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## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
Kesar Multimodal Logistics Limited

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

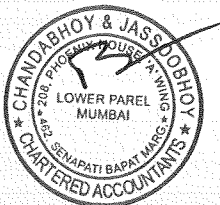
#### OPINION

We have audited the accompanying financial statements of **Kesar Multimodal Logistics Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as Ind AS Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### BASIS FOR OPINION

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



**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report including Annexures to the Directors Report but does not include the Ind AS financial statements and our auditor's report thereon. The Directors Report including Annexures to the Directors Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors Report including Annexures to the Directors Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

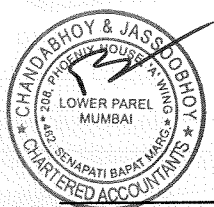
**MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

We draw attention to Note 35 in the financial statements, which indicate that the Company has incurred losses during current and previous financial years and defaulted in repayment of borrowings to the banks. As stated in Note 35, the financial statements of the Company have been prepared on a 'going concern' basis based on management's expectation of improvement in the Company's revenues/profitability, continuous support from the holding company and outcome of the ongoing proceedings with the Banks. Our opinion is not modified in respect of this matter.

**RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgements 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the Ind AS financial statements, 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.

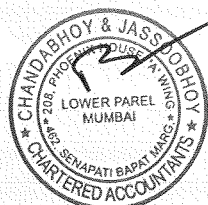
Those Board of Directors are also responsible for overseeing the company's financial reporting process.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



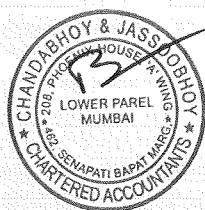
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "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 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, the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act, as amended:



**Chandabhoy & Jassoobhoy**  
Chartered Accountants

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

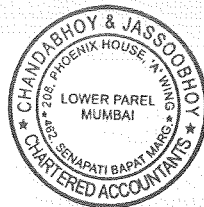
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 and 35 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



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

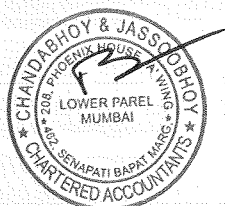
Mumbai: May 16, 2019



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

**Referred to in para 1 of Independent Auditors' Report of even date to the members of Kesar Multimodal Logistics Limited on the Ind AS financial statements for the year ended 31<sup>st</sup> March, 2019.**

- i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The fixed assets have been physically verified by the management at reasonable intervals and the discrepancies noticed on verification between the physical assets and the book records were not material and these have been properly dealt with in the books of account. In our opinion, the frequency of verification of fixed assets 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 and based on the records examined by us, the title deeds of the immovable properties in the form of lease land and the constructions of facilities on the said land are held in the name of the company by way of the concession agreement and lease agreement entered into by the company with Madhya Pradesh State Agriculture Marketing Board.
- ii) The nature of operations of the company does not require it to hold inventories. Hence, Clause 3 (ii) of the order is, therefore, not applicable to the company for the year under audit.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to any company, firm, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause 3 (iii) (a), (b) and (c) of the Order is, therefore, not applicable to the Company for the year under audit.
- iv) According to the information and explanations given to us, the Company has not given any loan or guarantee or provided any security nor made any investments as specified in Section 185 and 186 of the Act. Clause 3(iv) of the Order is, therefore, not applicable to the Company for the year under audit.
- v) The Company has not accepted any 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 to the Company.
- 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.



**Chandabhoj & Jassoobhoj**  
Chartered Accountants

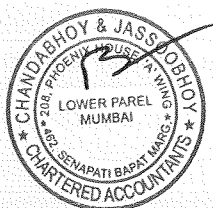
- vii) a. According to the information and explanations given to us and the records of the Company examined by us, the Company has been generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, profession tax, cess and any other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no material undisputed statutory dues outstanding as at March 31, 2019 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 dues of income tax or sales tax or service tax or goods and service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute as at March 31, 2019.
- viii) According to the information and explanations given to us and the records of the Company examined by us, the Company has defaulted in repayment of term loans details of which are as under:

Name of the lender	Period of Default	Amount of Default (Rs.)
Banks under consortium (Lead Bank: Dena Bank)	August, 2017 and onwards	1,150,736,493

As informed to us, above banks have recalled the entire borrowings. Further, as informed to us, Dena Bank (lead bank) has filed a petition against the Company in October 2018 with National Company Law Tribunal under The Insolvency and Bankruptcy Code, 2016 for the recovery. Also, please refer Note no. 35 of the financial statements.

The Company has not issued any debentures.

- ix) The Company has not raised any money by way of public offer and term loans during the year. Accordingly, the provisions of Clause 3 (ix) of the Order are not applicable to the Company for the year under audit.
- x) Based on the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.
- xi) According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- xii) According to the information and explanations given to us, the Company is not a Nidhi Company and hence Clause 3(xii) of the Order is not applicable to the Company.



# Chandabhoy & Jassoobhoy

Chartered Accountants

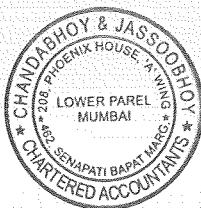
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- xiii) According to the information and explanations given to us, all transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the provisions of clause 3 (xiv) of the Order are not applicable to 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 him. Clause 3(xv) of the Order is, therefore, not applicable to the Company during the year.
- xvi) 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. Clause 3(xvi) of the Order is, therefore, not applicable to the Company.

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



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



**Place:** Mumbai  
**Date:** May 16, 2019



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

**Referred to in para 2 (f) under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report of even date to the members of Kesar Multimodal Logistics Limited on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2019**

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

We have audited the internal financial controls over financial reporting of Kesar Multimodal Logistics Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

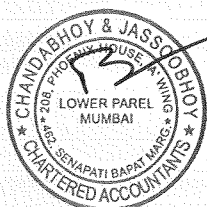
The Company's management is responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Companies Act, 2013.

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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



# Chandabhoy & Jassoobhoy

Chartered Accountants

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 system over financial reporting.

## Meaning of Internal Financial Controls Over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

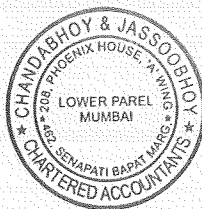
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



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

**Place:** Mumbai  
**Date:** May 16, 2019



**KESAR MULTIMODAL LOGISTICS LIMITED**

**Balance Sheet as at 31st March, 2019**

(Amount in ₹)

Particulars		Note No.	As at 31st March, 2019	As at 31st March, 2018
I.	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	a) Property, Plant and Equipment	3.1	1,44,27,29,520	1,52,93,01,798
	b) Capital Work in Progress	3.2	5,03,53,813	5,03,53,813
	c) Intangible Assets	3.3	6,61,271	10,46,716
	d) Financial Assets			
	Others	4	16,08,678	1,03,27,019
2	<b>Current assets</b>			
	a) Financial Assets			
	i) Trade Receivables	5	87,18,426	46,30,115
	ii) Cash and Cash Equivalents	6	39,68,474	28,44,909
	iii) Other Balances with Bank	7	-	75,25,000
	b) Other Current Assets	8	1,21,29,370	99,96,895
	<b>TOTAL ASSETS</b>		<b>1,52,01,69,552</b>	<b>1,61,60,26,265</b>
II.	<b>EQUITY AND LIABILITIES</b>			
1	<b>EQUITY</b>			
	a) Equity Share Capital	9	41,80,00,000	41,80,00,000
	b) Other Equity	10	-42,77,60,335	-18,43,55,225
2	<b>LIABILITIES</b>			
	<b>Non-current liabilities</b>			
	a) Financial Liabilities			
	i) Borrowings	11	26,36,58,553	23,47,79,784
	ii) Others	12	3,83,40,000	3,83,40,000
	b) Provisions	13	14,58,074	10,22,620
3	<b>Current liabilities</b>			
	a) Financial Liabilities			
	i) Trade Payables	14		
	-Total outstanding dues of micro enterprises and small enterprises		4,35,000	
	-Total outstanding dues of creditors other than micro enterprises and small enterprises		1,22,38,900	1,75,77,682
	ii) Borrowings	15	1,15,09,65,717	1,02,50,29,006
	b) Other Current Liabilities	16	6,24,77,749	6,53,16,128
	c) Provisions	17	3,55,894	3,16,270
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,52,01,69,552</b>	<b>1,61,60,26,265</b>

