

Kanpur Logistics Park Private Limited

Statutory Audit

For the year ended 31 March 2019

B S R & Associates LLP

Chartered Accountants

Building No. 10, 8th Floor, Tower-B
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Gurugram - 122 002, India

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INDEPENDENT AUDITORS' REPORT

To the Members of Kanpur Logistics Park Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kanpur Logistics Park Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, profit and other 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 Act. Our responsibilities under those SAs 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's director's report, but does not include the financial statements and our auditors' report thereon.

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

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standard (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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Board of Directors is 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditors' 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 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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, 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. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), statement of change in equity, and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors and 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' 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 does not have any pending litigations which would impact its financial position as at March 31, 2019.

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- ii. The Company did not have any long-term contracts including derivative contracts outstanding as at March 31, 2019 for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2019.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

The Company is private limited company and accordingly, the requirements as stipulated by the provision of section 197 of the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Associates LLP

Chartered Accountants

ICAI Firm Registration No.: 116231 W/W-100024



Anant Marwah

Partner

Membership No. 510549

UDIN: 19510549AAAACB1356

Place: Gurugram

Date: September 27, 2019

Annexure A referred to in our Independent Auditors' Report to the members of Kanpur Logistics Park Private Limited on the financial statements for the year ended March 31, 2019

- (i)
 - a. According the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment and intangible asset).
 - b. According the information and explanations given to us, the Company has a regular program of physical verification of its fixed assets by which all the fixed assets are verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c. According the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.
- (ii) According the information and explanations given to us, the Company is a service company, primarily rendering end to end logistics solutions to its customers, accordingly it does not hold any physical inventories. Accordingly, the provision of clause 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provision of clause 3(iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company is engaged in providing infrastructural facilities (logistics services), accordingly the provisions of Section 186 (except sub-section 1) is not applicable to the Company. Further, the Company has not granted any loans under Section 185 of the Act and accordingly the provisions are not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to Section 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.
- (vii)
 - a. According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax and other material statutory dues, to the extent applicable, have generally been regularly deposited during the year by the Company with the appropriate authorities, though there have been slight delays in few cases related to deposit of income tax and goods and services tax. As explained to us, the Company did not have any dues on account of sales tax, duty of custom, duty of excise, cess and value added tax.

Also refer note 29 wherein it is explained that on account of uncertainty with respect to applicability of the Hon'ble Supreme Court Judgment dated February 28, 2019 on provident fund matter, pending clarification from the department of Provident fund, management has not recognized and deposited any additional provident fund amount with respect to period prior to February 28, 2019.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax and other material statutory dues, to the extent applicable, were in arrears 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 on account of income tax, service tax and goods and services tax which have not been deposited by the Company with the appropriate authorities on account of dispute.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions or banks. Further, the Company did not have any outstanding loans or borrowings from the government or debenture holders during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) during the year. According to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 197 read with schedule V to the Act are not applicable to the company. Accordingly paragraph 3 (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provision of clause 3(xii) of the Order is not applicable.
- (xiii) Being a private company, the provisions of Section 177 of the Act are not applicable to the Company. Further, according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions entered with related parties which are not in compliance with Section 188 of the Act, and the details have been disclosed in the accompanying financial statement of the Company in accordance with the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of clause 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence the provision of Section 192 of the Act is not applicable. Accordingly, the provision of clause 3(xv) of the Order is not applicable.

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- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the order is not applicable.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No: 116231W/W-100024



Anant Marwah

Partner

Membership No: 510549

UDIN: 19510549AAAACB1356

Place: Gurugram

Date: September 27, 2019

Annexure B to the Independent Auditors' report on the financial statements of Kanpur Logistics Park Private Limited for the period ended March 31, 2019

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (2A (f)) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Kanpur Logistics Park Private Limited ("the Company") as on March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with Reference to Financial Statements

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

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No.: 116231W/W-100024



Anant Marwah
Partner
Membership No. 510549
UDIN: 19510549AAAACB1356

Place: Gurugram
Date: September 27, 2019

Kanpur Logistics Park Private Limited

CIN: U74900DL2009PTC193936

Balance Sheet as at March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

Note	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
ASSETS			
Non current assets			
Property, plant and equipment	3,420.02	3,491.90	2,697.03
Capital work-in-progress	-	-	28.45
Intangible assets	1.57	2.27	3.21
Financial assets			
Loans	8.86	9.73	9.00
Other financial assets	58.21	31.26	19.47
Deferred tax assets (net)	-	28.66	112.01
Non-current tax assets (net)	34.77	29.54	28.80
Other non-current assets	7.13	5.48	12.60
Total non-current assets	3,530.56	3,598.84	2,910.57
Current assets			
Financial assets			
Trade receivables	779.37	1,121.89	572.06
Cash and cash equivalents	55.27	34.04	23.42
Bank balances other than cash and cash equivalents	113.87	16.14	15.64
Other financial assets	28.50	29.75	32.65
Other current assets	125.39	120.20	103.48
Total current assets	1,102.40	1,322.02	747.25
Total assets	4,632.96	4,920.86	3,657.82
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	1,000.00	1,000.00	950.00
Other equity	1,466.90	763.09	(153.47)
Total equity	2,466.90	1,763.09	796.53
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	380.05	856.21	1,061.19
Other financial liabilities	84.80	188.49	268.51
Provisions	28.67	15.37	11.81
Deferred tax liabilities (net)	35.66	-	-
Other non-current liabilities	27.61	45.14	40.17
Total non-current liabilities	556.79	1,105.21	1,381.68
Current liabilities			
Financial liabilities			
Borrowings	189.25	194.81	72.92
Trade payables:			
-total outstanding dues of micro enterprises and small enterprises; and	-	-	-
- total outstanding dues of creditors other than micro enterprises and small	553.88	604.13	611.69
Other financial liabilities	743.53	1,015.27	671.97
Other current liabilities	115.67	134.71	122.74
Provisions	6.94	5.40	0.29
Current tax liabilities (net)	-	98.24	-
Total current liabilities	1,609.27	2,052.56	1,479.61
Total liabilities	2,166.06	3,157.78	2,861.29
Total equity and liabilities	4,632.96	4,920.86	3,657.82

Summary of significant accounting policies

The accompanying notes referred to form an integral part of these financial statement.

