amortised over the period of the lease/Concession period. Opening future lease rent already capitalised in previous years have been reversed and effect for the same is given as per newly implemented INDAS 116 in previous year.
- (vii) Depreciation on Intangible Assets representing computer software has been provided on Written Down Value Method based on remaining useful life. The useful life as estimated by the management for computer software is 6 years.
- (viii) In case where property is having useful life more than lease/concession period, depreciation has been provided over the lease/concession period remaining from the year of capitalization.

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(ix) The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed at each financial year end.

### **I Capital Work-in-Progress:**

These are stated at cost to date relating to projects in progress, incurred during construction / pre-operative period (Net of income) and the same is allocated to the respective property, plant and equipment on the completion of their construction.

### **J Inventories:**

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### **K Borrowing Cost:**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### **L Employee benefits:**

#### **Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be fully paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

#### **Post-Employment Benefits**

##### **Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

##### **Defined Benefit Plans**

The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective IT authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

### **M Tax Expenses**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### (i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

### (ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax relating to items recognized outside the Statement of Profit and Loss are recognized outside the Statement of Profit and Loss, either in other comprehensive income or in equity.

### (iii) Minimum Alternate Tax (MAT)

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit become eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note on Accounting for credit available in respect of minimum alternative tax under the Income Tax Act, 1961 issued by ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT credit entitlement. The Group review the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income tax during the specified period.

### **N Earnings Per Share:**

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year (net of prior period items) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss after tax (net of prior period items) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **O 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 will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

### **P Contingent Liabilities and Contingent asset :**

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

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS  
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Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are neither recognized nor disclosed, in the financial statements except when there is a virtual certainty to receive the same.

**Q Leases:**

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

**As a lessee**

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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

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

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

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

**Short-term leases and leases of low-value assets**

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### **Under Ind AS 17**

In the comparative period, as a lessee the company classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent.

Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognized in the company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Land under perpetual lease is accounted as finance lease which is recognised at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognised as a finance lease obligation. Land under non-perpetual lease is treated as operating lease.

Operating lease payments for land are recognised as prepayments and amortised on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

### **As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### **Arrangements in the nature of lease**

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Company applies the requirements of Ind AS 116 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

### **R Cash and cash equivalents:**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

### **S Impairment of Non-Financial Assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. An impairment loss is

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2022**

recognized in the statement of profit and loss. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

**T Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial Instruments are further divided in two parts viz. Financial Assets and Financial Liabilities.

**Part I - Financial Assets****(i) Initial recognition and measurement**

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets which are not at fair value through statement of profit and loss, are adjusted to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

**(ii) Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

**Financial Asset at amortised cost:**

A Financial Asset is measured at the amortised cost if both the following conditions are met:

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

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

**Financial Asset at FVTOCI (Fair Value through Other Comprehensive Income)**

A Financial Asset is classified as at the FVTOCI if following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Financial Assets at FVTPL (Fair Value through statement of Profit and Loss)**

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### **Equity investments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### **(iii) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### **(iv) Impairment of financial assets**

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- (b) Financial assets that are debt instruments and are measured as at FVTOCI
- (c) Trade receivables or any contractual right to receive cash or another financial asset
- (d) Loan commitments which are not measured as at FVTPL
- (e) Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group to track changes in credit risk rather; it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.



**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS  
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For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss.

**Part II - Financial Liabilities****(i) Initial recognition and measurement**

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through the Statement of Profit and Loss, loans and borrowings and payables.

**(ii) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through statement of profit and loss**

Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through statement of profit and loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains / loss are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through statement of profit and loss.

**Loans and borrowings**

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities under borrowings. The dividends on these preference shares, if any are recognised in the statement of profit and loss as finance cost.

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### **Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

### **(iii) De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### **(iv) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **U Foreign Currency Transactions**

Transactions in foreign currencies are accounted at the initially recorded exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the year-end rates. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in statement of profit and loss. In case of forward contracts (non speculative), the premium or discount being the differences between the forward exchange rate and the exchange rate at the inception of the contract is recognized as expense or income over the life of the contract. The exchange difference either on settlement or translation is recognized in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are reported using the exchange rate prevalent at the date of transaction.

## **V Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is netted off with the related costs, which they are intended to compensate. Where the grant relates to fixed asset, it is netted off with the specified fixed asset if grants related to specific fixed asset otherwise netted off on prorata basis to all eligible fixed assets.

The loan or assistance is initially recognized and measured at fair value and nominal value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS  
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NOTE 3 Property, Plant and Equipments, Capital Work in Progress, Right to use-Lease Assets and Intangible Assets (Owned, unless stated otherwise) (₹ in Lakhs)

PARTICULARS	Gross Block			Accumulated Depreciation/Amortisation			Net Block
	Balance as at 1st April 2021	Additions	Adjustments/Disposals	Balance as at 31st March 2022	Depreciation / amortization charge for the year	On Disposals/ Adjustment	
<b>(a) Property, Plant and Equipments</b>							
Land							
(1) Free Hold Land	498.32	-	-	498.32	-	-	498.32
(2) Lease Hold Land	259.05	-	-	259.05	11.89	-	191.14
(3) Lease Hold Land Premium	0.11	-	-	0.11	-	-	-
(4) Land/Site Development	3,425.33	-	-	3,425.33	77.17	-	2,938.37
<b>Total</b>	<b>4,182.81</b>	<b>-</b>	<b>-</b>	<b>4,182.81</b>	<b>89.06</b>	<b>-</b>	<b>3,627.83</b>
(ii) Buildings	6,707.28	-	-	6,707.28	263.35	-	5,195.09
(iii) Plant and Equipment	3,374.53	0.13	-	3,374.66	184.40	-	2,101.21
(iv) Plant and Equipment (Railway Siding)	5,334.47	-	-	5,334.47	337.60	-	3,324.70
(v) Furniture and Fixtures	32.43	2.07	-	34.50	2.88	-	10.81
(vi) Office Equipments	97.26	10.66	0.43	107.49	15.26	0.34	17.86
(vii) Vehicles	230.47	25.25	23.47	232.25	47.71	20.51	122.36
<b>Total</b>	<b>19,959.25</b>	<b>38.11</b>	<b>23.90</b>	<b>19,973.46</b>	<b>940.26</b>	<b>20.85</b>	<b>14,399.86</b>
<b>(b) Capital Work In Progress</b> (Refer Note No. 37)	541.93	35.63	-	577.56	-	-	577.56
<b>(c) Right to Use - Lease Assets</b> (Refer Note No.35)	6,389.30	45.34	162.12	6,272.52	232.66	118.93	5,693.35
<b>(d) Intangible Assets</b>							
Computer software	37.84	-	-	37.84	1.48	-	34.61
<b>Total (a+b+c+d)</b>	<b>26,928.32</b>	<b>119.08</b>	<b>186.02</b>	<b>26,861.38</b>	<b>1,174.40</b>	<b>139.78</b>	<b>20,674.00</b>

**CWIP Ageing schedule  
FOR THE YEAR ENDED 31ST MARCH 2022**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	35.38	12.27	20.81	500.51	568.97
Projects temporarily suspended	0.27	-	-	8.33	8.59

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NOTE 3 Property, Plant and Equipments, Capital Work in Progress and Intangible Assets (Owned, unless stated otherwise)  
(FOR THE YEAR ENDED 31ST MARCH, 2021)

(₹ in Lakhs)

PARTICULARS	Gross Block			Accumulated Depreciation/Amortisation			Net Block Balance as at 31st March 2021
	Balance as at 1st April 2020	Additions/ Adjustment	Adjustments/ Disposals	Balance as at 31st March 2021	Balance as at 31st March 2021 On Disposals/ Adjustment	Depreciation / amortization charge for the year	
(a) <b>Property, Plant and Equipments</b>							
(i) Land							
(1) Free Hold Land	498.32	-	-	498.32	-	-	498.32
(2) Lease Hold Land	259.05	-	-	259.05	-	11.89	203.03
(3) Lease Hold Land Premium	0.11	-	-	0.11	-	-	-
(4) Land/Site Development	3,425.33	-	-	3,425.33	-	77.17	3,015.54
<b>Total</b>	<b>4,182.81</b>	-	-	<b>4,182.81</b>	-	<b>89.06</b>	<b>3,716.89</b>
(ii) Buildings	6,705.37	1.91	-	6,707.28	-	263.06	5,458.44
(iii) Plant and Equipment	3,357.28	17.25	-	3,374.53	-	190.39	2,285.48
(iv) Plant and Equipment (Railway Siding)	5,334.47	-	-	5,334.47	-	337.60	3,662.30
(v) Furniture and Fixtures	27.97	4.46	-	32.43	-	2.24	11.62
(vi) Office Equipments	81.28	16.12	0.14	97.26	(1.14)	13.42	22.55
(vii) Vehicles	126.90	105.50	1.93	230.47	1.44	36.92	147.78
<b>Total</b>	<b>19,816.08</b>	<b>145.24</b>	<b>2.07</b>	<b>19,959.25</b>	<b>0.30</b>	<b>932.69</b>	<b>15,305.06</b>
(b) <b>Capital Work In Progress</b> (Refer Note No. 37)	529.66	12.27	-	541.93	-	-	541.93
(c) <b>Right to Use - Lease Assets</b> (Refer Note No.35)	6,303.16	86.14	-	6,389.30	-	232.42	5,923.86
(d) <b>Intangible Assets</b>							
Computer software	37.84	-	-	37.84	-	2.43	4.71
<b>Total (a+b+c+d)</b>	<b>26,686.74</b>	<b>243.65</b>	<b>2.07</b>	<b>26,928.32</b>	<b>0.30</b>	<b>1,167.54</b>	<b>21,775.56</b>