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 the Board of Directors

For and on behalf of

Chandabhoj & Jassoobhoj

Chartered Accountants

Firm Registration No.101647W



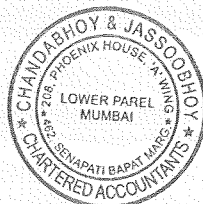
Bhupendra T Nagda

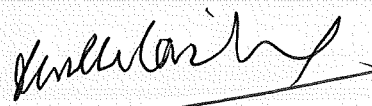
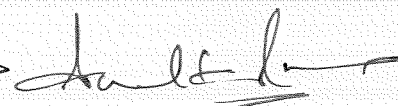
Partner

Membership No.F 102580

Place :- Mumbai

Date : 16.05.2019



H R Kilachand


Chairman

DIN 00294835

A S Ruia

Director

DIN 00296622



V J Doshi

Chief Financial Officer

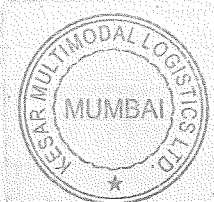
Place :- Mumbai

Date : 16.05.2019



Sarika Singh

Company Secretary



**KESAR MULTIMODAL LOGISTICS LIMITED**  
Statement of Profit and loss for the year ended 31st March 2019

(Amount in ₹)

Particulars		Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
I.	<b>Revenue From Operations</b>	18	4,84,75,376	2,41,52,415
II.	<b>Other Income</b>	19	8,94,762	9,14,410
III.	<b>Total Revenue (I + II)</b>		4,93,70,138	2,50,66,825
IV.	<b>Expenses:</b>			
	Employee benefits expense	20	1,97,05,459	1,97,27,993
	Finance Cost	21	19,98,94,260	15,25,99,398
	Depreciation and amortization expense	3	7,69,04,868	7,97,18,208
	Other expenses	22	5,85,24,959	4,01,89,642
	<b>Total Expenses</b>		35,50,29,546	29,22,35,241
V.	Profit before tax (III-IV)		-30,56,59,408	-26,71,68,416
VI.	Tax Expense:			
	(a) Current tax		-	-
	(b) Earlier years tax		-	-
	(c) Deferred tax		-	-
VII.	<b>Balance of Profit/-Loss carried to Balance Sheet (V-VI)</b>		<b>-30,56,59,408</b>	<b>-26,71,68,416</b>
VIII.	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss.		97,811	98,371
	(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.		-	-
	<b>Total Comprehensive Income for the Period (VII + VIII)</b>		<b>-30,55,61,597</b>	<b>-26,70,70,045</b>
IX.	Basic & Diluted Earnings per equity share { Nominal value of shares ₹ 10 (Previous year: ₹ 10)}	33	(7.31)	(6.39)

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



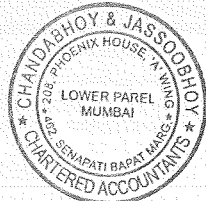
Bhupendra T Nagda

Partner


Membership No.F 102580

Place :- Mumbai

Date : 16.05.2019



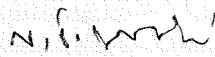
For and on behalf of the Board of Directors



H R Kilachand

Chairman

DIN 00294835



V J Doshi

Chief Financial Officer

Place :- Mumbai

Date : 16.05.2019



A.S.Ruia

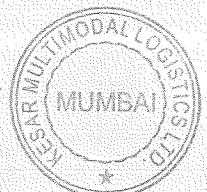
Director

DIN 00296622



Sarika Singh

Company Secretary



**KESAR MULTIMODAL LOGISTICS LIMITED**

**Cash Flow Statement for the year ended 31st March, 2019**

(Amount in ₹)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>NET PROFIT BEFORE TAX</b>	<b>(30,56,59,408)</b>	<b>(26,71,68,416)</b>
<b>Non-cash adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation	7,69,04,868	7,97,18,208
Interest Income	(2,96,322)	(6,82,333)
Interest and Finance Charges(Including Fair Value Change in Financial Liabilities)	19,98,94,260	15,25,99,398
Provision for gratuity & compensated absences	97,811	98,371
Provision / (Reversal of Provision) for Loss Allowance on Trade Receivables	83,446	8,140
Profit on Sale of Car	-	(13,564)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(2,89,75,345)</b>	<b>(3,54,40,196)</b>
<b>Increase/(Decrease ) in Working Capital</b>		
(Increase)/Decrease in Trade Receivables	(41,71,757)	(4,06,996)
(Increase)/Decrease in other current assets	(1,21,981)	(14,14,996)
(Increase)/Decrease in Non Current Financial Assets	88,16,150	(83,900)
Increase/(Decrease) in Trade Payables	(49,03,783)	18,50,179
Increase/(Decrease ) in other current liabilities	(6,24,641)	2,15,491
Increase/(Decrease ) in short term provisions	39,624	1,14,788
Increase/(Decrease ) in long term Provisions	4,35,454	3,18,721
<b>CASH (USED IN) / GENERATED FROM OPERATIONS</b>	<b>(2,95,06,279)</b>	<b>(3,48,46,909)</b>
Taxes (Paid)/Refund received (net)	(2,62,656)	(7,58,945)
<b>NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES</b>	<b>(2,97,68,935)</b>	<b>(3,56,05,854)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets /Decrease in CWIP Post Capitalisation	(23,42,692)	(11,61,446)
Government Grant Received relating to fixed assets	70,59,000	-
Disposal of Fixed Asset	-	70,000
Interest Received	15,73,484	1,29,631
Increase/(Decrease) in Non Current Financial Assets-Others	-	70,25,000
<b>NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES</b>	<b>62,89,792</b>	<b>60,63,185</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Long term Borrowings	5,96,00,000	9,10,83,650
Car Loan Taken/(Repaid) (Net)	(2,04,030)	2,85,116
Interest Paid	(1,77,88,046)	(5,89,51,001)
Increase/(Decrease ) in other Long Term liabilities	(1,27,80,000)	(1,27,80,000)
Repayment of Term Loan	(1,17,50,216)	(89,57,252)
<b>NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES</b>	<b>1,70,77,708</b>	<b>1,06,80,513</b>
<b>NET INCREASE /( DECREASE) IN CASH AND CASH EQUIVALENTS ( A + B + C )</b>	<b>(64,01,435)</b>	<b>(1,88,62,156)</b>
<b>OPENING BALANCE OF CASH AND CASH EQUIVALENTS</b>	<b>1,03,69,909</b>	<b>2,92,32,065</b>
<b>CLOSING BALANCE OF CASH AND CASH EQUIVALENTS</b>	<b>39,68,474</b>	<b>1,03,69,909</b>
<b>COMPONENT OF CASH AND CASH EQUIVALENTS</b>		
Cash and Cash Equivalents	39,68,474	28,44,909
Other Balances with Bank	-	75,25,000
(Under lien with Dena Bank against Bank Guarantees issued by them)	-	-
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>39,68,474</b>	<b>1,03,69,909</b>

Significant accounting policies (Refer Note 2)

Figures in brackets are outflows


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 require disclosure is made below. There is no other impact on financial Statements due to this amendment.

