

KESAR MULTIMODAL LOGISTICS LIMITED

Balance Sheet as at 31st March, 2020

(₹ In Lakhs)

Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019
I.	ASSETS			
1	Non-current assets			
	a) Property, Plant and Equipment	3.1	13,315.30	14,427.29
	b) Capital Work in Progress	3.2	524.35	503.54
	c) Right to Use-Lease Assets	3.3	1,003.72	-
	d) Intangible Assets	3.4	4.38	6.61
	e) Financial Assets			
	- Others	4	33.04	16.45
2	Current assets			
	a) Financial Assets			
	i) Trade Receivables	5	98.81	87.18
	ii) Cash and Cash Equivalents	6	25.02	39.68
	iii) Bank balances other than cash and cash equivalents	7	110.20	-
	b) Other Current Assets	8	89.90	98.41
	c) Current Tax Assets	8A	25.43	22.54
	TOTAL ASSETS		15,230.15	15,201.70
II.	EQUITY AND LIABILITIES			
1	EQUITY			
	a) Equity Share Capital	9	4,180.00	4,180.00
	b) Other Equity	10	-7,256.06	-4,277.57
2	LIABILITIES			
	Non-current liabilities			
	a) Financial Liabilities			
	i) Borrowings	11	3,272.74	2,636.59
	ii) Lease Liability	12	482.54	-
	iii) Others	13	-	383.40
	b) Provisions	14	14.87	14.58
3	Current liabilities			
	a) Financial Liabilities			
	i) Trade Payables	15		
	-Total outstanding dues of micro enterprises and small enterprises		1.35	4.35
	-Total outstanding dues of creditors other than micro enterprises and small enterprises		144.98	122.39
	ii) Borrowings	16	13,071.92	11,509.65
	iii) Lease Liability	17	655.23	-
	b) Other Current Liabilities	18	659.57	624.75
	c) Provisions	19	3.01	3.56
	TOTAL EQUITY AND LIABILITIES		15,230.15	15,201.70

Significant Accounting policies

2

The accompanying Notes form an integral part of the Financial Statements.

As per our Report of even date
For and on behalf of
Chandabhoy & Jassoobhoy
Chartered Accountants
Firm Registration No.101647W

For and on behalf of the Board of Directors

Bhupendra T Nagda
Partner
Membership No.F 102580

H R Kilachand
Chairman
DIN 00294835

A S Rula
Director
DIN 00296622

Place : Mumbai
Date : 30th July, 2020

V J Doshi
Chief Financial Officer

Sarika Singh
Company Secretary

Place :- Mumbai
Date : 30th July, 2020

KESAR MULTIMODAL LOGISTICS LIMITED
Statement of Profit and loss for the year ended 31st March 2020

(₹ In Lakhs)

Particulars		Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I.	Revenue From Operations	20	436.91	484.76
II.	Other Income	21	2.80	8.94
III.	Total Revenue (I + II)		439.71	493.70
IV.	Expenses:			
	Employee benefits expense	22	168.91	197.04
	Finance Cost	23	2,165.56	1,998.94
	Depreciation and amortization expense	3	808.31	769.05
	Other expenses	24	449.04	585.23
	Total Expenses		3,591.82	3,550.26
V.	Profit before tax (III-IV)		-3,152.11	-3,056.56
VI.	Tax Expense:			
	(a) Current tax		-	-
	(b) Earlier years tax		0.38	-
	(c) Deferred tax		-	-
VII.	Balance of Profit/-Loss carried to Balance Sheet (V-VI)		-3,152.49	-3,056.56
VIII.	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss.		0.73	0.98
	(ii) Income tax relating to items that will not be reclassified to profit or loss.		-	-
	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.		-	-
	Total Other Comprehensive Income		0.73	0.98
IX.	Total Comprehensive Income for the Period (VII + VIII)		-3,151.76	-3,055.58
X.	Basic & Diluted Earnings per equity share [Nominal value of shares ₹ 10 (Previous year: ₹ 10)]	36	-7.54	-7.31

Significant accounting policies

2

The accompanying Notes form an integral part of the Financial Statements.

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Firm Registration No.101647W

For and on behalf of the Board of Directors

Bhupendra T Nagda
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H R Kilachand
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A.S.Ruia
Director
DIN 00296622

Place : Mumbai
Date : 30th July, 2020

V J Doshi
Chief Financial Officer

Sarika Singh
Company Secretary

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KESAR MULTIMODAL LOGISTICS LIMITED

Cash Flow Statement for the year ended 31st March, 2020		(₹ in Lakhs)	
	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	NET PROFIT BEFORE TAX	-3,152.11	-3,056.56
	Non-cash adjustments to reconcile profit before tax to net cash flows:		
	Depreciation	808.32	769.05
	Interest Income	-1.71	-2.96
	Interest and Finance Charges (including Fair Value Change in Financial Liabilities)	2,165.56	1,998.94
	Provision for gratuity & compensated absences	0.73	0.98
	Provision / (Reversal of Provision) for Loss Allowance on Trade Receivables	0.24	0.83
	Profit on Sale of Car	-0.05	-
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	-179.02	-289.72
	Increase/(Decrease) in Working Capital		
	(Increase)/Decrease in Trade Receivables	-11.87	-41.72
	(Increase)/Decrease in other current assets	-2.64	-1.22
	(Increase)/Decrease in Non Current Financial Assets	-17.57	88.15
	Increase/(Decrease) in Trade Payables	19.59	-49.04
	Increase/(Decrease) in other current liabilities	26.72	-6.26
	Increase/(Decrease) in short term provisions	-0.55	0.40
	Increase/(Decrease) in long term Provisions	0.30	4.35
	CASH (USED IN) / GENERATED FROM OPERATIONS	-165.04	-295.06
	Taxes (Paid)/Refund received (net)	-3.27	-2.63
	NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES	-168.31	-297.69
B.	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of Fixed Assets /Decrease in CWIP Post Capitalisation	-62.81	-23.43
	Government Grant Received relating to fixed assets	12.08	70.59
	Disposal of Fixed Asset	0.09	-
	Interest Received	0.79	15.73
	NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES	-49.85	62.89
C.	CASH FLOW FROM FINANCING ACTIVITIES :		
	Proceeds from Long term Borrowings	465.50	596.00
	Car Loan Taken/(Repaid) (Net)	-2.29	-2.04
	Interest Paid	-37.51	-177.88
	Increase/(Decrease) in other Long Term liabilities	-	-127.80
	Repayment of Term Loan	-112.00	-117.50
	NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES	313.70	170.78
	NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	95.54	-64.02
	OPENING BALANCE OF CASH AND CASH EQUIVALENTS	39.68	103.70
	CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	135.22	39.68
	COMPONENT OF CASH AND CASH EQUIVALENTS		
	Cash and Cash Equivalents*	25.02	39.68
	Other Balances with Bank (Held as lien/security with bank and customer)	110.20	-
	TOTAL CASH AND CASH EQUIVALENTS	135.22	39.68