### CWIP Ageing schedule FOR THE YEAR ENDED 31ST MARCH 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.30	12.27	20.81	503.54	537.92
Projects temporarily suspended	0.27	-	-	8.33	8.59

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

4. NON CURRENT FINANCIAL ASSETS - INVESTMENTS	(₹ in Lakhs)	
PARTICULARS	As at 31st March 2022	As at 31st March 2021
<b>Investments</b>		
<b>Other Investments</b>		
<b>Investments in Equity Instruments ( Unquoted)</b>		
200 Shares of ₹ 25 each fully paid in Jain Sahakari Bank Ltd (Previous Year: 200 Shares)	0.05	0.05
{Aggregate amount of Unquoted Investments is ₹ 0.05 Lakh (Previous Year : ₹ 0.05 Lakh)}		
<b>Total</b>	<b>0.05</b>	<b>0.05</b>
<b>5. NON CURRENT FINANCIAL ASSETS - LOANS</b>		
<b>Unsecured, Considered good</b>		
Loans and Advances to Employees	0.57	0.24
<b>Total</b>	<b>0.57</b>	<b>0.24</b>
<b>6. NON-CURRENT FINANCIAL ASSETS - OTHERS</b>		
<b>Unsecured, Considered good</b>		
(a) Security Deposits	80.51	108.09
(b) Fixed Deposits with maturity of more than 12 months (Held as lien/security with various Banks,customers and government agencies)	15.88	121.47
(c) Interest accrued on Deposits	3.01	9.06
<b>Total</b>	<b>99.40</b>	<b>238.62</b>
<b>7. DEFERRED TAX LIABILITIES (NET) INCLUDING MAT CREDIT ENTITLEMENT</b>		
<b>(a) Deferred Tax Assets</b>		
i) Expenses allowable on payment basis for Tax purposes	27.96	
ii) Fair Valuation of Lease payments	310.73	
	<b>338.69</b>	-
<b>(b) Deferred Tax Liability</b>		
Impact of difference between carrying value of fixed asset as per tax base and as per financial statements	(307.74)	
<b>Net Deferred Tax Liabilities (a+b)</b>	<b>30.95</b>	-
<b>8. INVENTORIES</b>		
<b>Stores and spares</b>	7.49	6.80
(Valued at Lower of Cost or Net Realisable Value)		
<b>Total</b>	<b>7.49</b>	<b>6.80</b>

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 9. CURRENT INVESTMENTS

(₹ in Lakhs)

PARTICULARS	As at 31st March 2022	As at 31st March 2021
<b>Investment in Mutual Funds (Unquoted)</b>		
6,176,438 Units (Previous Year : Nil) in HDFC Ultra Short Term Mutual Fund	-	737.43
448,077 Units (Previous Year : Nil) in SBI Savings Fund	-	153.22
<b>Total</b>	<b>-</b>	<b>890.65</b>
Aggregate amount of Unquoted Investment at Market Value (NAV)	-	890.65
<b>Aggregate Cost of Unquoted Investment</b>	<b>-</b>	<b>874.96</b>

### 10. CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

#### Unsecured

Considered Good*	504.47	630.88
Considered Doubtful	10.30	12.88
<b>Total</b>	<b>514.77</b>	<b>643.76</b>
Less: Allowance for bad and doubtful debts	(10.30)	(12.88)
<b>Total</b>	<b>504.47</b>	<b>630.88</b>

\*Includes ₹5.85 Lakhs (Previous Year : ₹ Nil) receivable from Kesar Enterprises Ltd where the Director of the company is Director therein.

#### For the year ended 31.03.2022

PARTICULARS	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	462.57	14.63	14.82	3.58	19.17	514.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables – considered good						
(v) Disputed Trade Receivables – which have significant increase in credit risk						
(vi) Disputed Trade Receivables – credit impaired						
<b>Sub Total</b>	<b>462.57</b>	<b>14.63</b>	<b>14.82</b>	<b>3.58</b>	<b>19.17</b>	<b>514.77</b>
Less: Allowance for bad and doubtful debts						(10.30)
<b>Total</b>						<b>504.47</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

For the year ended 31.03.2021

(₹ in Lakhs)

PARTICULARS	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	618.42	0.94	5.25	1.57	17.58	643.76
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired						
(iv) Disputed Trade Receivables – considered good						
(v) Disputed Trade Receivables – which have significant increase in credit risk						
(vi) Disputed Trade Receivables – credit impaired						
<b>Sub Total</b>	<b>618.42</b>	<b>0.94</b>	<b>5.25</b>	<b>1.57</b>	<b>17.58</b>	<b>643.76</b>
Less: Allowance for bad and doubtful debts						(12.88)
<b>Total</b>						<b>630.88</b>

### 11. CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

PARTICULARS	As at 31st March 2022	As at 31st March 2021
(a) Balance with Banks		
(i) In Current Accounts	210.68	135.31
(ii) In Fixed Deposits Accounts with original maturity of less than 3 months (Held as lien/security with bank and customer in previous year)	39.01	5.40
(b) Cash on hand	3.34	2.41
<b>Total</b>	<b>253.03</b>	<b>143.12</b>

### 12. CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(a) Balance with Banks on unclaimed Dividend Accounts	11.49	12.19
(b) Fixed Deposits with original maturity of more than 3 months but less than 12 months (Held as lien/security with bank and customer)	115.24	38.79
<b>Total</b>	<b>126.73</b>	<b>50.98</b>

### 13. CURRENT FINANCIAL ASSETS - LOANS

<b>Unsecured , Considered Good</b>		
Loans and Advances to Employees	1.73	1.82
<b>Total</b>	<b>1.73</b>	<b>1.82</b>

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 14. OTHER FINANCIAL ASSETS - OTHERS

(₹ in Lakhs)

PARTICULARS	As at	
	31st March 2022	31st March 2021
<b>Unsecured, Considered Good</b>		
Accrued Income	10.73	1.24
Security Deposits	55.27	-
<b>Total</b>	<b>66.00</b>	<b>1.24</b>

### 15. OTHER CURRENT ASSETS

#### Unsecured, Considered good

(a) Prepaid expenses	62.41	51.90
(b) GST Input Credit & Cash Ledger Balances	34.83	31.92
(c) Others	13.95	2.02
(d) Other advances recoverable in cash or kind*	825.36	14.82
<b>Total</b>	<b>936.55</b>	<b>100.66</b>

\* Company being the promoter/holding company/corporate guarantor has submitted an One time Settlement (OTS) proposal towards the above and for settlement of dues of KMLL and has paid ₹800.00 Lakhs in No Lien Account to banks towards OTS proposal. The same will be adjusted towards the OTS settlement amount if and when the same is sanctioned. The same is included in note no. 15(d) above. Also refer note no.36 (a).

\*Includes ₹1.00 Lakhs (Previous Year : ₹ Nil) receivable from Kesar Enterprises Ltd where the Director of the company is Director therein.

### 16. CURRENT TAX ASSETS (NET)

Income Taxes paid	115.57	80.29
(Net of provision for Tax of ₹786.13 lakhs (Previous Year: ₹1,477.26 lakhs))		
<b>Total</b>	<b>115.57</b>	<b>80.29</b>

### 17. SHARE CAPITAL

#### Authorised

25,000,000 (Previous Year : 25,000,000) Equity Shares of ₹ 5 each (Previous Year : ₹ 5 each) 1,250.00 1,250.00

2,500,000 (Previous Year : 2,500,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each (Previous Year: ₹ 10 each) 250.00 250.00

#### Issued, Subscribed & Fully Paid up

10,926,475 (Previous Year : 10,926,475) Equity Shares of ₹ 5 each (Previous Year : ₹ 5 each) fully paid up 546.32 546.32

**Total** **546.32** **546.32**

#### (a) Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of reporting period

PARTICULARS	As at 31st March 2022		As at 31st March 2021	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	10,926,475	546.32	10,926,475	546.32
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,926,475	546.32	10,926,475	546.32



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

**(b) Terms / rights attached to Equity Shares**

- i) The Company has only one class of equity shares having a par value of ₹5 per share (Previous Year: ₹5 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their holdings.