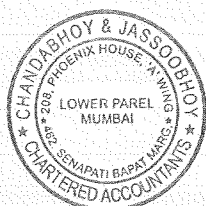
**Reconciliation of between of Opening and Closing of Finance Activities of Cash Flow Statements**

Particulars	As at March 31, 2018	Net Cash Flow	Non Cash Changes			As At March 31, 2019
			Fair Value Changes	Curren/Non Current Classificat	Other Non Cash Changes	
Borrowings Non current	23,47,79,784	5,93,75,601	-3,04,96,829	-	-	26,36,58,553
Other Financial Liabilities	3,83,40,000	-	-	-	-	3,83,40,000
Borrowings current	1,02,50,29,006	-2,47,34,247	-	-	15,04,46,559	1,15,09,65,717

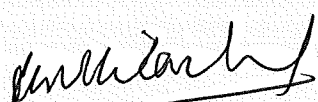
As per our Report of even date  
For and on behalf of  
**Chandabhoy & Jassoobhoy**  
Chartered Accountants  
Firm Registration No.101647W

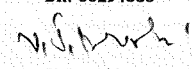
  
**Bhupendra T Nagda**  
Partner  
Membership No.F 102580

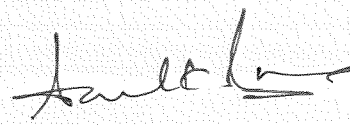
Place :- Mumbai  
Date : 16.05.2019

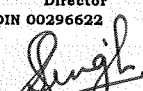


For and on behalf of the Board of Directors

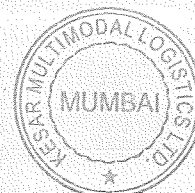
  
**H K Kilachand**  
Chairman  
DIN 00294835

  
**V J Doshi**  
Chief Financial Officer

  
**A S Ruia**  
Director  
DIN 00296622

  
**Sarika Singh**  
Company Secretary

Place :- Mumbai  
Date : 16.05.2019



**KESAR MULTIMODAL LOGISTICS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019**

A : Equity Share Capital (Equity shares of ₹ 10 each issued, subscribed and fully paid)

Particulars	Numbers	Amount in ₹
Balance as at the April 1, 2017	4,18,00,000	41,80,00,000
Changes in equity share capital during the year 2017-2018	-	-
Balance as at March 31, 2018	4,18,00,000	41,80,00,000
Changes in equity share capital during the year 2018-2019	-	-
Balance at the March 31, 2019	4,18,00,000	41,80,00,000

B : Other Equity

(Amount in ₹)

Particulars	Retained Earnings	Capital Contributions	Other Comprehensive Income	Total Other Equity
Balance at the April 1, 2017	-25,16,71,691	24,70,45,663	-59,527	-46,85,555
Total Comprehensive income for the year				
Profit/(Loss) for the year	-26,71,68,416			-26,71,68,416
Other Comprehensive Income			98,371	98,371
Addition during the year		8,74,00,375		8,74,00,375
Balance as at March 31, 2018	-51,88,40,107	33,44,46,038	38,844	-18,43,55,225
Total Comprehensive income for the year				
Profit/(Loss) for the year	-30,56,59,408			-30,56,59,408
Other Comprehensive Income			97,811	97,811
Addition during the year		6,21,56,487		6,21,56,487
Balance as at March 31, 2019	-82,44,99,515	39,66,02,525	1,36,655	-42,77,60,335

The accompanying notes form an integral part of the financial statements

As per our Report attached.

For and on behalf of

Chandabhoy & Jassoobhoy

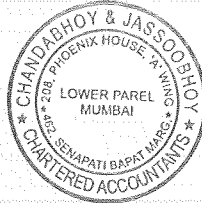
Chartered Accountants

Firm Registration No.101647W

  
 Bhupendra T Nagda  
 Partner


Membership No.F 102580

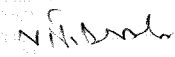
Place :- Mumbai  
 Date : 16.05.2019




For and on behalf of the Board of Directors

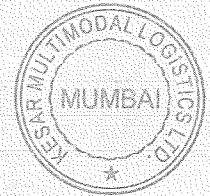
  
 H R Kilachand  
 Chairman  
 DIN 00294835

  
 A S RUIA  
 Director  
 DIN 00296622

  
 V J Doshi  
 Chief Financial Officer

  
 Sarika Singh  
 Company Secretary

Place :- Mumbai  
 Date : 16.05.2019



# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 1. COMPANY OVERVIEW

The Company was incorporated on 30<sup>th</sup> September 2011 as a Special Purpose Vehicle to execute Concession Agreement entered on 24<sup>th</sup> 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.

## 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 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.

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





# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 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:

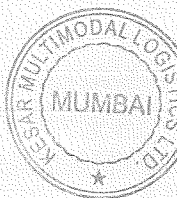
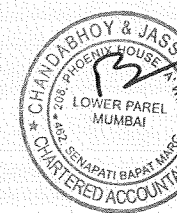
The cost of the defined benefit gratuity plan and defined benefit leave encashment plan, the present value of the gratuity obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include 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.25)

#### 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 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





# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

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

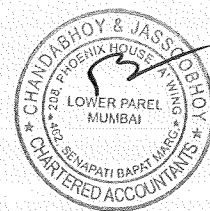
- a) Property, Plant and Equipment (whether Tangible or Intangible) are initially measured at cost of acquisition less accumulated depreciation/ amortization/ impairment loss (if any), net of Input tax credit availed under Goods and services Act (wherever claimed). The cost of fixed assets includes taxes, 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
Plant and equipment	15 Years
Roads	10 Years
Electrical Installation	10 Years
Railway Siding	15 Years
Vehicles	6 Years



# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

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.
- 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:

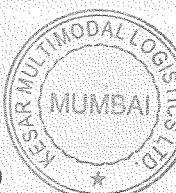
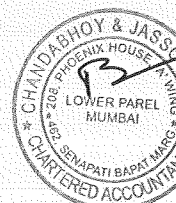
### Short Term Employee Benefits

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.

### 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.



*[Handwritten signatures and initials]*

# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 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.

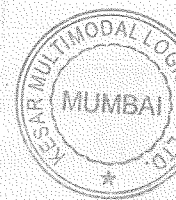
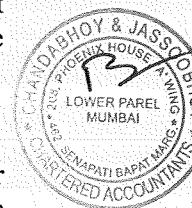
## M. Earnings Per Share:

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 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.



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# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 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 there is a virtual certainty to receive the same.

## P. Leases:

Leases are classified as finance lease whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

**Leased assets:** Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the financial statement as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is fully depreciated over the shorter of the estimated useful life of the asset and the lease term.

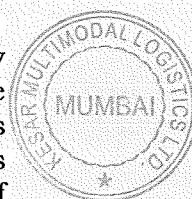
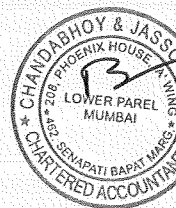
Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

## 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



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# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

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.

## 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:

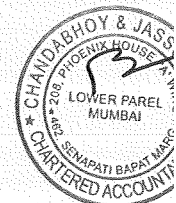
##### Financial Asset at amortised cost:

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.



# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 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 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.