Significant accounting policies (Refer Note 2)

*Cash and Cash Equivalents includes ₹6.61 Lakhs (previous year ₹4.10 Lakhs held as lien/security with bank and customer)

Figures in brackets are outflows

KESAR MULTIMODAL LOGISTICS LIMITED

Note 1 : 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.

Note 2 : The Amendments to Ind AS 7 Cash Flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash flows changes, suggesting inclusion of reconciliation between the opening and closing balance in balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st april 2017 and the required disclosure is made below. There is no other impact on financial Statements due to this amendment.

Changes in liabilities arising from financing activities.

Particulars	As at March 31, 2019	Net Cash Flow	Non Cash Changes			As At March 31, 2020
			Fair Value Changes	Current/Non Current Classification	Other Non Cash Changes	
Borrowings Non current	2,636.59	465.50	171.26	-0.61	-	3,272.74
Other Financial Liabilities	383.40	-	-	-	-383.40	-
Borrowings current	11,509.66	-114.29	-	0.61	1,675.95	13,071.92

As per our Report of even date
For and on behalf of
Chandabhoy & Jassoobhoy
Chartered Accountants
Firm Registration No.101647W

For and on behalf of the Board of Directors

Bhupendra T Nagda
Partner
Membership No.F 102580

H R Kilachand
Chairman
DIN 00294835

A S Ruia
Director
DIN 00296622

Place : Mumbai
Date : 30th July, 2020

V J Doshi
Chief Financial Officer

Sarika Singh
Company Secretary

Place : Mumbai
Date : 30th July, 2020

KESAR MULTIMODAL LOGISTICS LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020
A : Equity Share Capital (Equity shares of ₹ 10 each issued, subscribed and fully paid)

Particulars	Numbers	Amount in ₹
	(Figures in Lakhs)	
Balance as at the April 1, 2018	418.00	4,180.00
Changes in equity share capital during the year 2018-2019	-	-
Balance as at March 31, 2019	418.00	4,180.00
Changes in equity share capital during the year 2019-2020	-	-
Balance at the March 31, 2020	418.00	4,180.00

B : Other Equity

(₹ In Lakhs)

Particulars	Retained Earnings	Capital Contributions	Other Comprehensive Income	Total Other Equity
Balance as at March 31, 2018	-5,188.40	3,344.46	0.39	-1,843.55
Total Comprehensive income for the year				
Profit/(Loss) for the year	-3,056.56			-3,056.56
Other Comprehensive Income			0.98	0.98
Addition during the year		621.56		621.56
Balance as at March 31, 2019	-8,244.96	3,966.02	1.37	-4,277.57
Total Comprehensive income for the year				
Profit/(Loss) for the year	-3,152.49			-3,152.49
Other Comprehensive Income			0.73	0.73
Addition during the year		173.30		173.30
Balance as at March 31, 2020	-11,397.45	4,139.32	2.10	-7,256.03

The accompanying notes form an integral part of the financial statements

As per our Report attached.
For and on behalf of
Chandabhoy & Jassoobhoy
Chartered Accountants
Firm Registration No.101647W

For and on behalf of the Board of Directors

Bhupendra T Nagda
Partner
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A S RUIA
Director
DIN 00296622

Place :- Mumbai
Date : 30th July, 2020

V J Doshi
Chief Financial Officer

Sarika Singh
Company Secretary

Place :- Mumbai
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KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

1. COMPANY OVERVIEW

The Company 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 company is having registered office at Oriental House, 7, J. Tata Road, Churchgate, Mumbai-400020. The company is 100% subsidiary of Kesar Terminals & Infrastructure Limited (Holding Company) having registered office at Oriental House, 7, J. Tata Road, Churchgate, Mumbai-400020.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Statement of Compliance with INDAS

These financial statements have been prepared in accordance with Indian Accounting Standards (“Ind-AS”) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (‘Act’) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind-AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

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;
- Assets held for sale- measured at fair value less cost to sell;
- 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 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.

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

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

D. The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 Obligation:

The cost of the defined benefit gratuity plan and defined benefit leave encashment plan, the present value of the gratuity obligations 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. Future salary escalation and gratuity increases are based on expected future inflation rates. (Please refer Note No.27)

c) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the financial statement cannot be measured based on quoted prices in active

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

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:

Revenue from services is recognised on accrual basis and when the consideration is reliably determinable and no significant uncertainty exists regarding the collection of the consideration.

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 is recognized on a time proportion basis considering the amount outstanding and the rate applicable.

G. Property, Plant and Equipment

a) Property, Plant and Equipment (whether Tangible or Intangible) are initially measured at cost of acquisition less accumulated depreciation/ amortization/ impairment loss (if any), net of Input tax credit availed under Goods and services Act (wherever claimed). The cost of fixed assets includes taxes, duties, freight, borrowing cost, concession premium and pre-operative costs if capitalization criteria are met and other incidental expenses incurred in relation to their acquisition/ bringing the assets for their intended use.

b) Subsequent additional expenditure related to Property, Plant and Equipment are added only if they increase the future economic benefits from the existing assets beyond its previously assessed standard of performance.

c) Concession Premium paid/payable by the 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:

a) Depreciation on Plant and Equipment 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.

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.