**(c) Details of each Equity Shareholder holding more than 5% of Shares**

PARTICULARS	As at 31st March 2022		As at 31st March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kesar Corporation Pvt Limited	3,125,987	28.61%	3,125,987	28.61%
Kesar Enterprises Limited	1,040,000	9.52%	1,040,000	9.52%
V V Sahasrabudhe *	640,348	5.86%	640,348	5.86%

\* Holder for Harsh Family Trust

**(d) Aggregate Number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

PARTICULARS	Year (Aggregate No. of Shares)				
	2020-21	2019-20	2018-19	2017-18	2016-17
<b>Equity Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	420,249
Shares bought back	-	-	-	-	-

PROMOTER NAME	As at 31.03.2022			As at 31.03.2021		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Rajnikant A Kilachand HUF	20,073	0.18	-	20,073	0.18	-
Harsh Rajnikant Kilachand (HUF)	39,929	0.37	-	39,929	0.37	-
Rohita Harsh Kilachand	303,409	2.78	-	303,409	2.78	-
Rohan Harsh Kilachand	305,241	2.79	-	305,241	2.79	-
Harsh Rajnikant Kilachand	498,738	4.56	-	498,738	4.56	-
Vinayak Vasudeo Sahasrabudhe	640,348	5.86	-	640,348	5.86	-
India Carat Pvt Ltd	14,780	0.14	-	14,780	0.14	-
Seel Investment Pvt Ltd	319,852	2.93	-	319,852	2.93	-
Indian Commercial Company Pvt Ltd	338,174	3.09	-	338,174	3.09	-
Kesar Enterprises Ltd.	1,040,000	9.52	-	1,040,000	9.52	-
Kesar Corporation Pvt Ltd	3,145,747	28.79	0.63%	3,125,987	28.61	3.70%
<b>Total</b>	<b>6,678,922</b>	<b>61.13</b>		<b>6,659,162</b>	<b>60.95</b>	

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 18. OTHER EQUITY

(₹ in Lakhs)

PARTICULARS	As at 31st March 2022	As at 31st March 2021
<b>(a) General Reserve</b>		
Opening Balance	4,974.99	3,974.99
(+) Transfers made during the year	-	1,000.00
<b>Closing Balance</b>	<b>4,974.99</b>	<b>4,974.99</b>
<b>(b) Retained Earnings</b>		
Opening Balance	(5,494.91)	(2,246.45)
(+) Net Profit/(Loss) for the current year	(2,945.53)	(2,348.27)
(-) Final Dividend Paid	(163.90)	-
(-) Transfer to General Reserves	-	(1,000.00)
(+) Prior Period adjustment	-	99.81
<b>Closing Balance</b>	<b>(8,604.34)</b>	<b>(5,494.91)</b>
<b>(c) Other Comprehensive Income</b>		
Opening Balance	(0.90)	(6.21)
(+) Addition during the year	4.68	5.31
<b>Closing Balance</b>	<b>3.78</b>	<b>(0.90)</b>
<b>Total</b>	<b>(3,625.57)</b>	<b>(520.82)</b>

### 19. NON CURRENT FINANCIAL LIABILITIES - BORROWINGS

#### Secured Borrowings

##### Vehicle Loans

69.13

83.43

Secured by way of hypothecation of respective vehicles.

Terms of Repayments:- Repayable in 36 to 60 Equated Monthly Installments starting from the date of the loan and carrying Interest ranging from 8.01% to 9.90% p.a.

(refer note no.49)

#### Total

**69.13**

**83.43**

[Out of total Secured Borrowings of ₹ 100.98 lakhs (March 31, 2021 : ₹113.85 lakhs), borrowings of ₹31.85 lakhs (March 31, 2021 : ₹ 30.42 lakhs) having Current Maturities, have been disclosed in note no.23]

### 20. NON CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

Lease Liabilities Payable (refer note no.35)

5,182.16

5,187.64

#### Total

**5,182.16**

**5,187.64**

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 21. NON CURRENT - PROVISIONS

(₹ in Lakhs)

PARTICULARS	As at 31st March 2022	As at 31st March 2021
<b>Provision for employee benefits</b>		
Gratuity (Funded)	2.46	9.17
Leave Encashment (Unfunded)	66.32	80.33
<b>Total</b>	<b>68.78</b>	<b>89.50</b>

### 22. DEFERRED TAX LIABILITIES (NET) INCLUDING MAT CREDIT ENTITLEMENT

#### (a) Deferred Tax Assets

i) Expenses allowable on payment basis for Tax purposes	-	(29.40)
ii) Fair Valuation of Lease payments	-	(203.43)
		(232.83)

#### (b) Deferred Tax Liability

Impact of difference between carrying value of fixed asset as per tax base and as per financial statements	-	328.11
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<b>(c) MAT credit entitlement</b>	-	(92.55)
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<b>Net Deferred Tax Liabilities (a+b+c)</b>	<b>-</b>	<b>2.73</b>
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### 23. CURRENT FINANCIAL LIABILITIES - BORROWINGS

#### Current maturities of long-term debt

Current maturities of long-term debt - secured borrowings (refer note no. 19)	31.85	30.42
<b>Total</b>	<b>31.85</b>	<b>30.42</b>

### 24. CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

Lease Liabilities payable (refer note no.35)	2,125.64	2,154.49
<b>Total</b>	<b>2,125.64</b>	<b>2,154.49</b>

### 25. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Total outstanding dues of micro enterprises and small enterprises (refer note no. 47)	23.98	22.41
Total outstanding dues of creditors other than micro enterprises and small enterprises	240.17	433.60
<b>Total</b>	<b>264.15</b>	<b>456.01</b>

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	As at 31st March, 2022				
	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	23.98	-	-	-	23.98
(ii) Others	195.42	0.41	29.86	-	225.69
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	14.48	14.48
<b>Total</b>	<b>219.39</b>	<b>0.41</b>	<b>29.86</b>	<b>14.48</b>	<b>264.15</b>

PARTICULARS	As at 31st March, 2021				
	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	22.51	-	-	-	22.51
(ii) Others	205.62	13.62	15.90	-	235.13
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	198.37	198.37
<b>Total</b>	<b>228.13</b>	<b>13.62</b>	<b>15.90</b>	<b>198.37</b>	<b>456.01</b>

### 26. CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Lakhs)

PARTICULARS	As at 31st March 2022	As at 31st March 2021
(a) Interest accrued but not due on borrowings	0.01	0.02
(b) Unclaimed dividends	11.49	12.19
(c) Recalled Long Term Borrowings including Interest (Secured) (also refer note no.36(a))*	17,110.02	14,988.39
(d) Unearned Income	60.69	49.72
(e) Other advance from customer**	113.00	-
<b>Total</b>	<b>17,295.21</b>	<b>15,050.32</b>

#### \* Recalled Long Term Borrowings including Interest (Secured)-Project Loans

**Primary Security :** Secured by way of 1st charge on all fixed assets excluding Land (since the land is given by the Mandi Board under the concession agreement) of the composite logistics hub at Powerkheda, Madhya Pradesh on paripassu basis.

**Collateral security :** 2nd charge over all current assets (present & future) of the Composite Logistics Hub at Powerkheda, Madhya Pradesh on paripassu basis.

**Corporate Guarantee :** Corporate guarantee of Kesar Terminals & Infrastructure Limited (Holding Company).

**Terms of Repayment:** Term Loans are repayable in 16 to 28 equal quarterly installments after the moratorium period ranging from 3 to 4 years from the date of first disbursement of the respective term loans.

**Rate of interest:** Rate of Interest is in the range of 10.50% to 12.70% (PY 10.50% to 12.70%) which is based on the original sanction letters.