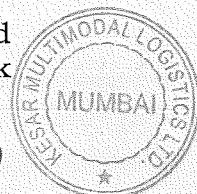
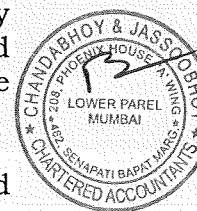
When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards 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





# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

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 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.

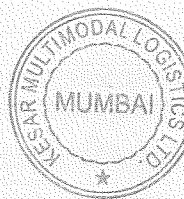
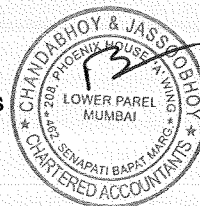
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables, are also classified as above.

### 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.



# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

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. 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

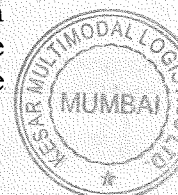
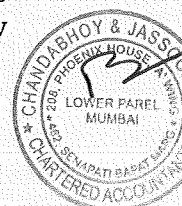
Financial guarantee contracts issued by the Company are those contracts that require a payment to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially 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.





# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## T) Foreign Currency Transactions

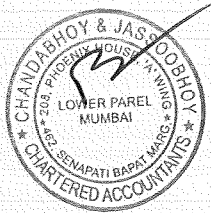
Transactions in foreign currencies are accounted at the initially recorded exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency at the end of the reporting date are translated at the year-end rates. Gains and losses resulting from the settlement 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 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 prorata 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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**KESAR MULTIMODAL LOGISTICS LIMITED**

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

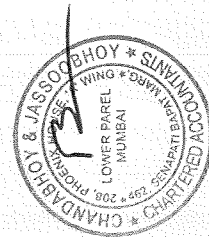
**3. Fixed Assets (Owned, unless stated otherwise)**

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
<b>3.1 Tangible Assets</b>								
Land/Site Development	38,23,44,987	-	-	38,23,44,987	1,69,39,184	86,83,711	-	35,67,22,092
Buildings	63,92,40,165	-	49,73,172 *	63,42,66,993	4,37,53,255	2,31,07,845	-	56,74,05,893
Plant and Equipment	8,96,83,369	-	51,10,829 *	8,45,72,540	1,20,53,483	52,18,717	-	6,73,00,340
Plant and Equipment (Railway Siding)	53,66,75,090	-	-	53,66,75,090	6,62,42,758	3,39,64,608	-	43,64,67,724
Electrical Installations	3,31,42,563	-	-	3,31,42,563	1,46,98,255	47,92,649	-	1,36,51,659
Vehicles	9,32,403	-	-	9,32,403	2,84,342	2,02,385	-	4,45,676
Computers	19,94,070	9,500	-	20,03,570	14,20,686	2,61,421	-	3,21,463
Furniture & Fixtures	2,20,100	-	-	2,20,100	95,515	32,251	-	92,334
Office Equipments	17,43,366	21,646	-	17,65,012	11,86,837	2,55,836	-	3,22,339
<b>Total of Tangible Assets</b>	<b>1,68,59,76,113</b>	<b>31,146</b>	<b>1,00,84,001</b>	<b>1,67,59,23,258</b>	<b>15,66,74,315</b>	<b>7,65,19,423</b>	<b>-</b>	<b>1,44,27,29,520</b>
<b>3.2 Capital Work In Progress</b>								
Computer Software	31,41,387	-	-	31,41,387	20,94,671	3,85,445	-	5,03,53,813
<b>Total (3.1+3.2+3.3)</b>	<b>1,73,94,71,313</b>	<b>31,146</b>	<b>1,00,84,001</b>	<b>1,72,94,18,458</b>	<b>15,87,68,986</b>	<b>7,69,04,868</b>	<b>-</b>	<b>1,49,37,44,604</b>

\* 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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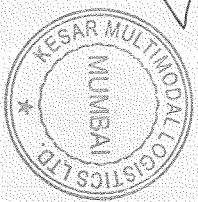
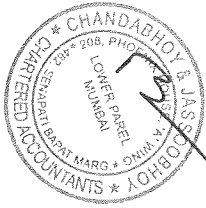


**KESAR MULTIMODAL LOGISTICS LIMITED**  
**Notes forming part of the Financial Statements for the year ended 31st March, 2018**

3. Fixed Assets (Owned, unless stated otherwise)

(Amount in ₹)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April, 2017	Additions	Disposals/ Adjustments	Balance as at 31st March, 2018	Balance as at 1st April, 2017	Depreciation charge for the Year	Disposals	Balance as at 31st March, 2018	Balance as at 31st March, 2018	Balance as at 31st March, 2018
<b>3.1 Tangible Assets</b>										
Land/Site Development	38,23,44,987	-	-	38,23,44,987	82,55,473	86,83,711	-	1,69,39,184	36,54,05,803	
Buildings	59,65,21,356	4,27,18,809	-	63,92,40,165	2,09,73,680	2,27,79,575	-	4,37,53,255	59,54,86,910	
Plant and Equipment	10,48,32,458	4,05,992	1,55,55,081	8,96,83,369	63,23,880	57,29,603	-	1,20,53,483	7,76,29,886	
Plant and Equipment (Railway Siding)	53,66,75,090	-	-	53,66,75,090	3,22,78,150	3,39,64,608	-	6,62,42,758	47,04,32,332	
Electrical Installations	3,31,42,563	-	-	3,31,42,563	82,45,113	64,53,142	-	1,46,98,255	1,84,44,308	
Vehicles	4,05,604	7,26,799	2,00,000	9,32,403	1,93,962	2,33,944	1,43,564	2,84,342	6,48,061	
Computers	19,35,645	58,425	-	19,94,070	7,88,692	6,31,994	-	14,20,686	5,73,384	
Furniture & Fixtures	2,20,100	-	-	2,20,100	51,999	43,516	-	95,515	1,24,585	
Office Equipments	16,54,856	88,510	-	17,43,366	7,46,972	4,39,865	-	11,86,837	5,56,529	
<b>Total of Tangible Assets</b>	<b>1,65,77,32,659</b>	<b>4,39,98,535</b>	<b>1,57,55,081</b>	<b>1,68,59,76,113</b>	<b>7,78,57,921</b>	<b>7,89,59,958</b>	<b>1,43,564</b>	<b>15,66,74,315</b>	<b>1,52,93,01,798</b>	
<b>3.2 Capital Work In Progress</b>	<b>9,30,72,622</b>	<b>-</b>	<b>4,27,18,809</b>	<b>5,03,53,813</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,03,53,813</b>	
<b>3.3 Intangible Assets</b>	<b>31,41,387</b>	<b>-</b>	<b>-</b>	<b>31,41,387</b>	<b>13,36,421</b>	<b>7,58,250</b>	<b>-</b>	<b>20,94,671</b>	<b>10,46,716</b>	
Computer Software										
<b>Total (3.1+3.2+3.3)</b>	<b>1,75,39,46,668</b>	<b>4,39,98,535</b>	<b>5,84,73,890</b>	<b>1,73,94,71,313</b>	<b>7,91,94,342</b>	<b>7,97,18,208</b>	<b>1,43,564</b>	<b>15,87,68,986</b>	<b>1,58,07,02,327</b>	



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**KESAR MULTIMODAL LOGISTICS LIMITED**

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

**4. NON-CURRENT FINANCIAL ASSETS - OTHERS**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
Advances to Suppliers for Capital Goods	97,809	-
<b>Security Deposits</b>		
- Project Deposit with Western Central Railway, Jabalpur for private freight terminal	-	99,00,000
- Deposit with Distribution Logistics Infrastructure	10,00,000	-
- Electricity Deposit	4,97,119	4,26,019
- Telephone & Internet Deposit	13,750	1,000
<b>Total</b>	<b>16,08,678</b>	<b>1,03,27,019</b>

**5. CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
Unsecured, Considered good	88,96,364	47,24,607
Less: allowance for bad and doubtful debts	(1,77,938)	(94,492)
<b>Total</b>	<b>87,18,426</b>	<b>46,30,115</b>

Provision for doubtful debt has been made at 2% of the Trade Receivable outstanding for more then six Months.