The useful life of the assets are :

Description of Asset	Estimated useful life
Building and Land/Site Development	44 Years

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

Description of Asset	Estimated useful life
Plant and equipment	15 Years
Roads	10 Years
Electrical Installation	10 Years
Railway Siding	15 Years
Vehicles	6 Years
Furniture & Fixtures	10 Years
Office Equipments	5 Years
Computer	3 Years
Computer Software	6 Years

- c) For assets 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) Depreciation on assets, 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.
- e) 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 current year.
- f) 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.
- g) The useful life and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed at the end of each financial year.

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 fixed assets on the completion of their construction.

J. 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.

K. 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.

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

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 @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

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.

L. 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 end of each reporting period.

- 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 profit or loss are recognized outside profit or loss/either in other comprehensive income or in equity.

M. 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

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

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.

N. Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the end of each reporting period. These are reviewed at the end of each reporting period and adjusted to reflect the current best estimates.

O. 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 company or a present obligation that is not recognized because it is not probable that an outflow of resources embodying economic 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.

P. 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

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

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

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

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in 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. (Refer_)

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.

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

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

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 for 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.

Q. Cash and cash equivalents:

Cash and cash equivalent in the financial statement 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.

R. Impairment of Non-Financial Assets

Assessment is done at the end of each reporting period 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 profit or 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 profit or loss.

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Notes forming part of the Financial Statements for the year ended 31st March, 2020

S. 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

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 profit or 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 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

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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 Profit or 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.

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 (i.e. removed from the Company's financial statement) 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' arrangement; 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.

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Notes forming part of the Financial Statements for the year ended 31st March, 2020

The application of simplified approach does not require the Company to track changes in credit risk rather; it recognises impairment loss allowance based on 12 months ECLs at each reporting date, right from its initial recognition.

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 profit or 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 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 profit or 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.

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Notes forming part of the Financial Statements for the year ended 31st March, 2020

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 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.

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 financial statement 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.

T) 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 end of the reporting 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

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Notes forming part of the Financial Statements for the year ended 31st March, 2020

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.

U) 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. Government grants / subsidies received towards specific fixed assets have been deducted from the gross value of the concerned fixed assets otherwise netted off on prorate basis to all eligible fixed assets.

The loan or assistance is initially recognized and measured at fair 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.

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Notes forming part of the Financial Statements for the year ended 31st March, 2020

(₹ in Lakhs)

Particulars	Gross Block					Accumulated Depreciation				Net Block
	Balance as at 1st April, 2019	Additions	Disposals/ Adjustments	Balance as at 31st March, 2020	Balance as at 1st April, 2019	Depreciation charge for the Year	Disposals	Balance as at 31st March, 2020	Balance as at 31st March, 2020	
3. Property, Plant and Equipments, Capital Work in Progress, Right to use-Lease Assets and Intangible Assets (Owned, unless stated otherwise)										
3.1 Tangible Assets										
Land/Site Development	3,823.45	-	383.40*	3,440.05	256.23	77.72	-	333.95	3,106.10	
Buildings	6,342.67	3.19	-	6,345.86	668.61	230.37	-	898.98	5,446.88	
Plant and Equipment	845.72	4.79	-	850.51	172.72	48.60	-	221.32	629.19	
Plant and Equipment (Railway Siding)	5,366.75	-	-	5,366.75	1,002.08	340.57	-	1,342.65	4,024.10	
Electrical Intallations	331.43	-	-	331.43	194.91	35.16	-	230.07	101.36	
Vehicles	9.32	-	-	9.32	4.86	1.39	-	6.25	3.07	
Computers	20.04	0.17	-	20.21	16.82	1.25	-	18.07	2.14	
Furniture & Fixtures	2.20	-	-	2.20	1.28	0.24	-	1.52	0.68	
Office Equipments	17.65	-	0.11	17.54	14.43	1.40	0.07	15.76	1.78	
Total of Tangible Assets	16,759.23	8.15	383.51	16,383.87	2,331.94	736.70	0.07	3,068.57	13,315.30	
3.2 Capital Work In Progress	503.54	20.81	-	524.35	-	-	-	-	524.35	
3.3 Right to Use-Lease Assets	-	1,073.10	-	1,073.10	-	69.38	-	69.38	1,003.72	
3.4 Intangible Assets	31.41	-	-	31.41	24.80	2.23	-	27.03	4.38	
Computer Software	31.41	-	-	31.41	24.80	2.23	-	27.03	4.38	
Total (3.1+3.2+3.3+3.4)	17,294.18	1,102.06	383.51	18,012.73	2,356.74	808.31	0.07	3,164.98	14,847.75	

* ₹ 383.40 Lakhs is due to the reversal of future lease rentals capitalised in previous years to comply with newly implemented INDAS 116.

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2019

Particulars	Gross Block						Accumulated Depreciation			Net Block
	Balance as at 1st April, 2018	Additions	Disposals/ Adjustments	Balance as at 31st March, 2019	Balance as at 1st April, 2018	Depreciation charge for the Year	Disposals	Balance as at 31st March, 2019		
	(₹ in Lakhs)									
3. Property, Plant and Equipments, Capital Work in Progress and Intangible Assets (Owned, unless stated otherwise)										
3.1 Tangible Assets										
Land/Site Development	3,823.45	-	-	3,823.45	169.39	86.84	-	256.23	3,567.22	
Buildings	6,392.40	-	49.73 *	6,342.67	437.53	231.08	-	668.61	5,674.06	
Plant and Equipment	896.83	-	51.11 *	845.72	120.53	52.19	-	172.72	673.00	
Plant and Equipment (Railway Siding)	5,366.75	-	-	5,366.75	662.43	339.65	-	1,002.08	4,364.67	
Electrical Intallations	331.43	-	-	331.43	146.98	47.93	-	194.91	136.52	
Vehicles	9.32	-	-	9.32	2.84	2.02	-	4.86	4.46	
Computers	19.94	0.10	-	20.04	14.21	2.61	-	16.82	3.22	
Furniture & Fixtures	2.20	-	-	2.20	0.96	0.32	-	1.28	0.92	
Office Equipments	17.43	0.22	-	17.65	11.87	2.56	-	14.43	3.22	
Total of Tangible Assets	16,859.75	0.32	100.84	16,759.23	1,566.74	765.20	-	2,331.94	14,427.29	
3.2 Capital Work In Progress										
Computer Software	503.54	-	-	503.54	-	-	-	-	503.54	
Total (3.1 + 3.2 + 3.4)	17,394.70	0.32	100.84	17,294.18	1,587.69	769.05	-	2,356.74	14,937.44	
3.4 Intangible Assets										
Computer Software	31.41	-	-	31.41	20.95	3.85	-	24.80	6.61	

* Amount shown under adjustments/Disposal is on account of Government Grant received which is adjusted against cost of related fixed Assets.