As per our report of even date attached

For BSR & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 116231W/W-100024

Anant Marwah

Partner

Membership No: 510549

For and on behalf of the Board of Directors of
Kanpur Logistics Park Private Limited

Amit Kumar

Director

DIN: 01928813

Aviral Jain

Director

DIN: 06735607

Rahul Das

Company Secretary

Membership No: A53588

Place: New Delhi

Date: September 27, 2019

Place: Gurugram

Date: September 27, 2019

Kanpur Logistics Park Private Limited
CIN: U74900DL2009PTC193936
Statement of Profit and Loss for the year ended March 31, 2019
(All amounts in Indian Rupees Lacs, unless otherwise stated)

	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	22	5,572.14	5,219.30
Other income	23	78.88	33.57
Total income		5,651.02	5,252.87
Expenses			
Direct expenses	24	2,573.51	2,319.00
Employee benefits expense	25	295.86	267.85
Finance costs	26	166.39	336.76
Depreciation and amortization	27	658.75	606.66
Other expenses	28	985.72	901.55
Total expenses		4,680.22	4,431.82
Profit before tax		970.80	821.05
Tax expense :			
- Current tax	7	201.23	194.02
- MAT credit written off		-	72.88
- Deferred tax charge		64.33	10.47
Total tax expenses		265.56	277.37
Profit after tax for the year (A)		705.23	543.68
Other comprehensive income/ (expense)			
Items that will not be reclassified to profit or loss			
-Re-measurement gains/ (losses) on defined benefit liability		(1.42)	(3.73)
-Income tax effect relating to above		-	-
Other comprehensive income/ (expense) for the year, net of income tax (B)		(1.42)	(3.73)
Total comprehensive income for the year, net of tax (A+B)		703.82	539.95
Earning per equity share [face value Rs.10/- per share]			
- Basic (Rs.)	34	0.71	0.56
- Diluted (Rs.)		0.71	0.56

Summary of significant accounting policies

The accompanying notes referred to form an integral part of these financial statements

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

ICAI Firm Registration Number. 116231W/W-100024



Anant Marwah

Partner

Membership No: 510549

For and on behalf of the Board of Directors of
Kanpur Logistics Park Private Limited



Amit Kumar

Director

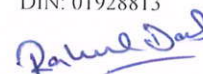
DIN: 01928813



Aviral Jain

Director

DIN: 06735607



Rahul Das

Company Secretary

Membership No. A53588

Place: Gurugram

Date: September 27, 2019

Place: New Delhi

Date: September 27, 2019

Kanpur Logistics Park Private Limited

CIN: U74900DL2009PTC193936

Statement of changes in equity for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

A. Equity share capital	No of shares	Amount
Balance as at April 1, 2017	95.00	950.00
Add : issue of equity share on conversion of 15% double option cumulative fully convertible preference shares	1.04	10.42
Add : issue of equity share on conversion of 15% double option cumulative fully convertible debentures	3.96	39.58
Balance as at March 31,2018	100.00	1,000.00
Equity shares issued during the year	-	-
Balance as at March 31,2019	100.00	1,000.00

B. Other equity	Reserves and surplus			Equity component of compound financial instruments	Total
	Particular	Debenture redemption reserve	Securities premium		
Balance as at the April 01, 2017		47.50	-	(88.59)	(41.09)
Ind AS adjustments (refer note no 39 B)		-	-	(125.34)	(112.39)
Balance as at the April 01, 2017		47.50	-	(213.93)	(153.47)
Profit during the year		-	-	543.68	543.68
Other comprehensive (expense) for the year, net of income tax		-	-	(3.73)	(3.73)
Total comprehensive income for the year		-	-	539.95	539.95
Transactions with owners in their capacity as owners:					
Debenture redemption reserve on conversion of debentures		(47.50)	-	47.50	-
Premium on conversion of preference shares		-	226.18	-	226.18
Premium on conversion of 15% double option cumulative fully convertible debentures		-	150.42	-	150.42
Balance as at March 31, 2018		-	376.60	373.52	763.08
Profit during the year		-	-	705.23	705.23
Other comprehensive income for the year, net of income tax		-	-	(1.42)	(1.42)
Total comprehensive income for the year		-	-	703.82	703.82
Balance at the end of the reporting period March 31, 2019		-	376.60	1,077.34	1,466.90

Summary of significant accounting policies

2

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

As per our report of even date attached

For BSR & Associates LLP

Chartered Accountants

ICAI Firm Registration Number. 116231W/W-100024



Anant Marwah

Partner

Membership No: 510549

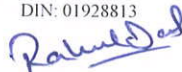
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Amit Kumar

Director

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Company Secretary

Membership No. A53588



Aviral Jain

Director

DIN: 06735607

Place: Gurugram

Date: September 27, 2019

Place: New Delhi

Date: September 27, 2019

Kanpur Logistics Park Private Limited

CIN: U74900DL2009PTC193936

Statement of Cash Flows for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flows from operating activities		
Profit before tax	970.80	821.06
Adjustment for:		
Depreciation and amortization	658.75	606.66
Interest income	(8.45)	(3.64)
Liabilities no longer required written back	(38.49)	(21.88)
Bad debts recovered	-	(1.12)
Loss on sale of asset		0.30
Impairment allowance for financial assets	-	15.26
Impairment allowance for trade receivable	9.58	15.97
Interest expenses	166.39	336.76
Operating profit before changes in assets and liabilities	<u>1,758.57</u>	<u>1,769.37</u>
Adjustments for changes in assets and liabilities		
Decrease/ (Increase) in trade receivables	332.93	(564.68)
Decrease/ (Increase) in loans	0.86	(0.72)
(Increase) in other assets	(6.84)	(17.25)
(Increase) in other financial assets	(38.41)	(11.30)
Increase in provisions	14.85	8.66
(Decrease)/ Increase in trade payables	(11.76)	14.32
(Decrease)/Increase in other financial liabilities	(177.40)	47.53
(Decrease)/Increase in other liabilities	(36.57)	16.94
Cash generated from operations	<u>1,836.24</u>	<u>1,262.87</u>
Direct taxes paid (net of refunds)	(304.71)	(96.52)
Net cash generated from operating activities (A)	<u>1,531.53</u>	<u>1,166.35</u>
B. Cash flows from investing activities		
Purchase /(sale) of property, plant and equipment and intangible assets (including capital-work-in-progress and capital advance (net)	(586.82)	(1,364.74)
Bank deposits (having original maturity of more than 3 months)	(97.73)	(0.50)
Bank deposits (having remaining of more than 12 months)	20.27	(9.50)
Interest received	0.88	0.30
Net cash used in investing activities (B)	<u>(663.40)</u>	<u>(1,374.44)</u>
C. Cash flows from financing activities		
Movement in long-term borrowings	(671.39)	425.66
Movement in short-term borrowings	(5.57)	121.89
Interest paid during the year	(169.94)	(328.84)
Net cash (used in)/generated from financing activities (C)	<u>(846.90)</u>	<u>218.71</u>

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Rahul Dast

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Kanpur Logistics Park Private Limited

CIN: U74900DL2009PTC193936

Statement of Cash Flows for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Net increase in cash and cash equivalents (A+B+C)	21.23	10.62
Cash and cash equivalents at the beginning of the year (net of bank overdraft)	34.04	23.42
Cash and cash equivalents at the end of the year	55.27	34.04

Reconciliation of cash and cash equivalents as per the cash flow statement

(Amount in Rs)

Cash and cash equivalents as per above comprise the following:	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents	55.27	34.04
Bank Over-Draft/ Cash Credit	-	-
Balance as per statement of cash flow	55.27	34.04

1. The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 on Statement of Cash Flows as notified under Section 133 of the Companies Act, 2013.