**6. CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
a. Balance with Scheduled Banks		
i) In Current Accounts	34,68,438	28,11,739
(ii) In Fixed Deposits Accounts with original maturity of less than 3 months	4,09,576	-
b. Cash on hand	90,460	33,170
<b>Total</b>	<b>39,68,474</b>	<b>28,44,909</b>

**7. CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES**

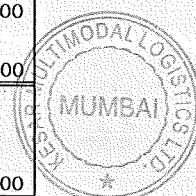
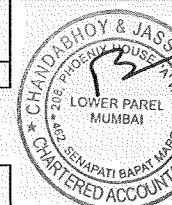
Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
Fixed Deposits with maturity period of more than 3 months but less than 12 months (Previous Year : ₹ 25,000 Under lien with Sales Tax Department, ₹ 70,00,000 under lien with Dena Bank for establishing bank guarantee in favour of MP State Agricultural Marketing Board(Mandi Board), ₹ 5,00,000 under lien with Dena Bank for establishing Bank guarantee in favour of ITC Ltd and customs)	-	75,25,000
<b>Total</b>	<b>-</b>	<b>75,25,000</b>

**8. OTHER CURRENT ASSETS**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
Interest on Bank Deposits accrued but not due	21,067	12,98,229
Government Grant Receivable (MP State Gardening Mission)	30,25,000	-
GST Input Credit & Cash Ledger Balances	48,95,628	40,97,321
Tax Deducted at Source	22,53,576	19,90,920
Prepaid Expenses	5,42,903	14,69,670
Advance to Vendors for Expenses	13,91,196	11,40,755
<b>Total</b>	<b>1,21,29,370</b>	<b>99,96,895</b>

**9. EQUITY SHARE CAPITAL**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
<b>Authorised</b>		
4,20,00,000 (March 31, 2018: 4,20,00,000) Equity Shares of ₹ 10 each	42,00,00,000	42,00,00,000
3,70,00,000 (March 31, 2018 : 3,70,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each	37,00,00,000	37,00,00,000
<b>Issued, Subscribed &amp; Paid up</b>		
4,18,00,000 (March 31, 2018: 4,18,00,000) Equity Shares of ₹ 10 each fully paid up	41,80,00,000	41,80,00,000
<b>Total</b>	<b>41,80,00,000</b>	<b>41,80,00,000</b>



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**KESAR MULTIMODAL LOGISTICS LIMITED**  
Notes forming part of the Financial Statements for the year ended 31st March, 2019

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

	Year ended 31st March, 2019		Year ended 31st March, 2018	
	Number	(Amount in ₹)	Number	(Amount in ₹)
<b>Equity Shares</b>				
Shares outstanding at the beginning of the year	4,18,00,000	41,80,00,000	4,18,00,000	41,80,00,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,18,00,000	41,80,00,000	4,18,00,000	41,80,00,000

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, 2019		As at 31st March, 2018	
	No. of Shares held	%	No. of Shares held	%
<b>Equity Shares</b>				
Kesar Terminals & Infrastructure Limited (Holding Company)	4,18,00,000	100%	4,18,00,000	100%

**10. OTHER EQUITY**

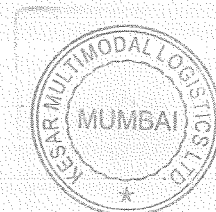
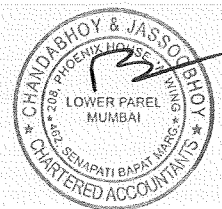
Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
<b>(a) Retained Earnings</b>		
Balance at the beginning of the year	(51,88,40,107)	(25,16,71,691)
(+) Net Profit/(-) Loss for the current year	(30,56,59,408)	(26,71,68,416)
<b>Balance at the end of the year</b>	<b>(82,44,99,515)</b>	<b>(51,88,40,107)</b>
<b>(b) Capital Contributions</b>		
Opening balance	33,44,46,038	24,70,45,663
Addition during the year *	6,21,56,487	8,74,00,375
<b>Closing Balance</b>	<b>39,66,02,525</b>	<b>33,44,46,038</b>
<b>(c) Other Comprehensive Income</b>		
Opening balance	38,844	-59,527
Addition during the year	97,811	98,371
<b>Closing Balance</b>	<b>1,36,655</b>	<b>38,844</b>
<b>Total</b>	<b>(42,77,60,335)</b>	<b>(18,43,55,225)</b>

**\* Breakup of Capital Contribution during the year**

Unsecured Loan taken from Kesar Terminals & Infrastructure Ltd	5,68,08,155	1,51,32,983
Preference shares issued to Kesar Terminals & Infrastructure Ltd	-	6,70,76,776
Corporate Guarantee issued by Kesar Terminals & Infrastructure Ltd	53,48,331	51,90,616
<b>Total</b>	<b>6,21,56,486</b>	<b>8,74,00,375</b>

**11. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
<b>a) Secured Borrowings</b>		
<b>Term loans from Banks</b>		
<b>Project Loans</b>		
<b>Primary Security</b> : 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.		
<b>Collateral security</b> : 2nd charge over all current assets (present & future) of the proposed Composite Logistics Hub at Powerkheda, Madhya Pradesh on paripassu basis.		
<b>Corporate Guarantee</b> : Corporate guarantee of Kesar Terminals & Infrastructure Limited (Holding Company).		
<b>Terms of Repayment:</b> Term Loans are repayable in 16 to 28 equal quarterly installments after the moratorium period ranging from 3 to 4 years (previous year 2 to 3 years) from the date of first disbursement of the respective term loans.		
<b>Rate of interest:</b> Rate of Interest is in the range of 10.50% to 12.70% (PY 10.50% to 13.25%)		
<b>Car Loan</b>	60,717	2,85,116
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 ₹ 1,15,07,97,210 (Previous Year ₹ 1,01,25,34,122), borrowings of ₹ 2,29,224 (Previous Year ₹ 2,08,857) having current maturities and ₹ 1,15,07,36,493 being loan amount recalled (Previous Year ₹ 1,01,20,40,149), have been disclosed in Note no. 15. Also Refer note no.35		



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**KESAR MULTIMODAL LOGISTICS LIMITED**

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

<b>b) Unsecured Borrowings</b>		
i) Loan from Holding Company 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.	16,43,55,043	14,46,82,185
ii) Preference Share (Unsecured) 3,48,30,000 (March 31, 2018: 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.	9,92,42,793	8,98,12,483
<b>Total</b>	<b>26,36,58,553</b>	<b>23,47,79,784</b>

**12. NON-CURRENT FINANCIAL LIABILITIES - OTHERS**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
Mandi Board Premium Payable (Current Maturities of Nil (March 31, 2018 :1,27,80,000) have been disclosed in Note no. 15)	3,83,40,000	3,83,40,000
<b>Total</b>	<b>3,83,40,000</b>	<b>3,83,40,000</b>

**13. NON-CURRENT LIABILITIES - PROVISIONS**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
<b>Provision for employee benefits</b>		
Gratuity (Unfunded) (Also refer Note no. - 25)	5,88,494	3,76,361
Leave encashment (Unfunded) (Also refer Note no. - 25)	8,69,580	6,46,259
<b>Total</b>	<b>14,58,074</b>	<b>10,22,620</b>