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Notes forming part of the financial statements for the year ended 31st March, 2020

Rs. in Lakhs.

4. NON-CURRENT FINANCIAL ASSETS - OTHERS

Particulars	As at 31 March, 2020	As at 31st March, 2019
Advances to Suppliers for Capital Goods	-	0.98
Security Deposits		10.00
- Deposit with Distribution Logistics Infrastructure	-	-
- Deposit with Food Corporation of India	27.72	4.97
- Electricity Deposit	3.57	0.14
- Telephone & Internet Deposit	0.14	-
- Deposit with Madhya Pradesh Warehousing Corporation Ltd	1.25	0.36
- Deposit with Landlord-Bhopal Office	0.36	-
Total	33.04	16.45

5. CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

Particulars	As at 31 March, 2020	As at 31st March, 2019
Unsecured		87.18
Considered good	98.81	1.78
Considered Doubtful	2.02	88.96
Total	100.83	(1.78)
Less: allowance for bad and doubtful debts	(2.02)	87.18
Total	98.81	

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

6. CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2020	As at 31st March, 2019
a. Balance with Scheduled Banks		34.68
i) In Current Accounts	16.56	4.10
(ii) In Fixed Deposits Accounts with original maturity of less than 3 months (Held as lien/security with bank and customer)	6.61	0.90
b. Cash on hand	1.85	
Total	25.02	39.68

7. CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31 March, 2020	As at 31st March, 2019
Fixed Deposits with maturity period of more than 3 months but less than 12 months (Under lien with MP Warehousing Corporation)	110.20	-
Total	110.20	

8. OTHER CURRENT ASSETS

Particulars	As at 31 March, 2020	As at 31st March, 2019
Interest on Bank Deposits accrued but not due	1.14	0.21
Government Grant Receivable (MP State Gardening Mission)	18.17	30.25
GST Input Credit & Cash Ledger Balances	45.05	48.96
Prepaid Expenses	15.77	5.44
Advance to Vendors for Expenses	9.77	13.55
Total	89.90	98.41

8A. CURRENT TAX ASSETS

Particulars	As at 31 March, 2020	As at 31st March, 2019
Tax Deducted at Source	25.43	22.54
Total	25.43	22.54

9. EQUITY SHARE CAPITAL

Particulars	As at 31 March, 2020	As at 31st March, 2019
Authorised		
4,20,00,000 (Previous Year : 4,20,00,000) Equity Shares of ₹ 10 each	4,200.00	4,200.00
3,70,00,000 (Previous Year : 3,70,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each	3,700.00	3,700.00
Issued, Subscribed & Paid up		
4,18,00,000 (Previous Year : 4,18,00,000) Equity Shares of ₹ 10 each fully paid up	4,180.00	4,180.00
Total	4,180.00	4,180.00

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2020

Rs. in Lakhs.

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

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
	Number	(₹ In Lakhs)	Number	(₹ In Lakhs)
Equity Shares				
Shares outstanding at the beginning of the year	418.00	4180.00	418.00	4180.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	418.00	4180.00	418.00	4180.00

The Company has Equity Shares having a par value of ₹10 per Share. Each Holder of Equity Shares is entitled to one vote per Share.

(b) Details of Shareholders holding more than 5% Shares in the Company

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares held	%	No. of Shares held	%
Equity Shares				
Kesar Terminals & Infrastructure Limited (Holding Company)	4,18,00,000	100%	4,18,00,000	100%

10. OTHER EQUITY

Particulars	As at 31 March, 2020	As at 31st March, 2019
(a) Retained Earnings		
Balance at the beginning of the year	(8,245.00)	(5,188.40)
(+) Net Profit/(-) Loss for the current year	(3,152.49)	(3,056.56)
Balance at the end of the year	(11,397.49)	(8,244.96)
(b) Capital Contributions		
Opening balance	3,966.03	3,344.46
Addition during the year *	173.30	621.56
Closing Balance	4,139.33	3,966.02
(c) Other Comprehensive Income		
Opening balance	1.37	0.39
Addition during the year	0.73	0.98
Closing Balance	2.10	1.37
Total	-7,256.06	-4,277.57

* Breakup of Capital Contribution during the year

	2020	2019
Unsecured Loan taken from Kesar Terminals & Infrastructure Ltd	120.49	568.08
Corporate Guarantee issued by Kesar Terminals & Infrastructure Ltd	52.81	53.48
Total	173.30	621.56

11. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31 March, 2020	As at 31st March, 2019
a) Secured Borrowings		
Term loans from Banks		
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 proposed composite logistics hub at Powerkheda, Madhya Pradesh on paripassu basis.		
Collateral security : 2nd charge over all current assets (present & future) of the proposed Composite Logistics Hub at Powerkheda, Madhya Pradesh on paripassu basis.		
Corporate Guarantee : Corporate guarantee of Kesar Terminals & Infrastructure Limited (Holding Company)		
Pledge of Investment of Rs.350.00 Lakhs		
Terms of Repayment: Term Loans are repayable in 16 to 28 equal quarterly installments after the moratorium period ranging from 3 to 4 years (previous year 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% (10.50% to 12.70%)		

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Notes forming part of the financial statements for the year ended 31st March, 2020

Rs. in Lakhs.