2. The adoption of Ind AS 115 did not have material impact on the Company's operating, investing and financing cash flows on account of changes to the carrying amounts of assets and liabilities.

The accompanying notes referred to form an integral part of these financial statements

As per our report of even date attached

For **BSR & Associates LLP**

Chartered Accountants

ICAI Firm Registration No. 116231W/W-100024

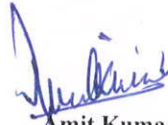


Anant Marwah

Partner

Membership No.: 510549

For and on behalf of the Board of Directors of
Kanpur Logistics Park Private Limited



Amit Kumar

Director

DIN: 01928813



Aviral Jain

Director

DIN: 06735607



Rahul Das

Company Secretary

Membership No. A53588

Place: Gurugram

Date: September 27, 2019

Place: New Delhi

Date: September 27, 2019

1. Company Information

Kanpur Logistics Park Private Limited ('the Company') was incorporated as a Private Limited Company in the State of New Delhi, India. The Company is engaged in the business of providing end to end logistics solutions, including the first mile transportation, rail transportation of cargo in containers or railway wagon from one destination to another and they also have warehousing facility for providing services of both aggregation and distribution for incoming cargo services as per the specific requirements of its customers.

2. Basis and Accounting Policies

2.1 Basis

2.1.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The financial statements up to and for the year ended March 31, 2018 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, 'First-time Adoption of Indian Accounting Standards' has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in note 39.

The financial statements were authorized for issue by the Company's Board of Directors on September 27, 2019.

2.1.2 Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain financial assets or liability that are measured at fair value or amortized cost (refer to accounting policy on financial instruments). The methods used to measure fair values are discussed further in notes to the financial statements.

2.1.3 Functional and presentation currency

These financial statements are prepared in Indian Rupees, which is the Company's functional and presentation currency. All amounts have been rounded-off to the nearest lacs and two decimals thereof except share data and per share data, unless otherwise stated.



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A handwritten signature in blue ink, appearing to be "A. S. S.", located below the stamp.

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2.1.4 Current and non-current classification

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

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- 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; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle to be within 12 months for the purpose of current and non-current classification of assets and liabilities.

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

2.1.5 Use of estimates and judgements

In preparing these Ind AS financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2019 is included in the following notes:

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of item which are more likely to be materially adjusted due to estimates and



assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

i) Recognition of deferred tax assets/ (liabilities)

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

ii) Provision for employee benefits

The measurement of obligations related to defined benefit plans makes it necessary to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal, mortality rates etc. The management has used the past trends and future expectations in determining the assumptions which are used in measurement of obligations.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

iii) Estimation of expected useful lives and residual values of property, plant and equipment and intangible assets

Management reviews its estimate of useful lives of property, plant and equipment and intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

iv) Impairment of trade receivables

Impairment of trade receivables is primarily estimated based on prior experience with and the past due status of receivables based on factors that include ability to pay and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

v) Impairment of financial assets

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period.



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vi) Contingencies

Due to the uncertainty inherent in legal matters, it is often difficult to predict the final outcomes. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law, in the normal course of business. The Company consults with legal counsel and certain other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

2.1.6 Measurement of fair values

The Company's accounting policies and disclosures require/ may require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.



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2.2 Significant accounting policies

2.2.1 Property, plant and equipment and depreciation

2.2.1.1 Initial recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation/ amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

2.2.1.2 Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

2.2.1.3 Derecognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

2.2.1.4 Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognised in the statement of profit and loss.

Depreciation on additions to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the date in which the asset is available for use/disposed.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.



Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment. Depreciation is accordingly provided at the rates calculated on the basis of useful life prescribed in Part C of Schedule II of the Companies Act, 2013 which in view of management are reflective of the useful life of such assets except for the following assets:

Particulars	Useful life*
Building	30/21 years
Railway sidings	30/60 years

*Based on independent technical evaluation, the estimated useful life of certain items of railway sidings and building is different from the useful life as prescribed under Part C of schedule II of the Companies Act 2013, which management believes is the representative of useful lives of these property, plant and equipment.

2.2.1.5 Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2017, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see note 39).

2.2.2 Intangible assets and amortization

2.2.2.1 Recognition and measurement

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

2.2.2.2 Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

2.2.2.3 Amortization

Amortization is computed to write off the cost of intangible assets less their estimated residual value over their estimated useful lives using the straight-line method, and is included in amortization in Statement of Profit and Loss.



Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

2.2.3 Cash and cash equivalents

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

2.2.4 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.

2.2.4.1 Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

a. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ('EIR') method. Amortized 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 amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

b. Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:



- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI.

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

c. Debt instrument at FVTPL (Fair value through profit or loss)

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

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

d. Equity Investments

All equity instruments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL). The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.



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e. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) 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.

f. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

For recognition of impairment loss on 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 recognizing impairment loss allowance based on 12-month ECL.

2.2.4.2 Financial liability

Initial recognition and measurement

Financial liabilities are classified and measure, at initial recognition, at fair value (i.e. net of directly attributable transaction costs. The Company's financial liabilities include borrowings, trade and other payables.

Subsequent measurement

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

a. Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process Amortized 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 amortization is included in finance costs in the Statement of Profit and Loss. This category generally applies to trade payables and other contractual liabilities.



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b. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated 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 risk are recognized in OCI. These gains/losses are not subsequently transferred to 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 recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

c. De-recognition

A financial liability is derecognized 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 recognized in the statement of profit or loss.

2.2.5 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.2.6 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.



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When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

2.2.7 Revenue

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' from April 01, 2018 which resulted in changes in accounting policies. In accordance with the transition provisions in Ind AS 115, the Company has adopted the new standard retrospectively. As a result of the changes in the entity's accounting policies, comparative information for prior periods need to be restated. However, there is no impact of such changes in accounting policies on the financial statements of prior periods and accordingly, no adjustments have been made to the originally presented comparative information for prior periods.

Under Ind AS 115, revenue is recognised upon transfer of control of promised goods or services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue from bundled contracts is recognized separately for each performance obligation based on stand-alone selling price. Revenue is recorded provided the recovery of consideration is probable and determinable.

Revenues from sale of services comprise income from container handling and transportation services and terminal access services provided to rail operators. Revenue from handling and



transport services are recognized on completion of services i.e. when services are performed or delivered, as per the contracts entered with the customers and no significant uncertainty exists with regard to the amount of the consideration that will be derived from the sale of services and its collection.

Revenue from terminal access service is recognized on completion of access services provided to rail operators for loading/unloading of the containers.