**14. CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
Total outstanding Dues to Micro and Small Enterprises	4,35,000	-
Total outstanding Dues of Creditors other than Micro and Small Enterprises	1,22,38,900	1,75,77,682
<b>Total</b>	<b>1,26,73,900</b>	<b>1,75,77,682</b>

**15. CURRENT FINANCIAL LIABILITIES - BORROWINGS**

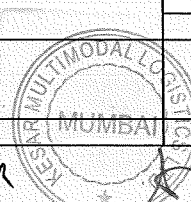
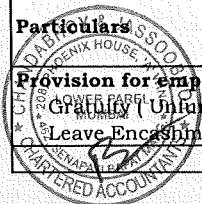
Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
(a) Recalled Long Term Borrowings including Interest (Secured) (also refer note no.11 and 35)	1,15,07,36,493	1,01,20,40,149
(b) Current maturities of Long Term Borrowings	2,29,224	2,08,857
(c) Current maturities-Mandi Board Premium Payable	-	1,27,80,000
<b>Total</b>	<b>1,15,09,65,717</b>	<b>1,02,50,29,006</b>

**16. OTHER CURRENT LIABILITIES**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
(Unsecured, Considered good)		
(a) Advance from Customers	2,51,750	1,54,226
(b) Payables for Capital Goods	5,89,94,383	6,12,08,121
(c) Payables for Expenses	83,192	6,41,959
(d) Statutory dues payable	5,66,223	4,05,984
(e) Outstanding Expenses	25,82,201	29,05,838
<b>Total</b>	<b>6,24,77,749</b>	<b>6,53,16,128</b>

**17. CURRENT LIABILITIES - PROVISIONS**

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
<b>Provision for employee benefits</b>		
Gratuity (Unfunded) (Also refer Note no.- 25)	2,825	1,396
Leave Encashment (Unfunded) (Also refer Note no.- 25)	3,53,069	3,14,874
<b>Total</b>	<b>3,55,894</b>	<b>3,16,270</b>



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**KESAR MULTIMODAL LOGISTICS LIMITED**

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

**18. REVENUE FROM OPERATIONS**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
<b>Sale of Services from ;</b>		
Cold Storage	34,60,735	13,22,822
Inland Container Depot	45,000	20,79,000
Rail Operations	3,53,73,630	1,61,93,226
General Warehousing	95,96,011	45,57,367
<b>Total</b>	<b>4,84,75,376</b>	<b>2,41,52,415</b>

**19. OTHER INCOME**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
(a) Interest on		
(i) Fixed Deposits	1,43,030	6,56,396
(ii) Others	1,53,292	25,937
(b) Miscellaneous Income	10	13,604
(c) Sundry Balances written back	5,98,430	2,18,473
<b>Total</b>	<b>8,94,762</b>	<b>9,14,410</b>

**20. EMPLOYEE BENEFITS EXPENSE**

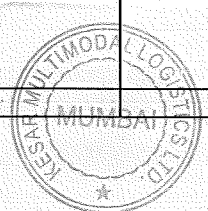
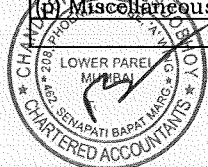
Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
(a) Salaries and Wages	1,68,48,387	1,75,76,252
(b) Contribution to Provident Fund	7,94,197	6,52,325
(c) Gratuity (refer note no. 25)	3,11,373	2,32,044
(d) Staff Welfare Expenses	1,58,119	2,49,227
(e) Wages-Others	15,93,383	10,18,145
<b>Total</b>	<b>1,97,05,459</b>	<b>1,97,27,993</b>

**21. FINANCE COSTS**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
(a) Interest Expense	19,76,19,995	15,10,47,529
(b) Other Borrowing Costs		
(i) Finance Charges	22,74,265	15,51,869
<b>Total</b>	<b>19,98,94,260</b>	<b>15,25,99,398</b>

**22. OTHER EXPENSES**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
(a) Transportation, Labour and Handling Charges	2,08,97,498	1,71,04,459
(b) Power & Fuel	39,88,492	33,95,501
(c) Equipment Hire Charges	52,80,000	21,07,500
(d) Repairs :		
(i) Plant & Machinery	8,10,494	11,14,858
(ii) Buildings	11,68,284	4,06,808
(iii) Others	15,22,170	6,60,861
(e) Insurance	10,16,010	5,08,736
(f) Rates & Taxes	37,68,103	9,46,884
(g) Selling agent Commission & Brokerage	54,371	1,07,178
(h) Legal, Professional and Retainership fees	1,15,38,050	51,95,582
(i) Directors Sitting Fees	3,60,000	7,55,000
(j) Auditors Remuneration		
(i) Audit Fees	2,25,000	2,25,000
(ii) Out Of Pocket Expenses	27,672	18,918
(k) Travelling Expenses	30,61,416	28,54,366
(l) Provision for Expected credit loss	83,446	8,140
(m) Security Service Charges	21,84,718	18,11,133
(n) Issue Expenses for Redeemable Preference Shares	-	9,82,463
(o) Connectivity and Internet Charges	10,85,764	8,60,520
(p) Miscellaneous Expenses	14,53,471	11,25,735
<b>Total</b>	<b>5,85,24,959</b>	<b>4,01,89,642</b>



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# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 23. CAPITAL COMMITMENTS:

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 11,35,17,923/- (Previous Year: ₹ 11,30,50,202/-).

## 24. CONTINGENT LIABILITIES:

Nature of claim/Demands	As at 31 <sup>st</sup> March, 2019 (Amount in ₹)	As at 31 <sup>st</sup> March, 2018 (Amount in ₹)
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,	7,00,00,000	7,00,00,000
- Given to Principal Commissioner of Customs & Central Excise, Bhopal	50,00,000	50,00,000
Claims against the company not acknowledged as debts	4,27,78,976	-
<b>Total</b>	<b>11,77,78,976</b>	<b>7,50,00,000</b>

## 25. EMPLOYEE BENEFITS

### Defined Contribution Plans

Particulars	For the year ended 31 <sup>st</sup> March, 2019 (Amount in ₹)	For the year ended 31 <sup>st</sup> March, 2018 (Amount in ₹)
Employers Contribution to Provident Fund	7,32,945	6,52,325
<b>Total</b>	<b>7,32,945</b>	<b>6,52,325</b>

### Defined Benefit Plan

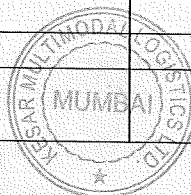
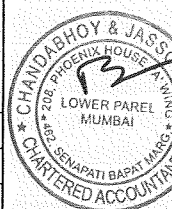
- i) Gratuity (Non-funded)
- ii) Leave Encashment (Non-funded)

#### 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.

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 <sup>st</sup> March, 2019 (Amount in ₹)	For the year ended on 31 <sup>st</sup> March, 2018 (Amount in ₹)
Present Value of Unfunded obligations	5,91,319	3,77,757
Fair Value of plan assets	-	-
Net liability	5,91,319	3,77,757
Amount in balance sheet		
Liabilities	5,91,319	3,77,757



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# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 <sup>st</sup> March, 2019 (Amount in ₹)	For the year ended on 31 <sup>st</sup> March, 2018 (Amount in ₹)
Current service cost	2,81,644	1,89,693
Interest on obligation	29,729	20,503
Expected return on plan assets	-	-
Total included in employee benefit expense	3,11,373	2,10,196
Actual return on plan assets	-	-