\*\* Other advance from customer includes advance from a customer for financing the cost of customisation of one of the tank as per the customer's requirements and the same has been refunded back after the close of the year.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 27. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

PARTICULARS	As at 31st March 2022	As at 31st March 2021
(a) Income Received in Advance	-	4.16
(b) Advance from Customers	9.16	1.19
(c) Deposits from customers	8.00	8.00
(d) Statutory Liabilities	48.62	54.87
(e) Payables -(For Capital Goods)	591.70	602.97
(f) Outstanding Liabilities for expenses	156.86	136.29
<b>Total</b>	<b>814.34</b>	<b>807.48</b>

### 28. CURRENT PROVISIONS

#### Provision for employee benefits

(a) Gratuity (Funded)	9.12	5.84
(b) Leave Encashment (Unfunded)	35.41	27.55
<b>Total</b>	<b>44.53</b>	<b>33.39</b>

### 29. INCOME FROM OPERATIONS

PARTICULARS	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Sale of Services (Income from providing storage tanks on hire/rental basis for liquid cargo and other related services at Kandla, Gujarat and composite logistic hub at Powerkheda, Madhya Pradesh)	4,239.45	4,474.41
(b) Other operating revenue (Handling charges)	13.70	9.99
<b>Total</b>	<b>4,253.15</b>	<b>4,484.40</b>

### 30. OTHER INCOME

(a) Interest on		
(i) Fixed Deposits	10.39	12.20
(ii) Interest on Income Tax Refund	1.39	1.13
(iii) Others	0.36	1.55
(b) Credit Balance Written Back	0.01	22.72
(c) Gain on Valuation/Sale of Mutual Funds	19.02	15.65
(d) Provision/write back for doubtful receivables	2.58	0.34
(e) Sale of Scrap	14.23	10.53
(f) Insurance Claim Received	42.79	3.94
(g) Profit on Sale of Property, Plant and Equipment	14.47	2.37
(h) Miscellaneous Receipts	16.09	1.29
(i) Profit on Termination of Lease	2.47	-
<b>Total</b>	<b>123.80</b>	<b>71.72</b>

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 31. EMPLOYEE BENEFIT EXPENSE

PARTICULARS	(₹ in Lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(a) Salaries and Wages	989.15	923.18
(b) Contribution to Provident Fund	65.43	63.81
(c) Contribution to Gratuity Fund	15.56	16.06
(d) Staff Welfare	31.30	22.36
<b>Total</b>	<b>1,101.44</b>	<b>1,025.41</b>

### 32. FINANCE COST

(a) Interest Expense	2,967.68	2,674.46
(b) Other Borrowing Costs		
(i) Finance Charges	18.48	18.43
(ii) Others including Bank Charges	0.28	0.18
<b>Total</b>	<b>2,986.44</b>	<b>2,693.07</b>

### 33. OTHER EXPENSES

(a) Storage & Handling Charges	57.59	42.24
(b) Transportation, Labour and Handling Charges	769.32	809.02
(c) Power & Fuel	133.15	126.12
(d) Rent	35.33	53.93
(e) Equipment Hire Charges	4.41	4.56
(f) Repairs		
(i) Plant & Machinery	305.25	216.88
(ii) Buildings	3.32	14.75
(iii) Others	38.98	34.91
(g) Insurance	47.63	46.80
(h) Rates & Taxes	36.87	51.82
(i) Business Promotion Expenses	20.42	12.41
(j) Legal & Professional Fees	140.35	87.78
(k) Directors Sitting Fees	21.15	18.75
(l) Commission to Directors	14.85	15.00
(m) Auditors Remuneration		
(i) Statutory Audit Fees including Quarterly Reviews	11.25	9.15
(ii) For Other Matters	-	0.75
(iii) Out Of Pocket Expenses	0.67	0.53
(n) Allowance for doubtful debts	-	3.20
(o) Travelling and Conveyance Expenses	78.87	80.97
(p) Security Service Charges	43.49	39.65
(q) Connectivity and Internet Charges	8.64	7.38
(r) CSR Expenditure u/s 135 of Companies Act, 2013 (refer note 42)	25.33	37.34
(s) Health & Safety Expenses	21.04	14.95
(t) Computer & Software Expenses	9.66	9.32
(u) Motor Car Expenses	20.08	14.97
(v) Office Expenses	17.06	9.30
(w) Listing Fees	3.00	3.00
(x) Miscellaneous Expenses	28.35	36.47
<b>Total</b>	<b>1,896.06</b>	<b>1,801.95</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 34 Capital and other Commitments

(₹ in Lakhs)

PARTICULARS	As at 31st March 2022	As at 31st March 2021
Estimated amount of contracts remaining to be executed and not provided for on capital account	-	9.85
<b>Total</b>	-	9.85

### 35 Contingent Liabilities

PARTICULARS	As at 31st March 2022	As at 31st March 2021
<b>(a) Claims against the Company not acknowledged as debts:</b>		
i) Additional demand on account of revision in rates of Lease Rent and Transfer fee/upfront rent for change in name*	6,754.18	5,968.77
ii) Additional demand on account of Electricity Charges **	53.42	53.42
<b>b) Guarantee:</b>		
Bank Guarantee issued in favour of Madhya Pradesh State Agricultural Marketing Board	700.00	700.00
Bank Guarantee in favour of Commissioner of Customs, Kandla	3.75	3.75
Bank Guarantee in favour of Director General of Fire Services, Andhra Pradesh	9.33	9.33
Given to Principal Commissioner of Customs & Central Excise, Bhopal	50.00	50.00
Given to Food Corporation of India, New Delhi	110.20	110.20
<b>c) Claims against the company not acknowledged as debts</b>	29.51	29.51
<b>d) Disputed liability on account of Income Tax</b>	496.12	7.92
<b>Total</b>	<b>8,206.51</b>	<b>6,932.90</b>

\* Pursuant to Scheme of Demerger, the Company has requested Deendayal Port Trust (DPT) (formerly known as Kandla Port Trust (KPT)) for transfer of leasehold land situated at Kandla in its name which is presently in the name of Kesar Enterprises Ltd. However, DPT has raised a demand on account of such transfer/ upfront fee for change in the name. Further DPT has also raised demand in respect of increase in lease rent on account of revision of rates. The Company has filed a Letters Patent Appeal (LPA) / Special Civil Application (SCA) in High Court of Gujarat, against the demand raised by the DPT. However, for certain portion of leasehold land where the lease period is expired, the Company had filed LPA/SCA for the renewal of the said lease. However, vide Order dated 06.05.2022, the SCA and LCA filed by the Company has been dismissed by the Hon'ble High Court of Gujarat. The company is examining the possibility of contesting the said order in Hon'ble Supreme Court of India against the order of Hon'ble High Court of Gujarat. Pending action on the above, no provision/adjustment have been made in the financial statements being the same currently non-ascertainable and accordingly depreciation on Assets constructed on lease hold land has been continued to be charged as per the rates prescribed in Schedule II of the Companies Act 2013 and right to use lease assets are continued to be recognised based on the lease period as already determined and recognised earlier

\*\* Hon'ble High Court of Gujarat has set aside demand of Gujarat Electricity Board; contrarily Gujarat Electricity Board has filed Special Leave Petition in Supreme Court. Order is awaited.

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

- 36 (a) The total outstanding loans (including interest) availed by the Company's subsidiary - Kesar Multimodal Logistics Ltd (KMLL) from Banks as at 31.03.2022 is ₹17,110.20 Lakhs (March 31, 2021, ₹14,988.39 Lakhs). There were defaults in repayments of said borrowings. Accordingly, Strategic Debt Restructuring (SDR) of KMLL was invoked by the Banks on 20.11.2017, the approval of the SDR was informed to KMLL in the Joint Lenders Meeting held on 17.01.2018. However, upon withdrawal of the SDR scheme by RBI vide circular dated 12.02.2018, borrowings of KMLL have been classified as a Non-Performing Asset (NPA) by the lenders, thereafter the lead Bank i.e. Dena Bank (now Bank of Baroda) has vide its letter dated 28.03.2018 recalled the loans from KMLL and invoked the Corporate Guarantee given by the Company, which has been contested by the Company.

KMLL had filed a Special Leave Petition (SLP) with the Hon'ble Supreme Court of India against the applicability of the said RBI circular and the Hon'ble Supreme Court of India has, on 2.4.2019, quashed the impugned Circular dated 12.2.2018 issued by RBI. As such, all the actions taken under the said circular, including actions by which the Insolvency Code has been triggered must fall along with the said Circular.

However, Lenders of KMLL had again filed a petition against KMLL and the Guarantor (i.e. the company Kesar Terminals & Infrastructure Ltd (KTIL)) in November 2020 with NCLT – Mumbai under the IBC 2016. Both the petitions have been admitted by the NCLT on 17.02.2022 [against KMLL] and on 07.03.2022 [against KTIL] and appointed Mr. Prashant Jain as Interim Resolution Professional (IRP) in case of both the companies to manage Corporate Insolvency Resolution Process (CIRP).

The Lenders of KMLL had also filed an Original Application before the Debt Recovery Tribunal (DRT) – Jabalpur against the Company and its holding company i.e. KTIL. The initial reply is filed. But since the Company Petitions against both KMLL and KTIL have been admitted, Section 14 of the IBC has been invoked and moratorium period has commenced thereby all other matters filed by and against the company have been sub-judiced sine die.

The company had given Corporate Guarantee to the Lenders of KMLL, pursuant to which lenders of KMLL had also filed a company petition with hon'ble NCLT, Mumbai against the Company under section 7 of the IBC. The same has got admitted on 07.03.2022.