Car Loan		0.61
Secure by way of hypothecation of respective car		
Terms of Repayments:- Repayable in 36 Equated Monthly Installments starting from the date of the loan and carrying Interest of 9.34% p.a.		
Out of total Secured Borrowings of ₹ 13071.92 Lakhs (Previous Year ₹ 11510.26 Lakhs), borrowings of ₹ 0.61 Lakhs (Previous Year ₹ 2.29 Lakhs) having current maturities and ₹ 13071.31 Lakhs being loan amount recalled (Previous Year ₹ 11507.36 Lakhs), have been disclosed in Note no. 16. Also Refer note no.38		
b) Unsecured Borrowings		
i) Loan from Holding Company	2,176.11	1,643.55
Repayable on demand after 36 months The effective interest rate used for these loans is 10.50% p.a. however these loans are interest free.		
ii) Preference Share (Unsecured)	1,096.63	992.43
3,48,30,000 (Previous Year ₹ 3,48,30,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up		
The effective interest rate used for these preference shares issued for 15 years is 10.50% p.a.		
Total	3,272.74	2,636.59

12. NON-CURRENT FINANCIAL LIABILITIES - LEASE LIABILITY

Particulars	As at 31 March, 2020	As at 31st March, 2019
Lease Liability	482.54	-
Total	482.54	-

13. NON-CURRENT FINANCIAL LIABILITIES - OTHERS

Particulars	As at 31 March, 2020	As at 31st March, 2019
Mandi Board Premium Payable	-	383.40
Total	-	383.40

14. NON-CURRENT LIABILITIES - PROVISIONS

Particulars	As at 31 March, 2020	As at 31st March, 2019
Provision for employee benefits		
Gratuity (Unfunded) (Also refer Note no. - 27)	6.62	5.88
Leave encashment (Unfunded) (Also refer Note no. - 27)	8.25	8.70
Total	14.87	14.58

15. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Particulars	As at 31 March, 2020	As at 31st March, 2019
Total outstanding Dues to Micro and Small Enterprises	1.35	4.35
Total outstanding Dues of Creditors other than Micro and Small Enterprises	144.98	122.39
Total	146.33	126.74

16. CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31 March, 2020	As at 31st March, 2019
(a) Recalled Long Term Borrowings including Interest (Secured) (also refer note no.11 and 38)	13,071.31	11,507.36
(b) Current maturities of Long Term Borrowings	0.61	2.29
Total	13,071.92	11,509.65

17. CURRENT FINANCIAL LIABILITIES - LEASE LIABILITY

Particulars	As at 31 March, 2020	As at 31st March, 2019
Lease Liabilities	655.23	-
Total	655.23	-

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Notes forming part of the financial statements for the year ended 31st March, 2020

Rs. in Lakhs.

18. OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2020	As at 31st March, 2019
(a) Advance from Customers	1.96	2.51
(b) Deposits from Customers	13.00	-
(c) Payables for Capital Goods	597.75	589.94
(d) Payables for Expenses	1.22	0.83
(e) Statutory liability	2.13	5.66
(f) Outstanding Expenses	43.51	25.81
Total	659.57	624.75

19. CURRENT LIABILITIES - PROVISIONS

Particulars	As at 31 March, 2020	As at 31st March, 2019
Provision for employee benefits		
Gratuity (Unfunded) (Also refer Note no.- 27)	0.04	0.03
Leave Encashment (Unfunded) (Also refer Note no.- 27)	2.97	3.53
Total	3.01	3.56

20. REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Sale of Services from ;		
Cold Storage	22.36	34.61
Inland Container Depot	-	0.45
Rail Operations	310.84	353.74
General Warehousing	103.71	95.96
Total	436.91	484.76

21. OTHER INCOME

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a) Interest on		
(i) Fixed Deposits	1.44	1.43
(ii) Interest on Income Tax Refund	1.01	-
(iii) Others	0.27	1.53
(b) Miscellaneous Income	0.03	-
(c) Profit on Sale of Property, Plant & Equipments	0.05	-
(d) Sundry Balances written back	-	5.98
Total	2.80	8.94

22. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a) Salaries and Wages	139.36	168.48
(b) Contribution to Provident Fund	6.44	7.94
(c) Gratuity (refer note no. 27)	1.48	3.11
(d) Staff Welfare Expenses	1.07	1.58
(e) Wages-Others	20.56	15.93
Total	168.91	197.04

23. FINANCE COSTS

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a) Interest Expense	2,143.76	1,976.20
(b) Other Borrowing Costs		
(i) Finance Charges	21.80	22.74
Total	2,165.56	1,998.94

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2020

Rs. in Lakhs.

24. OTHER EXPENSES

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a) Transportation, Labour and Handling Charges	207.83	208.97
(b) Power & Fuel	34.05	39.88
(c) Equipment Hire Charges	4.56	52.80
(d) Repairs :		
(i) Plant & Machinery	21.36	8.10
(ii) Buildings	6.25	11.68
(iii) Others	9.28	16.39
(e) Insurance	5.38	10.16
(f) Rates & Taxes	24.96	37.68
(g) Selling agent Commission & Brokerage	1.60	0.54
(h) Legal, Professional and Retainership fees	73.02	115.38
(i) Directors Sitting Fees	3.00	3.60
(j) Auditors Remuneration		
(i) Audit Fees	2.25	2.25
(ii) For Certification	1.20	-
(iii) Out Of Pocket Expenses	0.24	0.28
(k) Travelling Expenses	21.63	30.61
(l) Provision for Expected credit loss	0.24	0.83
(m) Security Service Charges	17.49	21.85
(n) Connectivity and Internet Charges	9.95	10.86
(o) Miscellaneous Expenses	4.75	13.37
Total	449.04	585.23

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

25. CAPITAL COMMITMENTS:

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 1130.50 Lakhs (Previous Year: ₹ 1135.18 Lakhs).

26. CONTINGENT LIABILITIES:

Nature of claim/Demands	As at 31 st March, 2020 (₹ in Lakhs)	As at 31 st March, 2019 (₹ in Lakhs)
Guarantee:		
Performance Bank Guarantee		
- Given to Madhya Pradesh State Agricultural Marketing Board (Mandi Board) to set up a "Composite Logistics Hub" at Powerkheda in Madhya Pradesh,	700.00	700.00
- 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
Claims against the company not acknowledged as debts	427.79	427.79
Total	1287.99	1177.79

27. EMPLOYEE BENEFITS

Defined Contribution Plans

Particulars	For the year ended 31 st March, 2020 (₹ in Lakhs)	For the year ended 31 st March, 2019 (₹ in Lakhs)
Employers Contribution to Provident Fund	5.94	7.33
Total	5.94	7.33

Defined Benefit Plan

- i) Gratuity (Non-funded)
- ii) Leave Encashment (Non-funded)

i) **Gratuity (Non-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.