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

	(Amount in ₹)	
Net actuarial losses/(gains) recognized during the year	(97,811)	(98,371)

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

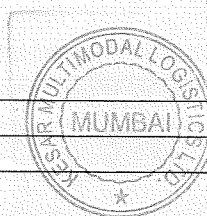
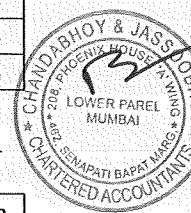
Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 <sup>st</sup> March, 2019 (Amount in ₹)	For the year ended on 31 <sup>st</sup> March, 2018 (Amount in ₹)
Opening defined benefit obligation	3,77,757	2,65,932
Service costs	2,81,644	1,89,693
Interest costs	29,729	20,503
Actuarial losses (gains)	(97,811)	(98,371)
Benefits paid	-	-
Closing defined benefit obligation	5,91,319	3,77,757

(d) 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 <sup>st</sup> March, 2019 (Amount in ₹)	For the year ended on 31 <sup>st</sup> March, 2018 (Amount in ₹)
Opening fair value of plan assets	-	-
Amount of last year taken credit in funds	-	-
Expected return on plan assets	-	-
Actuarial gains / (losses)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing fair value of plan assets	-	-

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 <sup>st</sup> March, 2019 (Amount in ₹)	For the year ended on 31 <sup>st</sup> March, 2018 (Amount in ₹)
Discount rate	7.94%	7.87%
Salary escalation rate	8.00%	8.00%



# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

Attrition rate	1.00%	1.00%
Expected return on plan assets	Not Applicable	Not Applicable

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

Particulars	For the year ended on 31 <sup>st</sup> March, 2019 (Amount in ₹)	For the year ended on 31 <sup>st</sup> March, 2018 (Amount in ₹)
Defined benefit obligation	5,91,319	3,77,757
Plan assets	-	-
Surplus/ (deficit)	(5,91,319)	(3,77,757)

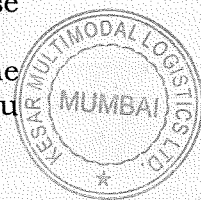
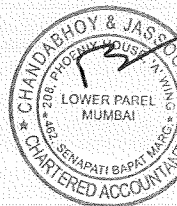
(g) Experience Adjustment:

Particulars	For the year ended on 31 <sup>st</sup> March, 2019 (Amount in ₹)	For the year ended on 31 <sup>st</sup> March, 2018 (Amount in ₹)
On plan Liability (Gains)/ Losses	(90,831)	(87,476)
On plan Assets Gains/ (Losses)	-	-

(h) Sensitivity Analysis

Particulars	For the year ended on 31 <sup>st</sup> March, 2019 (Amount in ₹)	For the year ended on 31 <sup>st</sup> March, 2018 (Amount in ₹)
Projected Benefit Obligation on Current Assumptions	5,91,319	377,757
Delta Effect of +1% Change in Rate of Discounting	(89,440)	(60,216)
Delta Effect of -1% Change in Rate of Discounting	1,10,172	74,792
Delta Effect of +1% Change in Rate of Salary Increase	1,08,985	73,930
Delta Effect of -1% Change in Rate of Salary Increase	(90,147)	(60,655)
Delta Effect of +1% Change in Rate of Employee Turnover	(9,263)	(9,002)
Delta Effect of -1% Change in Rate of Employee Turnover	9,457	9,314

- 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.



# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

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, 2019 is ₹ 12,22,649 (March 31, 2018: ₹ 9,61,133) disclosed under Non-Current Liabilities - Provisions (Refer Note 13) and Current Liabilities - Provisions (Refer Note 17).

Amount recognized as expense in respect of Compensated Leave Absence is ₹ 2,89,081 (Previous Year ₹ 3,76,733)).

## 26. 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.

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

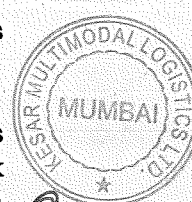
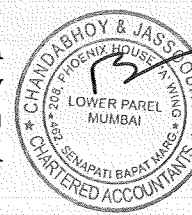
**Credit Risk**

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



# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

## 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, 2019 and March 31, 2018.

(Amount in ₹)

Year ended March 31, 2019					
Particulars	Less than 3 Months	3 to 12 months	1 to 5 years	> 5 years	Total
<b>Secured Borrowing-Term Loan</b>					
Term* Loans	1,15,07,36,493	-	-	-	1,15,07,36,493
Car Loan	55,322	1,73,902	60,717	-	2,89,941
<b>Unsecured Borrowing-Term Loan</b>					
Preference Shares	-	-	-	9,92,42,793	9,92,42,793
Loans	-	-	16,43,55,043	-	16,43,55,043
<b>Year ended March 31, 2018</b>					
Particulars	Less than 3 Months	3 to 12 months	1 to 5 years	> 5 years	Total
<b>Secured Borrowing-Term Loans</b>					
Term* Loans	1,01,20,40,149	-	-	-	1,01,20,40,149
Car Loan	50,407	1,58,450	2,85,116	-	4,93,973
<b>Unsecured Borrowing-Term Loan</b>					
Preference Shares	-	-	-	8,98,12,483	8,98,12,483
Loans	-	-	14,46,82,185	-	14,46,82,185

\* refer note no. 35

## Interest rate risk

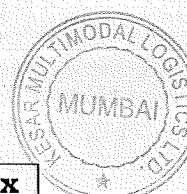
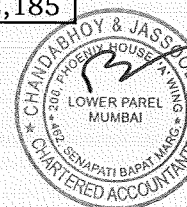
The Company has MCLR based borrowing and depending on the interest rate scenario, the company decides on the mix of fixed rate versus variable rate borrowing.

### 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:

(Amount in ₹)

Particulars	Impact on profit before tax	
	2018-19	2017-18
Interest rate – increase by 100 basis points (100 bps)	1,09,52,002	97,07,522
Interest rate – decrease by 100 basis points (100 bps)	(1,09,52,002)	(97,07,522)



# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 27. 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, 2019	As at March 31, 2018
Amount in ₹		
<b>Net Debt</b>		
A) Long term Borrowing and Other Current Financial Liabilities	1,45,29,64,270	1,29,81,48,790
B) Cash and Cash Equivalent and Other Bank Balances	39,68,474	1,03,69,909
<b>Total - (A-B)</b>	<b>1,44,89,95,796</b>	<b>1,28,77,78,881</b>
<b>Equity</b>		
C) Equity share capital	41,80,00,000	41,80,00,000
D) Other Equity	-42,77,60,336	-18,43,55,225
<b>Total</b>	<b>-97,60,336</b>	<b>23,36,44,775</b>
<b>Net Debt/Equity Ratio</b>	-148.46	5.51

## 28. Financial Instruments by category

The criteria for recognition of financial instruments are explained in significant accounting policies.

Particulars	As at March 31, 2019			As at March 31, 2018		
	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL
<b>Financial Assets</b>						
Non-Current Financial Assets- Others	16,08,678			1,03,27,019		
-Trade Receivable	87,18,425			46,30,115		
-Cash and Cash equivalent	39,68,474			28,44,909		
-Other Bank Balances	-			75,25,000		
<b>Total financial Asset</b>	<b>1,42,95,577</b>			<b>2,53,27,042</b>		
<b>Financial Liabilities</b>						
Borrowings (Non-Current)	26,36,58,553			23,47,79,784		
Non Current Financial Liabilities-Others	3,83,40,000			3,83,40,000		
-Trade payable	1,26,73,899			1,75,77,682		
Borrowings (Current)	1,15,09,65,717			1,02,50,29,006		
<b>Total financial liabilities</b>	<b>1,46,56,38,169</b>			<b>1,31,57,26,472</b>		

## 29. SEGMENT REPORTING:

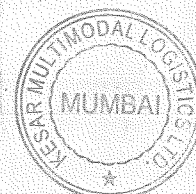
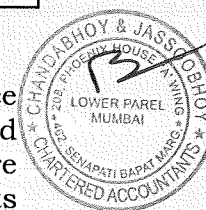
In the opinion of the Management and based on consideration of dominant source and nature of risks and returns, the company's activities during the year revolved around single segment namely, "Composite Logistics Hub". Considering the nature of company's business and operations, there are no separate reportable segments (Business and/or Geographical) in accordance with the requirement of Indian Accounting Standard 108.