Revenue from rental income is recognized as per the agreement with the parties

The amount recognized as revenue is exclusive of taxes and is net of returns and trade discounts.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

(a) Contract assets

A Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the establishment performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized from the earned consideration that is conditional. The contract assets are transferred to receivable when the rights become unconditional.

(b) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Establishment has received consideration from the customer. If a customer pays consideration before the establishment transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Establishment performs under the contract.

2.2.11 Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognized in the Statement of Profit and Loss in the period in which the employee renders the related services. Such obligations are measured on an undiscounted basis.

Post Employment Benefit

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee



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benefits expense in Statement of Profit and Loss in the period during which services are rendered by employees.

The Company pays fixed contribution to Provident Fund at predetermined rates to regional provident fund commissioner. The contributions to the fund for the year are recognized as expense and are charged to the statement of profit & loss.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity is in the nature of defined benefit plans.

The Company's net obligation in respect of defined benefit plan is calculated separately by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognized past service costs. Any actuarial gains or losses are recognised in OCI in the period in which they arise.

Other long term employee benefits

Benefits under the Company's compensated absences constitute other long term employee benefit.

Cost of long-term benefit by way of accumulating compensated absences arising during the tenure of the service is calculated taking into account the pattern of availment of leave. In respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected up to the assumed date of encashment. The present value of obligations under such long-term benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method as at period end.

2.2.12 Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For assets that are not yet available for use, the recoverable amount is estimated at each reporting date.



The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in Statement of Profit and Loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.2.13 Lease

2.2.13.1 Accounting for leases- As a lessee

Assets held under finance leases are initially 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 Company balance sheet 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 profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are recognized as an expense over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Initial direct costs incurred specifically for an operating lease are deferred and charged to the Statement of Profit and Loss over the lease term.

2.2.13.2 Accounting for leases- As a lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods



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so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

2.2.14 Income tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in the Statement of Profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

In the situations where any company is entitled to a tax holiday under Income Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (assets or liability) is recognized in respect of timing differences which reserves during the tax holiday period, to the extent the said company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. For



recognition of deferred taxes, the timing differences which originates first are considered to reserve first.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

Minimum Alternative Tax (MAT) under the provisions of Income Tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as deferred tax assets only to the extent it is probable that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognized as deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.2.15 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.2.16 Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's management to allocate resources to the segments and assess their performance.

The Board of Directors is the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

2.2.17 Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.



Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in statement of profit or loss.

2.2.18 Recent pronouncement

i. **Ind AS 116 Leases:**

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognizes right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116 effective annual reporting period beginning April 1, 2019 using the modified retrospective approach and elected to measure the right-of-use assets at an amount equal to the lease liability as at the date of initial application.

The Company has completed an initial assessment of the potential impact on its financial statements but has not completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable at present.

The Company will recognize with effect from April 1, 2019 new assets and liabilities for its operating leases of premises and other assets.

The nature of expenses related to those leases will change from lease rent in previous periods to (a) amortization charge for the right-to-use asset, and (b) interest accrued on lease liability

Previously, the Company recognized operating lease expense on a straight-line basis over the term of the lease, and recognized assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognized.

- ii. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax



treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 01,2019.

The Company is currently evaluating the effect of this amendment on the financial statement.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 01, 2019.

The Company is currently evaluating the effect of this amendment on the financial statement.



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Kanpur Logistics Park Private Limited

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Notes to the financial statements for the year ended March 31, 2019
(All amounts in Indian Rupees Lacs, unless otherwise stated)

3. Property, plant and equipment

	Building	Plant and equipment	Furniture and fittings	Vehicles	Office equipments	Railway siding	Roads	Computers	Total
Gross block									
At April 01, 2017	634.03	737.80	13.13	943.07	10.59	345.51	5.89	7.01	2,697.03
Additions	733.10	380.97	0.53	269.11	4.54	-	8.10	5.72	1,402.07
Disposals	-	-	-	1.55	-	-	-	-	1.55
At March 31, 2018	1,367.13	1,118.77	13.66	1,210.63	15.13	345.51	13.99	12.73	4,097.55
Additions	410.68	130.80	0.45	28.60	2.98	9.58	-	3.73	586.82
Disposals	-	-	-	0.65	-	-	-	-	0.65
At March 31, 2019	1,777.81	1,249.57	14.11	1,238.58	18.11	355.09	13.99	16.46	4,683.72
Depreciation									
At April 01, 2017	-	-	-	-	-	-	-	-	-
Charge for the year	73.63	150.31	3.67	332.68	5.47	29.64	4.43	5.82	605.65
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2018	73.63	150.31	3.67	332.68	5.47	29.64	4.43	5.82	605.65
Charge for the year	157.44	172.52	2.78	282.82	5.26	27.43	3.46	6.34	658.05
Disposals	-	-	-	-	-	-	-	-	-
At March 31, 2019	231.07	322.83	6.45	615.50	10.73	57.07	7.89	12.16	1,263.70
Net block									
At April 01, 2017	634.03	737.80	13.13	943.07	10.59	345.51	5.89	7.01	2,697.03
At March 31, 2018	1,293.50	968.46	9.99	877.95	9.66	315.87	9.56	6.91	3,491.90
At March 31, 2019	1,546.74	926.74	7.66	623.08	7.38	298.02	6.10	4.30	3,420.02

* The Company has elected to avail the exemption available under Ind AS 101 to use the carrying value (measured as per the previous GAAP) for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, as deemed cost as at the date of transition (i.e. April 1, 2017). Refer note 39 for Ind AS 101 exemption and other adjustments.

The Company accounts for all capitalization of property, plant and equipment through capital work-in-progress and therefore the movement in capital work-in-progress is the difference between closing and opening balances of capital work-in-progress as adjusted in additions to property, plant and equipment and impairment of capital work-in-progress. Capital work-in-progress as at 31 March 2019 is Rs Nil (31 March 2018 - Rs. Nil, 1 April 2017 - Rs. 28.45 lacs)

Also refer note 15 for details related to asset hypothecation.



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Notes to the financial statements for the year ended March 31, 2019
(All amounts in Indian Rupees Lacs, unless otherwise stated)

4. Intangible assets	Computer software	Total
Gross block		
At April 01, 2017	3.21	3.21
Additions	0.08	0.08
Disposals	-	-
At March 31, 2018	3.29	3.29
Additions	-	-
Disposals	-	-
At March 31, 2019	3.29	3.29
Amortization		
At April 01, 2017	-	-
Charge for the year	1.02	1.02
Disposals	-	-
At March 31, 2018	1.02	1.02
Charge for the year	0.70	0.70
Disposals	-	-
At March 31, 2019	1.72	1.72
Net block		
At April 01, 2017	3.21	3.21
At March 31, 2018	2.27	2.27
At March 31, 2019	1.57	1.57

*The Company has elected to avail the exemption available under Ind AS 101 to use the carrying value (measured as per the previous GAAP) for its intangible assets as recognized in the financial statements as at the date of transition to Ind AS, as deemed cost as at the date of transition (i.e. April 1, 2017). Refer note 39 for Ind AS 101 exemption and other adjustments.