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 st March, 2020 (₹ in Lakhs)	For the year ended on 31 st March, 2019 (₹ in Lakhs)
Present Value of Unfunded obligations	6.66	5.91
Fair Value of plan assets	-	-
Net liability	6.66	5.91
Amount in balance sheet Liabilities	6.66	5.91

(b) The amounts recognized as Employee cost are as follows:

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 st March, 2020 (₹ in Lakhs)	For the year ended on 31 st March, 2019 (₹ in Lakhs)
Current service cost	1.80	2.82
Interest on obligation	0.47	0.30
Expected return on plan assets	-	-
Total included in employee benefit expense	2.27	3.11

(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 on 31 st March, 2020 (₹ in Lakhs)	For the year ended on 31 st March, 2019 (₹ in Lakhs)
Opening defined benefit obligation	5.91	3.78
Service costs	1.80	2.82
Interest costs	0.47	0.30
Actuarial losses (gains)	(1.52)	(0.98)
Benefits paid	-	-
Closing defined benefit obligation	6.66	5.91

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

	(₹ in Lakhs)	
Net actuarial losses/(gains) recognized during the year	(1.52)	(0.98)

(e) 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 on 31 st March, 2020 (₹ in Lakhs)	For the year ended on 31 st March, 2019 (₹ in Lakhs)
Opening fair value of plan assets	-	-
Amount of last year taken credit in funds	-	-
Expected return on plan assets	-	-

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 st March, 2020 (₹ in Lakhs)	For the year ended on 31 st March, 2019 (₹ in Lakhs)
Actuarial gains / (losses)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing fair value of plan assets	-	-

(f) Principal actuarial assumptions at the balance sheet date (expressed as weighted average):

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 st March, 2020	For the year ended on 31 st March, 2019
Discount rate	6.83%	7.94%
Salary escalation rate	8.00%	8.00%
Attrition rate	1.00%	1.00%
Expected return on plan assets	Not Applicable	Not Applicable
Mortality Tables	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

(g) Amounts for the current and previous year are as follows:

Particulars	For the year ended on 31 st March, 2020 (₹ in Lakhs)	For the year ended on 31 st March, 2019 (₹ in Lakhs)
Defined benefit obligation	6.66	5.91
Plan assets	-	-
Surplus/ (deficit)	(6.66)	(5.91)

(h) Experience Adjustment:

Particulars	For the year ended on 31 st March, 2020 (₹ in Lakhs)	For the year ended on 31 st March, 2019 (₹ in Lakhs)
On plan Liability (Gains)/ Losses	(2.70)	(0.91)
On plan Assets Gains/ (Losses)	-	-

(i) Maturity Analysis of the Benefit Payments: From the Fund

(₹ in Lakhs)		
Projected Benefits Payable in Future Years From the Date of Reporting		
Particulars	For the year ended on 31 st March, 2020	For the year ended on 31 st March, 2019
1st Following Year	0.03	0.01
2nd Following Year	0.04	0.02
3rd Following Year	0.08	0.03
4th Following Year	0.09	0.06
5th Following Year	0.10	0.06
Sum of Years 6 To 10	2.67	0.41
Sum of Years 11 and above	24.66	18.26

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

(j) Sensitivity Analysis	(₹ in Lakhs)	
Particulars	For the year ended on 31 st March, 2020	For the year ended on 31 st March, 2019
Projected Benefit Obligation on Current Assumptions	6.66	5.91
Delta Effect of +1% Change in Rate of Discounting	(1.07)	(0.89)
Delta Effect of -1% Change in Rate of Discounting	1.33	1.10
Delta Effect of +1% Change in Rate of Salary Increase	1.30	1.09
Delta Effect of -1% Change in Rate of Salary Increase	(1.07)	(0.90)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.18)	(0.09)
Delta Effect of -1% Change in Rate of Employee Turnover	0.21	0.09

- 1) The Company has a defined benefit gratuity plan in India (unfunded). The company's defined benefit gratuity plan is a final salary plan for employees. Gratuity is paid from company as and when it becomes due and is paid as per company's scheme for Gratuity.
- 2) Gratuity is a defined benefit plan and company is exposed to the following risks:
 - a) 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.
 - b) 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.
 - c) Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.
 - d) 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.

(ii) Leave Encashment (Non-funded)

The liability for Compensated Leave Absence as at March 31, 2020 is ₹ 11.23 Lakhs (Previous Year: ₹ 12.23 Lakhs) disclosed under Non-Current Liabilities - Provisions (Refer Note 14) and Current Liabilities - Provisions (Refer Note 19).

Amount recognized as expense in respect of Compensated Leave Absence is ₹ -0.07 Lakhs (Previous Year: ₹ 2.89Lakhs).

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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.

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

The Company is exposed to credit risk and liquidity risk. Market risk is applicable on 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:

Risk Management	Exposure arising from	Measurement	Management
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
Market Risk-Interest	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)

Particulars	As at March 31, 2020	As at March 31, 2019
0-180 days	61.60	66.62
More than 180 days	39.23	22.34
Total	100.83	88.96

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

b) Movement in expected credit loss allowance on trade receivables :
(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	1.78	0.94
Add:- Additional provision made	0.24	0.84
Less:- Provision write off	-	-
Less:- Provision reversed	-	-
Balance at the end of the year	2.02	1.78

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 March 31, 2020 and March 31, 2019.

(₹ in Lakhs)

Year ended 31st March, 2020				
Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
Term* Loans	13071.31	-	-	13071.31
Car Loan	0.61	-	-	0.61
Preference Shares	-	-	1096.63	1096.63
Loans	-	2176.11	-	2176.11
Trade Payables	146.33	-	-	146.33
Lease liability	655.23	393.24	89.30	1137.77
Year ended 31st March, 2019				
Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
Term Loans *	11507.36	-	-	11507.36
Car Loan	2.29	0.61	-	2.90
Preference Shares	-	-	992.43	992.43
Loans	-	1643.55	-	1643.55
Trade Payables	126.74	-	-	126.74
Lease liability	-	-	-	-
Others	-	383.40	-	383.40

* refer note no. 38

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.