The Company, being the Corporate Guarantor, has also submitted a One Time Settlement (OTS) proposal to the lender for settlement of dues of the Company and the management expects for the favorable outcome of the OTS. The Management also expects improvement in the revenues and business of the Company in future. Accordingly the company has prepared financial statements of KMLL on a 'going concern' basis.

The company had given Corporate Guarantee to the Lenders of KMLL, pursuant to which lenders of KMLL had also filed a company petition with hon'ble NCLT, Mumbai against the Company under section 7 of the IBC. The same has got admitted on 07.03.2022. The Company, being the Corporate Guarantor, has deposited a sum of ₹800.00 Lakhs to be kept in No Lien Account with the banks towards the One-time Settlement (OTS) proposal for settlement of dues of KMLL. The same will be adjusted towards the OTS settlement amount if and when the same is sanctioned. Accordingly, pending finalisation of above OTS proposal, the company has made no provision against liability for invocation of corporate guarantee w.r.t. loans taken by KMLL from the bank.

- b) In case of KMLL, Interest liability on borrowings from the lenders have been recognized based on the sanctioned terms by the lenders. However, as stated in note 36(a) above, KMLL has defaulted in payment of principal and interest. In view of the above, the lenders have filed petition against KMLL under Insolvency and Bankruptcy Code, 2016 which has been admitted during the year and the CIRP proceedings have been commenced. Also, as stated above, the Holding Company (KTIL) has submitted a One Time Settlement (OTS) proposal with the lenders of the Company, which is yet to be approved by the Lenders. The effect of the OTS/ CIRP proceedings on borrowings and interest thereon and all assets and liabilities KMLL thereon will be accounted as and when the same is finalised.

KMLL has incurred substantial losses during current as well as previous financial years and the net worth of the Company has completely eroded. Further, the revenues and turnovers of KMLL have not improved or



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

achieved as per management's expectations. Further, as stated above, the petition of the lenders against the KMLL have been admitted under the Insolvency and Bankruptcy Code, 2016 and the CIRP proceedings have commenced. In view of the above, there may be an impairment in the carrying value of Property Plant and Equipment situated at Composite Logistics Hub at Pawarkheda, Madhya Pradesh. However, the extent of impairment is not ascertained currently. The impairment, if any, will be ascertained and accounted once the CIRP proceedings are concluded.

### 37 Capital Work in Progress includes

(₹ in Lakhs)

PARTICULARS	As at 31st March 2022	As at 31st March 2021
Building-Railways Warehousing	522.65	521.35
Truck Parking Area	9.53	9.53
Phenol Area TLF Modification Terminal-1	25.35	-
Weighbridge Expansion Terminal-2	8.72	-
<b>Preoperative Expenses</b>		
Other Miscellaneous Expenses in respect of Pipavav Project	11.31	11.05
<b>Total</b>	<b>577.56</b>	<b>541.93</b>

### 38 Employee Benefit

#### Defined Benefit Plan (Gratuity Fund) - Funded

In accordance with Indian Accounting Standard 19 "Employee Benefits", actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan.

#### (a) The amounts recognized in the balance sheet are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2022	For the year ended 31st March 2021
Present Value of benefit obligations	255.63	249.05
Fair Value of plan assets	(244.04)	(234.04)
Net liability /(Assets)	11.57	15.01
Amount in balance sheet		
Liabilities/ (Assets)	11.57	15.01

#### (b) The amounts recognized in the statement of profit and loss are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2022	For the year ended 31st March 2021
Current service cost	14.53	14.20
Interest on obligation	1.03	1.86
Past Service Costs	-	-
Total included in employee benefit expense	15.56	16.06

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(c) Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

(₹ in Lakhs)

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2022	For the year ended 31st March 2021
Opening defined benefit obligation	249.05	244.49
Current Service costs	14.53	14.20
Interest costs	17.07	16.69
Past Service Cost	-	-
Actuarial losses/ (gains) on obligations – Due to Experience	0.28	(6.79)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	0.05	(6.79)
Actuarial losses/ (gains) on obligations – Due to Change in Financial Assumptions	(5.37)	
Benefits paid	(19.97)	(19.55)
Closing defined benefit obligation	255.63	249.05

(d) The amount recognized in the other comprehensive Income (OCI) is as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2022	For the year ended 31st March 2021
Actuarial (Gains)/Losses on obligation for the period	(5.04)	(6.79)
Return on Plan Assets, excluding interest income	(0.94)	(0.55)
Net actuarial losses (gains) recognized in year	(5.98)	(7.34)

(e) The Reconciliation of liability in the Balance Sheet are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2022	For the year ended 31st March 2021
Opening net Liability/ (asset)	15.01	27.29
Expenses recognized in Statement of Profit or Loss	15.56	16.06
Expenses recognized in OCI	(5.98)	(7.34)
Net Liability / (asset) Transfer In	-	-
Employers Contribution	(13.01)	(21.00)
Net Liability/(Assets) Recognised in the Balance Sheet	11.58	15.01

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(f) The amount recognized as Interest Cost in the statement are as follows:

(₹ in Lakhs)

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2022	For the year ended 31st March 2021
Present Value of Benefit Obligation at the beginning	249.05	244.49
Fair Value of Plant Assets at the beginning	(234.04)	(217.21)
Net Liability / (Assets) At the Beginning	15.01	(13.96)
Interest Cost	17.07	16.69
Interest Income	(16.04)	(14.83)
Net Interest cost for Current Period	1.03	1.86

(g) Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2022	For the year ended 31st March 2021
Opening fair value of plan assets	234.04	217.21
Adjustment in funds	-	-
Expected return on plan assets	16.11	14.84
Actuarial gains / (losses)	0.86	0.55
Contributions by employer	13.01	21.00
Assets Transferred In/Acquisitions	-	-
Benefits paid	(19.94)	(19.56)
Closing fair value of plan assets	244.08	234.04

Plan Assets are invested in Group Gratuity Scheme of Life Insurance Corporation of India.

(h) Principal actuarial assumptions at the balance sheet date:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2022	For the year ended 31st March 2021
Discount rate	7.33%	6.85%
Salary escalation rate	8.00%	8.00%
Expected return on plan assets	7.15%	6.85%
Attrition rate	1.00%	1.00%
Mortality Tables	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08) Ultimate

The expected rate of return on plan assets is based on the expectations of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

The estimates of future salary increases are considered taking into account inflation, seniority promotion and other relevant factors.

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(i) Amounts for the current and previous four years are as follows: (₹ in Lakhs)

PARTICULARS	Defined Benefit (Gratuity) Plan				
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Defined benefit obligation	255.63	249.05	244.49	223.27	253.68
Plan assets	244.05	234.04	217.21	214.77	257.43
Surplus/ (deficit)	(11.58)	(15.01)	(27.28)	(8.50)	3.75

(j) Experience Adjustment:

PARTICULARS	Defined Benefit (Gratuity) Plan				
	For the year ended 31st March 2022	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
On plan Liability (Gains)/ Losses	0.16	(6.26)	(6.82)	(8.03)	(5.01)
On plan Assets Gains/ (Losses)	0.86	0.55	0.95	(4.98)	4.70

Amount recognized as expense in respect of Compensated Leave Absence is ₹ 15.74 Lakhs (Previous Year ₹ 28.31 Lakhs).

### Defined Contribution Plans

Amount recognized as an expense in respect of "Contribution to Provident Funds" is ₹ 65.43 Lakhs (Previous Year ₹ 63.81 Lakhs)

(k) Maturity Analysis of the Benefit Payments: From the Fund

#### Projected Benefits Payable in Future Years From the Date of Reporting

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
1st Following Year	23.45	22.70
2nd Following Year	12.08	3.86
3rd Following Year	16.89	31.08
4th Following Year	71.97	16.21
5th Following Year	27.96	67.72
Sum of Years 6 To 10	100.42	99.64
Sum of Years 11 and above	211.36	208.49

(l) Sensitivity Analysis

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
Projected Benefit Obligation on Current Assumptions	255.63	249.05
Delta Effect of +1% Change in Rate of Discounting	(15.72)	(16.07)
Delta Effect of -1% Change in Rate of Discounting	17.85	18.27
Delta Effect of +1% Change in Rate of Salary Increase	15.28	16.01
Delta Effect of -1% Change in Rate of Salary Increase	(14.56)	(14.46)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.46)	(0.83)
Delta Effect of -1% Change in Rate of Employee Turnover	0.47	0.88

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2022**

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

**Risks associated with defined benefit plan**

Gratuity is a defined benefit plan and company is exposed to the following risks:

**Interest rate risk:** A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

**39 RISK MANAGEMENT FRAMEWORK**

The Company's principal financial liabilities, comprises borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations directly or indirectly. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. Market risk is applicable to variable rate borrowing. Equity risk is not applicable since company does not have equity investments. Foreign exchange risk is not applicable since the company does not have long term imports. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

<b>Risk Management</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits
Liquidity Risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Interest rate risk	Variable Rate Borrowing	Interest rate sensitivity	Mix of fixed versus floating rate

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 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. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

### Trade receivables

Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

### a) Ageing :

(₹ in Lakhs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
0-180 days	462.57	618.42
More than 180 days	52.20	25.34
<b>Total</b>	<b>514.77</b>	<b>643.76</b>

### b) Movement in expected credit loss allowance on trade receivables :

PARTICULARS	As at March 31, 2022	As at March 31, 2021
<b>Balance at the beginning of the year</b>	12.88	10.01
Add:- Additional provision made	-	3.20
Less:- Provision write off	-	-
Less:- Provision reversed	2.58	0.33
<b>Balance at the end of the year</b>	<b>10.30</b>	<b>12.88</b>

### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department.

### Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, preference shares and unsecured loans.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2022 and March 31, 2021

**Year ended 31st March, 2022**

(₹ in Lakhs)

PARTICULARS	Upto 1 Year	1 to 5 years	> 5 years	Total
Term Loans	17,110.02	-	-	17,110.02
Car Loan	31.85	69.13	-	100.98
Trade Payables	264.15	-	-	264.15
Others	185.19	-	-	185.19
Lease Liability	2,125.64	2,699.55	2,482.61	7,307.80

**Year ended 31st March, 2021**

PARTICULARS	Upto 1 Year	1 to 5 years	> 5 years	Total
Term Loans	14,988.39	-	-	14,988.39
Car Loan	30.42	83.43	-	113.85
Trade Payables	456.01	-	-	456.01
Others	61.93	-	-	61.93
Lease Liability	2,154.49	2,681.61	2,506.03	7,342.13

### Interest rate risk

The Company has MCLR based borrowing and depending on the interest rate scenario, the company decides on the mix of fixed rate versus variable rate borrowing.

### Interest rate sensitivity

Variable interest rate loans are exposed to interest rate risk, the impact on profit or loss before tax may be as follows:

PARTICULARS	Impact on profit before tax	
	2021-22	2020-21
Interest rate – increase by 100 basis points (100 bps)	159.61	139.27
Interest rate – decrease by 100 basis points (100 bps)	-159.61	-139.27

## 40 Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the value of the share and to reduce the cost of capital.

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(₹ in Lakhs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
<b>Net Debt</b>		
Long term Borrowing and Other Current Liabilities	17,211.00	15,102.24
Cash and Cash Equivalent	253.03	143.12
	<b>16,957.97</b>	<b>14,959.12</b>
<b>Equity</b>		
Equity share capital	546.32	546.32
Other Equity	-3,625.60	-520.82
	<b>-3,079.28</b>	<b>25.50</b>
Net debt/Equity Ratio	-5.51	586.63

### 41 Financial Instruments by category

The criteria for recognition of financial instruments is explained in significant accounting policies.

The carrying value of financial instruments by categories is as follows:

PARTICULARS	As at 31st March, 2022			As at 31st March, 2021		
	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL
<b>Financial Assets</b>						
-Non Current-Investments	0.05			0.05		
-Other Non Current Assets	99.97			238.86		
-Current-Investments	-		-			890.65
-Trade Receivables	504.47			630.88		
-Cash and Cash equivalents	253.03			143.12		
-Bank balances other than cash and cash equivalents	126.73			50.98		
-Current Financial Assets-Others	67.73			3.06		
<b>Total financial Asset</b>	<b>1,051.98</b>		<b>-</b>	<b>1,066.95</b>		<b>890.65</b>
<b>Financial Liabilities</b>						
-Long term Borrowings	69.13			83.43		
-Lease Liability	7,307.80			7,342.13		
-Trade payable	264.15			456.01		
-Other Financial Liabilities	17,295.21			15,050.32		
-Short term Borrowings	31.85			30.42		
<b>Total financial liabilities</b>	<b>24,968.14</b>			<b>22,962.31</b>		



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 42 CSR Expenditure:

(₹ in Lakhs)

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
a) Excess amount spent in earlier years brought forward	4.69	-
b) Gross Amount required to be spent by the Company during the year	30.03	32.65
c) Amount spent during the year*	30.58	37.34
d) Excess of CSR spent carried forward to avail set off in next 3 financial years	5.24	4.69

\* ₹30.58 Lakh is spent during the year towards donating Oxygen Generation Unit to Public Health care unit in Baheri, Utter Pradesh during second wave of Covid 19.

### 43 Segment Reporting

In the opinion of the Management and based on consideration of dominant source and nature of risks and returns, the group's activities during the year revolved around single segment namely i.e. Logistics Business". Considering the nature of company's business and operations, there are no separate reportable segments (Business and/or Geographical) in accordance with the requirement of Indian Accounting Standard 108.

### 44 Related party disclosures under Indian Accounting Standard -24

Names of related parties and nature of related party relationships:

#### (a) Key Management Personnel and their relatives:

##### Key Management Personnel:

Mr. H R Kilachand	Executive Chairman
Mr.A.S.Ruia	Independent Director
Mr.J.N.Godbole	Independent Director (Expired on 04.01.2022)
Mr.R.S.Loona	Independent Director
Mr.J.K.Devgupta	Independent Director
Mrs.Nilima Ashok Mansukhani	Independent Director
Mr.Navlesh Kumar	CEO
Mr.V.J. Doshi	CFO
Mrs. Sarika Singh	Company Secretary

##### Relatives of Key Management Personnel:

Mrs. Natasha Harsh Kilachand	Wife of Executive Chairman
Mr. Rohan H Kilachand	Son of Executive Chairman
Ms. Rohita H Kilachand	Daughter of Executive Chairman
Mrs. Nidhi R Kilachand	Daughter in Law of Executive Chairman

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(b) **Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence**

Kesar Enterprises Limited  
Kesar Corporation Pvt. Ltd.  
Indian Commercial Co. Pvt. Ltd.  
Kilachand Devchand & Co. Pvt. Ltd.  
Kilachand Devchand Commercial Pvt. Ltd. (Struck off on 22/10/2022)  
India Carat Pvt Ltd  
Seel Investment Pvt. Ltd.

(c) **Others**

H R Kilachand (HUF)  
Harsh Family Trust  
Rajnikant Kilachand (HUF)

**Disclosure of transactions with related parties and the status of outstanding balance as on 31st March, 2022:**

(₹ in Lakhs)

PARTICULARS	Kesar Enterprises Limited	H R Kilachand	Indian Commercial Co. Pvt. Ltd.
<b>(a) Transactions</b>			
Reimbursement of Expenses	11.13 (6.55)		Nil (1.65)
Payment made on their behalf	1.00 (Nil)		
Sharing of Common Expenses	17.70 (Nil)		
Managerial Remuneration		169.41 (176.75)	
<b>(b) Balance outstanding</b>			
Other Receivable	1.00 (Nil)		
Receivable - Sharing of Common Expenses	5.85 Nil		
Managerial Remuneration		6.43 (Nil)	

(Figures in brackets represents previous year)

**Directors Sitting fees paid to Independent and Non-Executive Directors**

Name of the Director	For the year ended 31st March 2022		For the year ended 31st March 2021	
	Director's Sitting Fees	Commission	Director's Sitting Fees	Commission
Mr.A.S.Ruia	6.55	2.97	5.55	3.00
Mr.J.N.Godbole	2.80	2.97	3.30	3.00
Mr.R.S.Loona	6.90	2.97	5.90	3.00
Mrs.Nilima Ashok Mansukhani	3.15	2.97	2.55	3.00
Mr.J.K.Devgupta	1.75	2.97	1.45	3.00

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Dividend Paid to Key Management Personnel and their relatives, Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence:

(₹ in Lakhs)

Name	For the year ended 31st March 2022	For the year ended 31st March 2021
H R Kilachand	7.48	-
Rohan Harsh Kilachand	4.58	-
Rohita Harsh Kilachand	4.55	-
H R Kilachand (HUF)	0.60	-
Indian Commercial Co. Pvt. Ltd.	5.07	-
Seel Investment Pvt. Ltd.	4.80	-
Indian Carat Pvt Ltd	0.22	-
Kesar Corporation Pvt Ltd	47.19	-
Kesar Enterprises Ltd	15.60	-
V V Sahasrabudhe (Holder for Harsh Family Trust)	9.61	-
Rajnikant A Kilachand HUF	0.30	-

### Key Management personnel compensation

NAME	Designation	During the Year 2021-22	During the Year 2020-21
Navlesh Kumar	CEO	62.53	50.80
V J Doshi	CFO	118.74	98.71
Sarika Singh	Company Secretary	15.06	13.13

### 45 Supplementary statutory information

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
Expenditure in foreign currency (Foreign Travelling & Business Promotion Expenses)	0.71	2.61