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# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 30. 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)

Mrs. M H Kilachand Director (upto 07.11.2017)

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

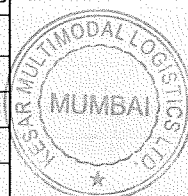
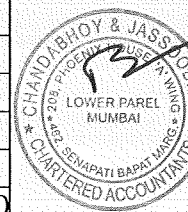
Independent Directors

Mr.A.S.Ruia

Mr.R.S.Loona

Disclosure of transactions between the Company and related parties and the status of outstanding balance as on 31<sup>st</sup> March, 2019:

Nature of Transaction	For the year ended 31 <sup>st</sup> March, 2019 (Amount in ₹)	For the year ended 31 <sup>st</sup> March, 2018 (Amount in ₹)
<b>KESAR TERMINALS &amp; INFRASTRUCTURE LIMITED</b>		
<b>(a) Transactions</b>		
Long Term Borrowings taken/(repaid)(net)		
-Classified as Equity	1,54,26,743	46,946
-Classified as Borrowings	4,41,73,257	44,26,868
Issue of Preference Share		
-Classified as Equity	-	6,70,76,780
-Classified as Borrowings	-	1,93,23,220
<b>(b) Balance Outstanding at the year end</b>		
<b>Long term Borrowings</b>		
-Classified as Equity	5,51,18,771	1,51,91,629
-Classified as Borrowings	16,43,55,043	14,46,82,185
<b>Preference Shares</b>		
-Classified as Equity	24,90,57,207	25,84,87,517





# KESAR MULTIMODAL LOGISTICS LIMITED

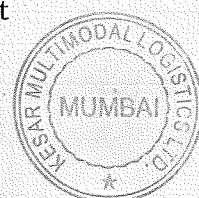
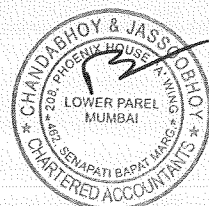
Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

-Classified as Borrowings	9,92,42,793	8,98,12,483
Equity Share Capital	41,80,00,000	41,80,00,000
<b>Nature of Transaction</b>	<b>For the year ended 31st March, 2019 (Amount in ₹)</b>	<b>For the year ended 31st March, 2018 (Amount in ₹)</b>
<b>KESAR ENTERPRISES LIMITED</b>		
<b>(a) Transactions</b>		
Expenses Reimbursement	2,42,550	2,92,398
<b>(b) Balance Outstanding at the year end</b>	-	-
<b>Mr. Jayanto Kumar Devgupta</b>		
<b>(a) Transactions</b>		
Retainership Fees	43,59,117	1,26,667
Driver`s Reimbursement	1,92,000	1,95,000
Director`s Remuneration	1,58,333	28,41,667
<b>(b) Balance payable at the year end</b>		
Retainership Fees Payable	7,02,500	-
Remuneration Payable	-	2,08,000
<b>Mrs. M H Kilachand</b>		
<b>(a) Transactions</b>		
Director`s Fees	-	60,000
<b>Others</b>		
<b>(a) Transactions</b>		
Director`s Fees- Independent Directors	3,60,000	6,95,000
Salary-Mr.Mahesh Adapa(CEO)	44,53,955	-
<b>(b) Balance payable at the year end</b>		
Salary Payable-Mr.Mahesh Adapa(CEO)	5,54,295	-

## 31. DEFERRED TAX

Particulars	As at 31st March, 2019	As at 31st March, 2018
	(Amount in ₹)	(Amount in ₹)
<b>a)Deferred Tax Assets</b>		
i)Carried forward Business Losses and Unabsorbed Depreciation	18,44,41,823	18,82,53,126
ii)Expenses Allowable on payment basis for Tax purposes	5,94,12,638	2,74,779
<b>Total-(a)</b>	<b>24,38,54,461</b>	<b>18,85,27,906</b>
<b>b)Deferred Tax Liability</b>		
i)Impact of difference between Tax Depreciation & Books Depreciation	5,79,21,481	4,51,81,492
ii)Tax impact due to INDAS	7,90,85,754	7,96,95,370
<b>Total-(b)</b>	<b>13,70,07,234</b>	<b>12,48,76,862</b>
<b>Net Deferred Tax Assets (a-b)</b>	<b>10,68,47,227</b>	<b>6,36,51,044</b>
<b>Deferred Tax Liability realised in Books</b>	-	-

Net Deferred Tax assets of ₹ 10,68,47,227 (₹ 6,36,51,044 as on 31.03.2018) is not recognised as there is no reasonable or virtual certainty backed by convincing evidence of realisation of such assets.



# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 32. 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.

## 33. EARNINGS PER SHARE (EPS):

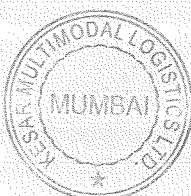
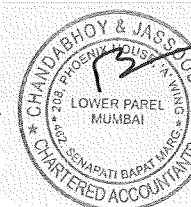
Particulars	For the year ended 31 <sup>st</sup> March 2019	For the year ended 31 <sup>st</sup> March 2018
Basic & Diluted EPS:		
a) Net profit attributable to Equity Shareholders (₹)	-30,56,59,406	-26,71,68,416
b) Weighted average number of Equity Shares Outstanding (Nos.)	4,18,00,000	4,18,00,000
Basic & Diluted EPS (₹)	-7.31	-6.39
Face Value per Share (₹)	10	10

## 34. ADDITIONAL INFORMATION:

Particulars	As at 31 <sup>st</sup> March, 2019 (Amount in ₹)	As at 31 <sup>st</sup> March, 2018 (Amount in ₹)
(a) Expenditure in foreign currency	-	-
(b) Earnings in foreign currency	-	-

## 35. 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 45.34 crores. Two banks sanctioned loans of Rs 33.90 crores; however one bank did not sanction its share of Rs 11.44 crores. Consequently, the two banks did not disburse even their share of the sanctioned term loan of Rs 33.90 crores 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





# KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2019

The National Company Law Tribunal (NCLT) Mumbai on 30.10.2018 for the recovery of dues from the Company. The same is yet to be admitted.

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.

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

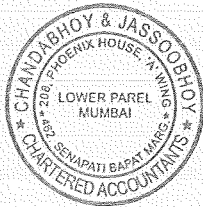
37. Previous year figures have been regrouped or re-arranged wherever necessary.

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

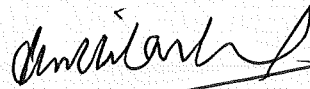


Bhupendra T Nagda  
Partner  
Membership No.F 102580

Place :- Mumbai  
Date : 16.05.2019



For and on behalf of the Board of Directors



H R Kilachand  
Chairman  
DIN 00294835



V J Doshi  
Chief Financial Officer

Place :- Mumbai  
Date : 16.05.2019



A S Ruia  
Director  
DIN 00296622



Sarika Singh  
Company Secretary