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

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:

(₹ in Lakhs)

Particulars	Impact on profit before tax	
	2019-20	2018-19
Interest rate – increase by 100 basis points (100 bps)	122.14	109.52
Interest rate – decrease by 100 basis points (100 bps)	(122.14)	(109.52)

29. 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.

Particulars	As at March 31, 2020	As at March 31, 2019
	(₹ in Lakhs)	
Net Debt		
A) Long term Borrowing and Other Current Financial Liabilities	16,344.66	14,529.64
B) Cash and Cash Equivalent	25.02	39.68
Total - (A-B)	16,319.64	14,489.96
Equity		
C) Equity share capital	4,180.00	4,180.00
D) Other Equity	-7,256.06	-4,277.57
Total	-3,076.06	-97.57
Net Debt/Equity Ratio	-5.31	-148.51

30. Financial Instruments by category

The criteria for recognition of financial instruments are explained in significant accounting policies. The carrying value of financial instruments by categories is as follows:

Particulars	As at March 31, 2020 (₹ in Lakhs)			As at March 31, 2019 (₹ in Lakhs)		
	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL
Financial Assets						
Non-Current Financial Assets- Others	33.04			16.45		
-Trade Receivable	98.81			87.18		
-Cash and Cash equivalent	25.02			39.68		
-Other Bank Balances	110.20			-		
Total financial Asset	267.07			143.31		
Financial Liabilities						
Borrowings (Non-Current)	3272.74			2,636.59		
Lease Liability-Non-Current	482.54					

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

Particulars	As at March 31, 2020 (₹ in Lakhs)			As at March 31, 2019 (₹ in Lakhs)		
	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL
Non Current Financial Liabilities-Others	-			383.40		
-Trade payable	146.33			126.74		
Borrowings (Current)	13,071.92			11,509.65		
Lease Liability-(Current)	655.23					
Total financial liabilities	17,628.76			14,656.38		

31. 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, "Composite Logistics Hub". 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.

32. RELATED PARTY DISCLOSURES

Names of related parties and nature of related party relationships:

Name of Related Parties

a) Kesar Terminals & Infrastructure Limited - Holding Company

b) Key Management Personnel and relatives of such personnel:

Key Management Personnel:

Mr. H R Kilachand Director (w.e.f. 20.12.2017)

Mr. Jayanto Kumar Devgupta Director (upto 19.04.2018)

Mr. Mahesh Adapa CEO (upto 28.02.2019)

Relatives of Key Management Personnel:

Mr. Rohan H Kilachand Son of Director

Mrs. Nidhi Rohan Kilachand Daughter in law of Director

Ms. Rohita H Kilachand Daughter of Director

c) Enterprises over which Key Management Personnel and their relatives can exercise significant influence:

Kesar Enterprises Limited

Kesar Corporation Pvt. Ltd.

Indian Commercial Co. Pvt. Ltd.

Kilachand Devchand & Co. Pvt. Ltd.

India Carat Pvt Ltd

Seel Investment Pvt. Ltd.

d) Others

Independent Directors

Mr.A.S.Ruia

Mr.R.S.Loona

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

Disclosure of transactions between the Company and related parties and the status of outstanding balance as on 31st March, 2020:

(₹ in Lakhs)

Nature of Transaction	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
KESAR TERMINALS & INFRASTRUCTURE LIMITED		
(a) Transactions		
Long Term Borrowings taken/(repaid)(net)		
-Classified as Equity	120.49	154.27
-Classified as Borrowings	345.01	441.73
(b) Balance Outstanding at the year end		
Long term Borrowings		
-Classified as Equity	484.13	551.19
-Classified as Borrowings	2176.11	1643.55
Preference Shares		
-Classified as Equity	2,386.37	2,490.57
-Classified as Borrowings	1,096.63	992.43
Equity Share Capital	4,180.00	4,180.00
Nature of Transaction	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
KESAR ENTERPRISES LIMITED		
(a) Transactions		
Expenses Reimbursement	1.18	2.43
(b) Balance Outstanding at the year end		
Mr. Jayanto Kumar Devgupta		
(a) Transactions		
Retainership Fees	5.09	43.59
Driver`s Reimbursement	0.41	1.92
Director`s Remuneration	-	1.58
(b) Balance payable at the year end		
Retainership Fees Payable	-	7.03
Remuneration Payable	-	-
Others		
(a) Transactions		
Director`s Fees- Independent Directors	3.00	3.60
Salary-Mr.Mahesh Adapa(CEO)	-	44.54
(b) Balance payable at the year end		
Salary Payable-Mr.Mahesh Adapa(CEO)	-	5.54

33 Leases

MCA has issued Circular dated 30th March, 2019 for implementation of IND-AS 116 Leases with effect from 1st April, 2019. Accordingly, the Company has adopted modified retrospective approach as per para C8 (c)(ii) of IND AS 116, Leases, to its Leases with effect from 1st April, 2019. This has resulted in recognizing a right of

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

use assets (an amount equal to the lease liability, adjusted by the prepaid lease rent) of Rs. 689.70 Lakhs as at 1st April, 2019. In the statement of profit and loss for the current period, operating lease expenses has changed from rent to depreciation cost for the right of use assets and finance cost for interest accrued on lease liability.