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 46 Maturity analysis of lease liabilities

(₹ in Lakhs)

Maturity analysis –contractual undiscounted cash flows	As on 31st March, 2022	As on 31st March, 2021
Less than one year	2,091.59	2,203.34
One to five years	2,725.41	2,703.65
More than five years	22,891.60	23,593.03
Total undiscounted lease liabilities	27,708.59	28,500.02
Lease liabilities included in the statement of financial position as on date	7,307.80	7,342.13
Current	2,125.64	2,154.49
Non-Current	5,182.16	5,187.64

### Amounts recognised in profit or loss

PARTICULARS	2021-22	2020-21
Interest on lease liabilities	758.97	749.52
Variable lease payments not included in the measurement of lease liabilities	-	-
Income from sub-leasing right-of-use assets	-	-
Expenses relating to short-term leases	-	-
Expenses relating to leases of low-value assets,excluding short-term leases of low value assets	30.01	29.12

### Amounts recognised in the statement of cash flows

PARTICULARS	2021-22	2020-21
Total cash outflow for leases	792.98	413.21

### 47 The Micro, Small and Medium Enterprises to whom amount was payable and outstanding for more than stipulated period (as per the terms & conditions of the orders) are as under: -

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier	22.73	22.41
The amount of Principal and interest paid beyond the appointed day	34.24	8.30
The amount of interest due and payable on delayed payments	0.32	0.03
The amount of interest accrued and remaining unpaid	0.32	0.03
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

This disclosure is on the basis of information available with the Company regarding the status of Suppliers as defined under the "The Micro, Small & Medium Enterprises Act, 2006."

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 48 Earnings per Share (EPS):

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Basic &amp; Diluted EPS:</b>		
a) Net profit attributable to Equity Shareholders (₹ in Lakhs)	(2945.53)	(2348.27)
b) Weighted average number of Equity Shares Outstanding (Nos.)	1,09,26,475	1,09,26,475
Basic & Diluted EPS (₹)	(26.96)	(21.49)
Face Value per Share (₹)	5.00	5.00

### 49 Details and reasons when no charges or satisfaction are registered with Registrar of Companies are given below.

Details	Name of the Bank	Date of Loan	Amount (In Lakhs)	Reasons
Maruti Ciaz	ICICI Bank	01-07-2017	10.7	Charges not registered with MCA as no documents provided by the lenders.
Tata Harrier	YES Bank	21-09-2019	16.75	
Jaguar	YES Bank	18-10-2019	44	
Ertiga	ICICI Bank	31-10-2018	8.76	

50 Based on initial assessment, the Management does not expect any significant medium to long-term impact on the business of the Company due to the COVID-19 pandemic. The Company has evaluated the possible effects on the carrying amounts of property, plant and equipment, inventory and receivables basis the internal and external sources of information and determined, exercising reasonable estimates and judgements, that the carrying amounts of these assets are recoverable. The group continues to monitor the future economic conditions.

### 51 Ratio Analysis

(₹ in Lakhs)

PARTICULARS	2021-22	2020-21	% Change in the ratio	Reason for variance
<b>(i) Current Ratio</b>				
Current Assets	1,956.29	1,906.44		
Current Liabilities	20,575.72	18,532.11		
Current Ratio	0.10	0.10	-8%	
<b>(ii) Debt-equity ratio</b>				
Long term Borrowing and Other Current Liabilities	17,211.00	15,102.24		Due to reduction in other equity consequent to loss of subsidiary company for current year and increase in borrowings due to interest expenses accrual.
Cash and Cash Equivalent	253.03	143.12		
<b>Total</b>	16,957.97	14,959.12		
Equity				
Equity share capital	546.32	546.32		
Other Equity	(3,625.57)	(520.82)		
<b>Total</b>	-3,079.25	25.50		
Net debt/Equity Ratio	-5.51	586.63	-101%	

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs)

PARTICULARS	2021-22	2020-21	% Change in the ratio	Reason for variance
<b>(iii) Debt Service coverage ratio</b>				
EBITDA	1,299.31	1,710.74		Due to decrease in earnings for current year
Interest, Pricipal & lease payments	990.47	929.15		
	1.31	1.84	-29%	
<b>(iv) Return on Equity Ratio</b>				
Net income	(2,940.85)	(2,342.96)		Due to decrease in earnings for current year
Shareholder's Equity	(1,526.88)	2,243.15		
	1.93	(1.04)	-284%	
<b>(v) Inventory Turnover Ratio</b>				
Opening Stock	6.80	8.18		
Closing Stock	7.49	6.80		
Average Stock	7.15	7.49		
Cost of Goods sold	2,557.23	2,458.35		
Inventory Turnover	357.90	328.17	9%	
<b>(vi) Trade receivables turnover ratio</b>				
Opening Debtors	630.88	489.80		
Closing Debtors	504.47	630.88		
Average Debtors	567.68	560.34		
Sales	4,253.15	4,484.40		
Debtors Turnover	7.49	8.00	-6%	
<b>(vii) Trade payables turnover ratio</b>				
Other Expenses	1,797.86	1,691.05		Due to decrease in trade payables due to payments.
Average Trade payables	180.04	511.65		
	9.99	3.31	202%	
<b>(viii) Net Capital Turnover ratio</b>				
Net Sales	4,253.15	4,484.40		
Working Capital	(17,622.55)	(16,203.83)		
	(0.24)	(0.28)	-13%	
<b>(ix) Net Profit ratio</b>				
Net Profit	(2,781.39)	(2,131.85)		Due to decrease in finance cost and decrease in sales.
Sales	4,253.15	4,484.40		
Net Profit Margin (%)	-65%	-48%	38%	
<b>(x) Return on Capital employed</b>				
Earnings before Interest and Tax	209.73	566.53		Due to decrease in earnings consequent to loss in subsidiary
Capital Employed	(2,978.27)	139.35		
	(7.04)	406.55	-102%	

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs)

PARTICULARS	2021-22	2020-21	% Change in the ratio	Reason for variance
<b>(xi) Return on Investments</b>				
Opening Investment	890.70	0.05		
Closing Investment	0.05	890.70		
Average Investments	445.38	445.38		
Gain/Interest Income on Investments	19.02	15.65		
Return on Investments	4.27	3.51	18%	

### 52 Tax Expenses

#### (a) Income tax expense

(₹ in Lakhs)

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Current tax</b>		
Current tax	295.00	310.00
Adjustments of prior year	-3.33	21.58
<b>Total-A</b>	<b>291.67</b>	<b>331.58</b>
<b>Deferred tax</b>		
Deferred tax charge/(credit)	-127.53	-115.16
<b>Total-B</b>	<b>-127.53</b>	<b>-115.16</b>
<b>Total tax expense A+B</b>	<b>164.14</b>	<b>216.42</b>

#### b) Reconciliation of tax expense and the tax based on accounting profit

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit/(Loss) before tax	-2,781.39	-2,131.85
Loss of subsidiary not subject to tax	3,855.58	3,581.95
Consolidation adjustment	-545.14	-4.30
Net profit chargeable to tax	529.05	1,445.80
Income tax expense calculated at 29.12%	154.06	421.02

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>(i) Tax effect of:</b>		
<b>Add :</b>		
Corporate social responsibility expenses not allowed as deduction	7.38	10.87
Provisions for Retirement Benefits	1.54	-3.06
Difference in Depreciation and Amortisation	73.21	69.10
Gain on Valuation of Mutual Fund	4.40	-4.40

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ in Lakhs)

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
Deduction available as per section 80-IA of the Income Tax Act, 1961	-	-107.44
Deduction available as per section 80-G of the Income Tax Act, 1961	-	-3.35
Deferred Tax Expense for the year	-127.53	-113.15
Interest on lease liability	201.17	190.31
Profit on Sale of Fixed Assets	-4.20	-0.68
Additional Income as calculated by using effective interest rate	-	-125.84
Rent expenses as per GAAP	-141.95	-138.44
Provisions for doubtful Debts	-0.61	-0.10
Excess provision of previous years reversed	-3.33	21.58
<b>Total Expenses</b>	<b>164.14</b>	<b>216.42</b>

The following table provides the details of income tax assets and liabilities as at 31st March, 2022 and 31st March, 2021:

(₹ in Lakhs)

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
Income tax assets	901.70	1,557.55
Current income tax liabilities	786.13	1,477.26
<b>Net balance</b>	<b>115.57</b>	<b>80.29</b>

The gross movement in the current tax asset/ (liability) for the years ended 31st March, 2022 and 31st March, 2021 is as follows :

PARTICULARS	For the year ended 31st March 2022	For the year ended 31st March 2021
Net current income tax liability at the beginning	80.29	70.60
Income tax paid (including MAT credit entitlement adjustment)	331.67	320.20
Current income tax expense	-295.00	-310.00
Previous years adjustment	-1.39	-0.51
Net current income tax liability at the end	115.57	80.29

Since the subsidiary company has incurred losses during both the years, there is no tax payable for the year.