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5 Loans

Particulars	As at	As at	As at
	March 31, 2019	March 31, 2018	April 1, 2017
<i>Unsecured, considered good, unless otherwise stated</i>			
Security deposit (at amortized cost)	8.86	9.73	9.00
Total	8.86	9.73	9.00

The Company's exposure to credit risks related to financial assets carried at amortized cost are disclosed in note 38.

6 Other financial assets

Particulars	As at		As at		As at	
	March 31, 2019		March 31, 2018		April 1, 2017	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
<i>Unsecured, considered good, unless otherwise stated</i>						
Bank deposits (remaining maturity more than 12 months from the reporting date) #	42.64	-	22.37	-	12.87	-
Interest accrued on bank deposits	15.57	5.82	8.89	4.94	6.60	3.88
Other receivables	-	22.68	-	24.81	-	28.77
<i>Unsecured, considered doubtful</i>						
Other receivables	-	15.26	-	15.26	-	-
Allowance for doubtful receivables	-	(15.26)	-	(15.26)	-	-
Total	58.21	28.50	31.26	29.75	19.47	32.65

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The Company's exposure to credit risks related to financial assets carried at amortized cost are disclosed in note 38.

7 Deferred tax

Particulars	As at	As at	As at
	March 31, 2019	March 31, 2018	April 1, 2017
Deferred tax assets/ (liabilities)	(35.66)	28.66	39.13
MAT credit entitlement	-	-	72.88
Total	(35.66)	28.66	112.01

Deferred tax assets/ (Deferred tax liabilities) (net)

Particulars	As at	As at	As at
	March 31, 2019	March 31, 2018	April 01, 2017
Deferred tax assets rising on timing differences on account of:			
Difference between written down value of property, plant and equipment and intangible assets as per Income Tax Act, 1961 and as per books of accounts	-	25.17	34.76
Provision for employee benefits	1.09	3.49	4.00
Impairment allowance for trade receivable	0.38	-	0.37
Total deferred tax assets	1.47	28.66	39.13

Deferred tax liabilities rising on timing differences on account of:

Difference between written down value of property, plant and equipment and intangible assets as per Income Tax Act, 1961 and as per books of accounts	37.13	-	-
	37.13	-	-
MAT credit entitlement	-	-	72.88
Net deferred tax assets / (liabilities)	(35.66)	28.66	112.01

The Company is eligible for tax holiday under section 80IA of the income tax act, 1961. During the year 2017-18 the Company had decided to avail tax holiday. The Company is liable to pay income tax for the year and previous year under the provision of minimum alternative tax as prescribed under section 115JB of the income tax act, 1961. Deferred tax has been recognized only to the extent of the deferred tax reversal falling out of tax holiday period. Further MAT credit of earlier years has also been written off during the year ended March 31, 2018.



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Movement in deferred tax assets/(liabilities)

As at March 31, 2019

Particulars	Net balance April 01, 2018	Recognized in profit or loss	Recognized in OCI	Net balance March 31, 2019
Deferred tax liability				
Less: Deferred tax assets				
Difference between written down value of property, plant and equipment and intangible assets as per Income Tax Act, 1961 and as per books of accounts	25.17	25.17	-	-
Provision for employee benefits	3.49	2.40	-	1.09
Impairment allowance for trade receivable	-	(0.38)	-	0.38
Recognized deferred tax assets/(liabilities) (net)	28.66	27.19	-	1.47
MAT credit entitlement	-	-	-	-
Unrecognized deferred tax assets/(liabilities) (net)	28.66	27.19	-	1.47

As at March 31, 2018

Particulars	Net balance April 01, 2017	Recognized in profit or loss	Recognized in OCI	Net balance March 31, 2018
Deferred tax liability				
Less: Deferred tax assets				
Difference between written down value of property, plant and equipment and intangible assets as per Income Tax Act, 1961 and as per books of accounts	34.76	9.59	-	25.17
Provision for employee benefits	4.00	0.51	-	3.49
Impairment allowance for trade receivable	0.37	0.37	-	-
Recognized deferred tax assets/(liabilities) (net)	39.13	10.47	-	28.66

Effective tax reconciliation

	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit before tax	970.80	821.05
Tax rate	27.82%	29.12%
Tax on above	270.08	239.09
Tax benefit as per normal provisions (refer note (a))	-	-
Tax expense as per MAT	201.23	194.02
MAT credit not recognized due to reasonable uncertainty (refer note (b))	-	-
Deferred tax recognized after tax holiday period (refer note (c))	64.33	10.47
	265.56	204.49

Note (a): The Company has availed exemption under Section 80IA of the Income tax Act, 1961 during the previous year.

Note (b): In view of absence of reasonable certainty of realization of MAT credit it has not been recognized in the books of account.

Note (c): The Company has recognized tax assets/ (liability) only to the extent which are beyond tax holiday period .

8 Non current tax assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Advance tax (net of provision for tax Rs 458.30 lacs; March 31, 2018: 83.28 lacs; April 01, 2017: 83.28 lacs)	34.77	29.54	28.80
	34.77	29.54	28.80

9 Other assets

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
<i>Unsecured, considered good, unless otherwise stated</i>						
Capital advances	1.81	-	1.81	-	9.45	-
Deferred rent	2.97	0.56	2.48	0.67	3.15	0.67
Balances with statutory/ government authorities	-	35.20	-	25.60	-	16.49
Advance to supplier	-	16.01	-	21.56	-	15.68
Advance to employees	-	5.34	-	9.29	-	4.31
Prepaid expenses	2.35	68.28	1.19	63.08	-	66.00
Others	-	-	-	-	-	0.33
Total	7.13	125.39	5.48	120.20	12.60	103.48



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10 Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Trade receivables			
Unsecured, considered good	779.37	1,121.89	572.06
Credit impaired	46.67	37.09	21.12
Loss allowance	(46.67)	(37.09)	(21.12)
Total	779.37	1,121.89	572.06

Of the above, trade receivable from related parties are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Trade receivable from related parties	295.04	743.52	214.92
Loss allowance			
Net trade receivables	295.04	743.52	214.92

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

The Company's exposure to credit risks related to financial assets carried at amortized cost are disclosed in note 38.

11 Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Cash in hand	1.11	0.95	0.74
Balances with banks:			
On current accounts	54.16	33.09	22.68
Total	55.27	34.04	23.42

The disclosures regarding details of specified bank notes held and transacted during November 08, 2016 to December 30, 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended March 31, 2019.