The impact of change in accounting policy on account on adoption of Ind AS 116 is as follows :

	₹ in Lakhs
Particulars	Amount
Decrease in Property Plant and equipment by	383.40
Increase in lease liability by	1073.10
Increase in rights of use by	1073.10
Decrease in finance cost by	65.79
Increase in depreciation by	60.02
Other Expenses	58.17

Maturity analysis of lease liabilities

	₹ in Lakhs
Maturity analysis –contractual undiscounted cash flows	As on 31st March, 2020
Less than one year	717.67
One to five years	457.32
More than five years	1600.32
Total undiscounted lease liabilities at 31 March 2020	2775.30
Lease liabilities included in the statement of financial position at 31 March 2020	1137.77
Current	655.23
Non-Current	482.54

Amounts recognised in profit or loss

	₹ in Lakhs
Particulars	2019-20
Interest on lease liabilities	122.83
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	-

Amounts recognised in the statement of cash flows

	₹ in Lakhs
Particulars	2019-20
Total cash outflow for leases	58.17

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

34. DEFERRED TAX

Particulars	As at 31st March, 2020	As at 31st March, 2019
	(₹ in Lakhs)	(₹ in Lakhs)
a)Deferred Tax Assets		
i)Carried forward Business Losses and Unabsorbed Depreciation	2233.52	1844.42
ii)Expenses Allowable on payment basis for Tax purposes	1031.21	594.13
Total-(a)	3264.73	2438.54
b)Deferred Tax Liability		
i)Impact of difference between Tax Depreciation & Books Depreciation	684.29	579.21
ii)Tax impact due to INDAS	746.33	790.86
Total-(b)	1430.62	1370.07
Net Deferred Tax Assets (a-b)	1834.11	1068.47
Deferred Tax Liability realised in Books	-	-

Net Deferred Tax assets of ₹ 1834.11 Lakhs (Previous Year : ₹ 1068.47) is not recognised as there is no reasonable or virtual certainty backed by convincing evidence of realisation of such assets.

35. INCOME TAX

Since the Company has incurred losses during the year, there is no tax payable for the year. In view of the above, Tax Reconciliation between tax on profit as per books of account and Tax Profit is not applicable.

36. EARNINGS PER SHARE (EPS):

(₹ in Lakhs)

Particulars	For the year ended 31 st March 2020	For the year ended 31 st March 2019
Basic & Diluted EPS:		
a) Net profit attributable to Equity Shareholders (₹ in Lakhs)	-3152.49	-3056.56
b) Weighted average number of Equity Shares Outstanding (Nos. in Lakhs)	418.00	418.00
Basic & Diluted EPS (₹)	-7.54	-7.31
Face Value per Share (₹)	10	10

37. ADDITIONAL INFORMATION:

(₹ in Lakhs)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
(a) Expenditure in foreign currency	-	-
(b) Earnings in foreign currency	-	-

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

38. GOING CONCERN:

The Company has incurred substantial losses during the current and previous financial years due to slow pick up of the business. Further, the scope of the project at Powerkheda has increased due to 2 way rail connectivity, and certain changes prescribed by the Railways which resulted in the increase in the cost of project. To meet the increased cost, application was made to the existing consortium of three banks for additional Term loans amounting to Rs 4,534.00 Lakhs. Two banks sanctioned loans of Rs 3,390.00 Lakhs; however one bank did not sanction its share of Rs 1,144.00 Lakhs. Consequently, the two banks did not disburse even their share of the sanctioned term loan of Rs 3,390.00 Lakhs as a result of which the Company had to bring in funds from the parent company as promoters contribution to complete the project. This resulted in overdues of interest and principal repayments. Consequently, the Company made a request to the banks to restructure the term loans. The banks at the consortium meeting held on 20.11.2017 invoked Strategic Debt Restructuring (SDR) in terms of which a part of the term loans were to be converted into equity share capital of the Company so that the banks would then hold 51% of Company's shares post conversion. At the consortium meeting held on 17.01.2018, the banks informed the Company that the SDR has been approved by the respective competent authorities of a majority of the banks. However, on 12.02.2018, RBI vide its circular No. RBI/2017-18/131 DBR.No.BP.BC.101/21.04.048/2017-18 withdraw the SDR scheme with immediate effect and accordingly the account of the Company has been classified as a Non Performing Asset (NPA) and thereafter recalled the loans. In view of the above, Dena Bank has filed a petition under the Insolvency and Bankruptcy Code, (IBC) 2016 in The National Company Law Tribunal (NCLT) Mumbai on 30.10.2018 for the recovery of dues from the Company. The said petition was dismissed by NCLT vide its order dated 02.12.2019.

Further, based on the Special Leave Petition (SLP) filed by the Company in the Hon'ble Supreme Court against the withdrawal of the RBI circular dated 12.2.2018 on 2.4.2019, the Hon'ble Supreme Court has quashed the impugned Circular dated 12.2.2018 issued by RBI being ultra vires section 35AA of the Banking Regulation Act and consequently 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. The Company has filed a 'Writ of Mandamus' in the Hon'ble High Court of Mumbai praying for reinstatement of the SDR.

The Management expects improvement in the revenues and business of the Company in future and continuous financial support from its holding company till such time as the revenues of the Company improve significantly. Accordingly the company has prepared financial statements on a 'going concern' basis based on management's expectation of improvement in the Company's Revenues/Profitability, continuous support from holding company and outcome of the above proceedings.

39. The balances in respect of Trade receivables, Trade Payables, Borrowings and Loan and advances are subject to confirmation and consequential reconciliation if any.

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2020

- 40.** 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. Having regard to the above, and the Company's operating efficiency and gradually improving the liquidity position, there is no material uncertainty in meeting the financial obligations over the foreseeable future.
- 41.** Pursuant to the enactment of the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act') which is effective from April 1, 2019, Domestic Companies have an option to pay corporate tax at the rate of 22% plus applicable surcharge and cess provided certain conditions are complied with. The Company has decided to continue with the existing Tax Structures until utilisation of accumulated Business Loss & Unabsorbed Depreciation and in future Company may decide to migrate to the new Tax Regime.
- 42.** Previous year figures have been regrouped or re-arranged wherever necessary.

**As per our Report of even date
For and on behalf of
Chandabhoy & Jassoobhoy
Chartered Accountants
Firm Registration No.101647W**

For and on behalf of the Board of Directors

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

**H R Kilachand
Chairman
DIN 00294835**

**A S Ruia
Director
DIN 00296622**

**Place :- Mumbai
Date : 30th July, 2020**

**V J Doshi
Chief Financial Officer**

**Sarika Singh
Company Secretary**

**Place :- Mumbai
Date : 30th July, 2020**