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

### 53 Additional information as required under Schedule III of Companies Act, 2013:

NAME OF THE ENTITY IN THE	For the Year Ended 31st March 2022		For the Year Ended 31st March 2021	
	Net Assets i.e. total assets minus total liabilities		Net Assets i.e. total assets minus total liabilities	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated net assets	Amount (₹ in Lakhs)
<b>Parent</b>				
Kesar Terminals & Infrastructure Ltd	-273.54%	8,422.84	62211.30%	15,866.24
<b>Subsidiary</b>				
<b>Indian</b>				
Kesar Multimodal Logistics Limited	305.30%	-9,400.85	-25038.14%	-6,385.65
Intercompany Elimination and Consolidation Adjustments	68.24%	-2,101.24	-37073.16%	-9,455.09
<b>Total</b>	<b>100.00%</b>	<b>-3,079.25</b>	<b>100.00%</b>	<b>25.50</b>
Owners of the Company	100.00%	-3,079.25	100.00%	25.50
Non Controlling Interest in Subsidiary		-		-

NAME OF THE ENTITY IN THE	For the Year Ended 31st March 2022		For the Year Ended 31st March 2021	
	Share in profit/ (loss)		Share in profit/ (loss)	
	As % of consolidated profit/(loss)	Amount (₹ in Lakhs)	As % of consolidated profit/(loss)	Amount (₹ in Lakhs)
<b>Parent</b>				
Kesar Terminals & Infrastructure Ltd	-247.25%	-7,282.69	50.37%	1,182.73
<b>Subsidiary</b>				
<b>Indian</b>				
Kesar Multimodal Logistics Limited	-130.90%	-3,855.59	-152.53%	-3,581.94
Intercompany Elimination and Consolidation Adjustments	278.14%	8,192.75	2.17%	50.94
<b>Total</b>	<b>100.00%</b>	<b>-2,945.53</b>	<b>100.00%</b>	<b>-2,348.27</b>
Owners of the Company	100.00%	-2,945.53	100.00%	-2,348.27
Non Controlling Interest in Subsidiary		-		-

NAME OF THE ENTITY IN THE	Share in Other Comprehensive Income		Share in Other Comprehensive Income	
	As % of consolidated profit/(loss)	Amount (₹ in Lakhs)	As % of consolidated profit/(loss)	Amount (₹ in Lakhs)
	<b>Parent</b>			
Kesar Terminals & Infrastructure Ltd	67.86%	3.18	92.35%	4.91
<b>Subsidiary</b>				
<b>Indian</b>				
Kesar Multimodal Logistics Limited	32.14%	1.50	7.65%	0.40
Intercompany Elimination and Consolidation Adjustments	0.00%	-	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>4.68</b>	<b>100.00%</b>	<b>5.31</b>
Owners of the Company	100.00%	4.68	100.00%	5.31
Non Controlling Interest in Subsidiary		-		-

# Annual Report 2021-2022

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

NAME OF THE ENTITY IN THE	Share in Total Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated profit/(loss)	Amount (₹ in Lakhs)	As % of consolidated profit/(loss)	Amount (₹ in Lakhs)
<b>Parent</b>				
Kesar Terminals & Infrastructure Ltd	-247.53%	-7,279.51	50.69%	1187.64
<b>Subsidiary</b>				
<b>Indian</b>				
Kesar Multimodal Logistics Limited	-131.05%	-3,854.09	(152.86%)	(3,581.53)
Intercompany Elimination and Consolidation Adjustments	278.58%	8,192.75	2.17%	50.95
<b>Total</b>	<b>100.00%</b>	<b>-2,940.85</b>	<b>100.00%</b>	<b>-2,342.96</b>
Owners of the Company	100.00%	-2,940.85	100.00%	-2,342.96
Non Controlling Interest in Subsidiary		-		-

- 54 During the financial year, the group has incurred Cash Loss of ₹ 1,142.51 Lakhs (Previous year ₹ 647.99 Lakhs).
- 55 The company is under the process of identifying the transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- 56 The balances in respect of Trade receivables, Trade Payables, Borrowings, Loan and advances and security deposits are subject to confirmation and consequential reconciliation if any. As per the Code, Resolution Professional is in the process of receiving, collating, verifying, and admitting all the admissible claims submitted by the Creditors and Employees of the Company. However, pending the completion of the process, the impact of such claims will be considered on completion of said process.
- 57 The previous year figures have been regrouped and reclassified wherever necessary to correspond with the current year classification/disclosure.

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached For and on behalf of the Board of Directors  
For and on behalf of

Chandabhoy & Jassoobhoy  
Chartered Accountants  
Firm Registration No.101647W

Bhupendra T Nagda  
Partner  
Membership No.F 102580

Prashant Jain\*  
Resolution Professional  
Appointed under IBC Code,2016  
IP Reg No.IBBI/IPA-001/  
IP-P01368/2018-19/12131

V J Doshi  
Chief Financial Officer

H R Kilachand  
Executive Chairman  
DIN 00294835

Sarika Singh  
Company Secretary

A S Ruia  
Director  
DIN 00296622

\* The signature of the Resolution Professional only signifies that the financial statements have been taken on record by him.

Place: Mumbai  
Date: July 22, 2022

Place: Mumbai  
Date: July 22, 2022

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### Part "A": Subsidiaries

(₹ in Lakhs)

1. Sr. No.	:	1
2. Name of the subsidiary	:	Kesar Multimodal Logistics Ltd.
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:	31st March, 2022
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	:	NA
5. Share capital	:	4180.00
6. Reserves & surplus	:	(13,580.85)
7. Total assets	:	14,037.09
8. Total Liabilities	:	23,437.94
9. Investments	:	Nil
10. Turnover	:	1,002.12
11. Profit/(Loss) before taxation	:	(3,855.59)
12. Provision for taxation	:	Nil
13. Profit/(Loss) after taxation	:	(3,855.59)
14. Proposed Dividend	:	Nil
15. % of shareholding	:	100 %

Notes : The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations : Nil
- Names of subsidiaries which have been liquidated or sold during the year : Nil

### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date	-	-	-
2. Shares of Associate/Joint Ventures held by the company on the year end No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding %			
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated			
5. Networth attributable to Shareholding as per latest audited Balance Sheet			
6. Profit / Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

- Names of associates or joint ventures which are yet to commence operations. - NA
- Names of associates or joint ventures which have been liquidated or sold during the year. - NA

Note : This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

#### For and on behalf of the Board of Directors

**Prashant Jain\***  
Resolution Professional  
Appointed under IBC Code,2016  
IP Reg No.IBBI/IPA-001/  
IP-P01368/2018-19/12131

**H R Kilachand**  
Executive Chairman  
DIN 00294835

**A S Ruia**  
Director  
DIN 00296622

**V J Doshi**  
Chief Financial Officer

**Sarika Singh**  
Company Secretary

\* The signature of the Resolution Professional only signifies that the financial statements have been taken on record by him.

Place: Mumbai  
Date: July 22, 2022

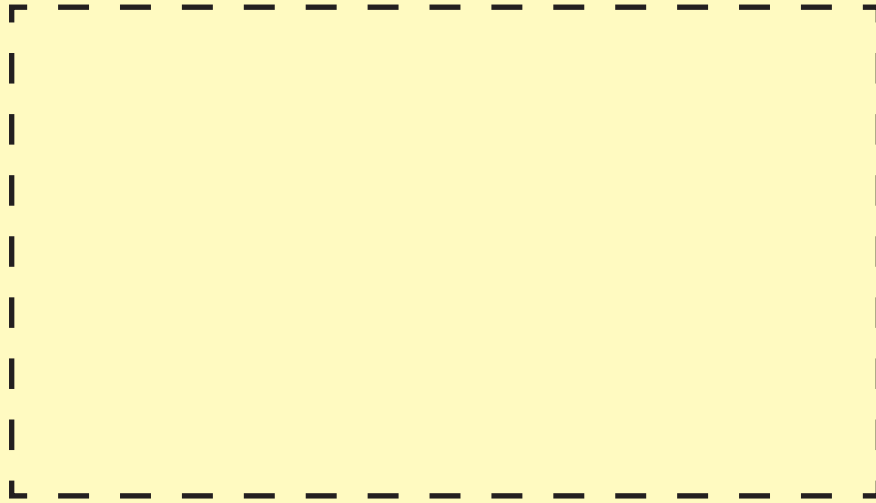
Place: Mumbai  
Date: July 22, 2022











*If undelivered please return to:*

**KESAR TERMINALS & INFRASTRUCTURE LIMITED**

Oriental House,  
7, Jamshedji Tata Road,  
Churchgate, Mumbai 400 020.