12 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Margin money #	113.87	16.14	15.64
Total	113.87	16.14	15.64

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13 Equity share capital

Particulars	As at	As at	As at
	March 31, 2019	March 31, 2018	April 01, 2017
Authorized :			
10,000,000 (March 31, 2018: 10,000,000 ; April 01, 2017 10,000,000) equity shares of Rs. 10 each	1,000.00	1,000.00	1,000.00
500,000 (March 31, 2018: 500,000; April 01, 2017: 500,000) 15% double option cumulative fully convertible preference shares of Rs. 10 each	50.00	50.00	50.00
	1,050.00	1,050.00	1,050.00
Issued, subscribed and paid-up:			
10,000,000 (March 31, 2018: 10,000,000 ; April 01, 2017 9,500,000) equity shares of Rs. 10 each	1,000.00	1,000.00	950.00
Total	1,000.00	1,000.00	950.00

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
Equity shares

	As at March 31, 2019		As at March 31, 2018	
	No.	Rs.	No.	Rs.
At the beginning of the year	100.00	1,000.00	95.00	950.00
Add : issue of equity share on conversion of 15% double option cumulative fully convertible preference shares (refer note 15)	-	-	1.04	10.42
Add: issue of equity share on conversion of 15% double option cumulative fully convertible debentures (refer note 15)	-	-	3.96	39.58
Outstanding at the end of the year	100.00	1,000.00	100.00	1,000.00

b) Terms/ rights attached to equity shares

The Company has a single class of equity shares, accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Each holder of equity share is entitled to one vote per share.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(c) Shares held by holding company

	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No.	Rs.	No.	Rs.	No.	Rs.
Pristine Logistics & Infraprojects Private Limited						
9,000,000 (March 31, 2018: 9,000,000 ; April 01, 2017 9,000,000) equity shares of Rs.10 each, fully paid up	90.00	900.00	90.00	900.00	90.00	900.00
	90.00	900.00	90.00	900.00	90.00	900.00

(d) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No.	% Holding	No.	% Holding	No.	% Holding
Equity shares of Rs. 10 each fully paid						
Pristine Logistics & Infraprojects Private Limited	90.00	90.00%	90.00	90.00%	90.00	94.74%
Hindustan Dock Yard Pvt. Ltd.	6.86	6.86%	6.86	6.86%	-	-

(e) The Company has neither issued/ allotted any shares for consideration other than cash, nor has issued bonus shares during the period of five years immediately preceding the balance sheet date. Further, no shares have been reserved for issue under options and contracts/ commitments for sales of shares/ disinvestment by the



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14 Other equity

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Securities premium	376.60	376.60	-
Retained earnings	1,077.35	373.52	(213.93)
Debenture redemption reserve	-	-	47.50
Equity component of financial instruments	12.96	12.96	12.96
	<u>1,466.90</u>	<u>763.09</u>	<u>(153.47)</u>

Particulars	As at March 31, 2019	As at March 31, 2018
Retained earning		
Balance as at the beginning of the year		373.52 (213.93)
Add: Profit during the year		705.23 543.68
Add: Amount transfer from debenture redemption		- 47.50
Other comprehensive income/ (expense)		
Add: actuarial gain/(loss) on defined benefit plan for the year(net of tax) (refer note 31)		(1.42) (3.73)
Closing balance as at reporting date (A)	<u>1,077.35</u>	<u>373.52</u>
Debenture redemption reserve		
Opening balance as on reporting date		- 47.50
Add: Transferred during the year		(47.50)
Closing balance as at reporting date (B)	<u>-</u>	<u>-</u>
Securities premium account		
Opening balance as on reporting date		376.60 -
Add: Premium on conversion of preference shares		- 78.46
Add: Premium on conversion of 15% double option cumulative fully convertible debentures		- 298.14
Closing balance as at reporting date (C)	<u>376.60</u>	<u>376.60</u>
Equity component of financial instruments		
Opening balance as on reporting date		12.96 12.96
Addition during the year		- -
Closing balance as at reporting date (D)	<u>12.96</u>	<u>12.96</u>
Total (A+B+C+D)	<u>1,466.90</u>	<u>763.09</u>

Note:

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Act.

Debenture redemption reserve

The company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debenture.

Equity component of financial instruments

This refers to the equity component of the fully convertible preference shares. The liability component is reflected in financial liabilities.



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Kanpur Logistics Park Private Limited

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Notes to the financial statements for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

15 Borrowings

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non-Current	Current *	Non-Current	Current *	Non-Current	Current *
Loan from banks (secured)	373.92	533.83	774.62	634.40	640.62	488.34
Loan from financial institution (secured)	6.13	5.66	11.79	5.23	-	-
Loans from banks (unsecured)	-	18.37	18.37	21.39	-	-
Loan from others (unsecured)	-	51.43	51.43	143.50	-	106.10
15% Double option cumulative fully convertible debentures (unsecured)	-	-	-	-	332.95	-
Liability component of compound financial instrument	-	-	-	-	87.62	-
Total	380.05	609.29	856.21	804.52	1,061.19	594.44

* Amount disclosed under "other financial liabilities" (refer note 16)

Movement in Borrowings	As at 31 March 2019	As at 31 March 2018
Opening balance	1,660.73	1,655.63
Borrowings taken during the year	146.24	1,137.41
Borrowings repaid during the year	(817.62)	(711.75)
Interest expense	-	6.01
Conversion to equity (including securities premium)	-	(426.58)
Closing balance	989.34	1,660.73



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A. Terms of borrowings

Lender	Details of security/guarantee	Repayment, rate of interest and other terms (the instalment amount is in absolute terms)	Loan outstanding as at March 31, 2019	Loan outstanding as at March 31, 2018	Loan outstanding as at April 1, 2017
(I) Term Loan from banks					
HDFC Bank Limited- (Loan for vehicle)	Secured by way of hypothecation of two cars	<i>Repayment terms:</i> 48 equal monthly instalments of Rs.15,377 and 36 equal monthly instalments of Rs. 22,472 which commenced on September 5, 2013 and June 7, 2016 respectively; <i>Rate of interest:</i> 10.55% per annum and 7.94% per annum respectively	0.44	2.96	6.00
HDFC Bank Limited-(loan for plant and equipment)	Secured by way of hypothecation of trailers and personal guarantee given by Director, Aviral Jain	<i>Repayment terms:</i> 47 equal monthly instalments which commenced January 5, 2014, October 5, 2014 and March 5, 2016, 24 equal monthly instalments which commenced August 5, 2015, 35 equal monthly instalments which commenced on October 20, 2014 and 36 equal monthly instalments which commenced January 20, 2015, August 5, 2015 and January 05, 2017. <i>Rate of interest:</i> 10% per annum, 10.13% per annum, 11.12% per annum, 11.26% per annum, 9.60% per annum, 10.70% and 9.30% per annum respectively.	539.38	721.72	471.14
ICICI Bank Limited - (loan for plant and equipment)	Secured by way of hypothecation of trailers and personal guarantee given by Director, Aviral Jain	<i>Repayment terms:</i> 24 monthly instalments which commenced on June 15, 2015, 23 monthly instalments which commenced on January 22, 2017 and 35 equal monthly instalments which commenced on March 15, 2017 respectively <i>Rate of interest:</i> 11% per annum, 10.11% per annum and 8.82% per annum respectively.	149.22	358.74	464.71
HDFC Bank Limited - (loan for plant and equipment)	Secured by way of hypothecation of reachstacker	<i>Repayment terms:</i> 35 equal monthly instalments which commenced on November 5, 2016 <i>Rate of interest:</i> 9.40% per annum	34.18	97.93	155.98
HDFC Bank Limited - (loan for plant and equipment)	Secured by way of hypothecation of forklift	<i>Repayment terms:</i> 35 equal monthly instalments and 47 equal monthly instalments which commenced on October 01, 2014 and August 15, 2016 respectively <i>Rate of interest:</i> 10.25% and 9.50% per annum respectively	8.62	14.81	21.74
HDFC Bank Limited - (loan for plant and equipment)	Secured by way of hypothecation of loaders	<i>Repayment terms:</i> 18 equal monthly instalments of Rs. 24,400 which commenced on August 15, 2015 <i>Rate of interest:</i> 11.80% per annum	-	-	0.48
ICICI Bank Limited - (loan for plant and equipment)	Secured by way of hypothecation of reachstacker and personal guarantee given by Director, Aviral Jain for fresh borrowings	<i>Repayment terms:</i> 24 equal monthly instalments which commenced on June 15, 2015 <i>Rate of interest:</i> 11% per annum	-	-	8.91
ICICI Bank Limited- (Loan for vehicle)	Secured by way of hypothecation of cars	<i>Repayment terms:</i> 36 monthly instalments which commenced on February 15, 2018 and 36 equal monthly instalments which commenced on October 05, 2017 respectively <i>Rate of interest:</i> 8.75% per annum and 8.50% per annum respectively.	23.61	11.73	-



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Kanpur Logistics Park Private Limited

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Notes to the financial statements for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

Kotak Bank Loan (loan for plant and equipment)	Secured by way of hypothecation of reach staker	Repayment terms: 47 equal monthly instalments which commenced on February 15, 2018 Rate of interest: 8.155 % per annum	147.48	193.45	-
ICICI Bank - (loan for plant and equipment)	Secured by way of hypothecation of forklift	Repayment terms: 35 equal monthly instalments which commenced on November 20, 2017 Rate of interest: 9.41% per annum	4.82	7.68	-
Kotak Mahindra Bank - Working Capital Loan	Unsecured	Repayment terms: 24 equal monthly instalments which commenced on January 10, 2018 Rate of interest: 15% per annum	18.37	39.76	-

Lender	Details of security/guarantee	Repayment, rate of interest and other terms (the instalment amount is in absolute terms)	Loan outstanding as at March 31, 2019	Loan outstanding as at March 31, 2018	Loan outstanding as at April 1, 2017
(II) Loan from others					
Toyota Financial Services India Ltd.	Secured	Repayment terms: 36 equal monthly instalments of Rs. 53,545 which commenced on April 10, 2018. Rate of interest: 8.27% per annum	11.79	17.02	-
Majha Transport Private Limited	Unsecured	Repayment terms: 18 monthly instalments which commenced on August 16, 2016. Rate of interest: 11% per annum Others: Trade payable amounting to Rs. 184.27 lacs outstanding as at March 31, 2016 was converted into unsecured loan repayable in 18 monthly instalments via agreement dated August 01, 2016	-	-	106.10
Majha Transport Private Limited	Unsecured	Repayment terms: 18 monthly instalments which commenced on February 10, 2018. Rate of interest: 11% per annum Others: Trade payable amounting to Rs. 217.36 lacs outstanding as at March 31, 2017 was converted into unsecured loan repayable in 18 monthly instalments via agreement dated February 10, 2018.	51.43	194.93	-

(III) 15% Double option cumulative fully convertible debentures and 15% Double option cumulative fully convertible preference shares

During the financial year ended March 31, 2014, the Company had entered into an agreement with "Jain family" whereby it had issued 1,900,000, 15% double option fully convertible debentures and 500,000, 15% Double option cumulative fully convertible preference shares of Rs. 10 each. These debentures and preference shares were convertible within 37 months from the date of issue i.e. March 31, 2014 into 395,833 equity shares of Rs. 10 per share at a premium of Rs. 63 per share or redeemable at a premium of Rs. 3.15 per debenture and 1,04,167/395,833 equity shares of Rs. 10 per share at a premium of Rs. 63 per share or redeemable at a premium of Rs. 3.15 per preference share. Subsequent to the year end, the Company entered into addendum to the shareholder's agreement dated September 22, 2017 and 27 September 2017 whereby the period for conversion option was extended by 24 months and the premium has also been reduced to Rs. 38. The 15% Double option cumulative fully convertible debentures and 15% Double option cumulative fully convertible preference shares were subsequently converted into equity shares during the previous year.

As per the agreement "Jain family" has the option to either convert or redeem the preference shares and debentures and the company has the obligation to honor the said right. Also, the "Jain family" has an option to exercise buyback of the equity shares by the company. Accordingly, there is a contractual obligation on the Company to purchase/redeem the Investor securities. Hence the instrument is classified as financial liability as at transition date. The valuation of the instrument is as per the price agreed in the SHA.



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16 Other financial liabilities

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Current maturities of borrowings (refer note 15)	-	609.29	-	804.51	-	594.44
Interest accrued and due on borrowings	-	4.51	-	8.05	-	6.15
Payable for purchase of property, plant and equipment	-	15.81	-	40.66	-	36.01
Employee payable	-	15.75	-	19.73	-	11.92
Security deposit	84.80	98.17	188.49	102.06	268.51	0.63
Interest on late deposit of advance tax	-	-	-	12.69	-	-
Interest on advance from related parties	-	-	-	-	-	22.82
Other payable	-	-	-	27.57	-	-
Total	84.80	743.53	188.49	1,015.27	268.51	671.97

17 Provisions

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Provision for employee benefits						
Gratuity (refer note 31)	18.26	5.37	12.80	4.26	9.76	0.24
Compensated absences (refer note 31)	10.41	1.57	2.57	1.14	2.05	0.05
Total	28.67	6.94	15.37	5.40	11.81	0.29

18 Other liabilities

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Statutory dues payable	-	38.68	-	28.73	-	23.66
Deferred income	27.61	66.13	45.14	11.63	40.17	11.63
Contractual liabilities- advance from customers	-	10.86	-	94.35	-	87.45
Total	27.61	115.67	45.14	134.71	40.17	122.74

19 Current borrowings

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	Loan repayable on demand		
Cash credit facilities from banks (secured)*	189.25	194.81	72.92
Total	189.25	194.81	72.92

*Cash credit facility from bank carries an interest rate of 12.25% p.a. (March 31, 2018: 12.25%; April 01, 2017: 12.25%), at monthly rests and is repayable on demand. This is secured through first charge on current assets, bank deposits, present and future, including book debts, loans and advances.



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20 Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Total outstanding dues of micro enterprises and small enterprises; and (refer note 20.1 below)	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	553.88	604.13	611.69
Total	553.88	604.13	611.69

20.1 Disclosure relating to Micro, Small and Medium Enterprises Development Act, 2006 is as follows:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-
Total	-	-	-

The Company's exposure to liquidity risk related to financial liabilities carried at amortized cost are disclosed in note 38.

21 Current tax liabilities (net)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Provision for current tax (net of advance tax of Rs. Nil (March 31, 2018: Rs 95.78 lacs; April 01, 2017 : Rs Nil))	-	98.24	-
Total	-	98.24	-



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22 Revenue from operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from contracts with customers:		
Sale of services:		
Handling and transport services	5,039.05	4,763.97
Terminal access income	418.98	412.17
Rail freight and other reimbursements	40.48	29.87
	<u>5,498.51</u>	<u>5,206.01</u>
Other operating revenue		
Demurrage and other miscellaneous income	9.67	13.29
CHA incentive	63.96	-
	<u>73.63</u>	<u>13.29</u>
Total	<u><u>5,572.14</u></u>	<u><u>5,219.30</u></u>

23 Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income on bank deposits	8.45	3.64
Income from rent	5.24	5.59
Bad debts recovered	-	1.12
Liabilities no longer required written back	38.49	21.88
Interest accrued but due on debentures written back	1.15	-
Miscellaneous income	25.55	1.34
Total	<u><u>78.88</u></u>	<u><u>33.57</u></u>

24 Direct expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Handling and transport charges	2,368.03	2,150.83
Rail freight charges	40.48	29.87
Trailer rent	35.03	8.46
Others	129.97	129.84
Total	<u><u>2,573.51</u></u>	<u><u>2,319.00</u></u>

25 Employee benefits expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus	240.14	216.16
Contribution to provident and other funds	14.36	11.05
Staff welfare expense	41.35	40.64
Total	<u><u>295.86</u></u>	<u><u>267.85</u></u>

26 Finance cost

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on loan from bank and financial institution	127.13	133.22
Interest expense on litigation settlements (refer note 30)	25.17	147.25
Interest on advance from related party	-	38.88
Interest on amortization of security deposits	-	0.38
Interest on late deposits of income tax	0.53	0.58
Interest on loan from others	13.56	16.45
	<u><u>166.39</u></u>	<u><u>336.76</u></u>



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Kanpur Logistics Park Private Limited

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Notes to the financial statements for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

27 Depreciation and amortization

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment	658.05	605.65
Amortization on intangible assets	0.70	1.01
	<u>658.75</u>	<u>606.66</u>

28 Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent (refer note 33)	262.16	211.25
Outsourcing cost	262.96	210.18
Power and fuel	170.59	153.66
Security	40.90	32.40
Insurance	17.72	34.42
Repair and maintenance - others	26.78	23.69
Repair and maintenance - building	6.65	5.08
Advertising and sales promotion		
Communication cost	13.51	13.96
Legal and professional fees#	35.33	39.62
Impairment allowance for trade receivable	9.58	15.97
Bank charges	3.32	4.90
Impairment allowance for financial assets	-	15.26
Travelling and conveyance	30.10	31.54
Incentive expense	-	-
Rates and taxes	50.30	26.19
Printing & stationary		
Vehicle running expenses	9.16	10.86
Loss on sale of property plant and equipment	-	0.30
Management support fees	-	37.55
Miscellaneous	46.66	34.72
	<u>985.72</u>	<u>901.55</u>

28.1 Details in respect of payment to auditors#

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Audit fee	9.25	9.25
Reimbursements of expenses	0.61	0.74
Total	<u>9.86</u>	<u>9.99</u>



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Kanpur Logistics Park Private Limited

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Notes to the financial statements for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

29 Contingent liabilities and commitments

- a) Estimated amount of contracts remaining to be executed which is of capital nature (net of advances) and which have not been provided for in the financial statements, amounts to Nil (March 31, 2018: Nil, April 1, 2017: 23.75 lacs).
- b) The Company has given bank guarantee of Rs: 22.37 lacs (March 31, 2018: 60.64 lacs, April 1, 2017: Rs. 50.64 lacs) to government authorities to discharge the obligations as a custodian of Import and export goods and EPCG license. The Company has met the export obligations related to this EPCG license scheme.
- c) Pursuant to recent judgement by the Hon'ble Supreme Court dated February 28, 2019, it was held that basic wages, for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and year from which the same applies. Owing to the aforesaid uncertainty and pending clarification from the authorities in this regard, the Company has not recognized any provision for the years prior to February 28, 2019. Further, management also believes that the impact of the same on the Company will not be material.

On the basis of current status of the above cases and as per internal evaluation, the Company believes that the probability of liability devolving on the Company is low.

- 30 A Shareholders Agreement (SHA) was signed with ETA Engineering Private Limited on January 05, 2011 which was later replaced by another SHA on April 30, 2011 signed with Freightstar Private Limited (FPL), part of ETA Group.

As per the terms of the SHA dated April 30, 2011, ETA group was required to subscribe 20% shares of Kanpur Logistics Park Private Limited (KLPL) by paying a total amount of Rs. 700 lacs. Initially, the payment was made by the group but the cheque(s) got bounced. Subsequently, an amount of Rs. 500 lacs was paid by them (Rs. 65.57 lacs to Aeren R Logistics & Infrastructure Private Limited and balance of Rs. 434.43 lacs to Pristine Logistics & Infraprojects Private Limited (PLIPL). The said amount was partially advanced by PLIPL to Kanpur Logistics Park Private Limited ("KLPL") amounting Rs 250 lacs.

As per the SHA, the closing of the above issuance of shares was to happen after full payment of Rs. 700 lacs and accordingly, closing did not take place as ETA Group defaulted in making the payment. Subsequently, FPL invoked arbitration for a refund of Rs. 500 lacs along with the interest and filed a claim of Rs. 500 lacs along with the interest on PLIPL & Aeren R. The matter went under arbitration and the arbitration award dated November 06, 2015 allowed the claims of FPL and ETA Group. The arbitration award allowed the claim of Rs. 435 lacs along with interest @12% per annum from 6 May 2012 till the passing of the award amounting to Rs.182.70 lacs against PLIPL and KLPL. The Company subsequently filed an appeal before the Honorable Delhi High Court ("High Court") against the arbitration amount. The High court vide its order dated January 20, 2017 passed a order in favor of FPL and ETA Group allowing repayment of principal and interest from the date of arbitration order till the date of High court order (i.e. January 20, 2017).

During the previous year the Company pleaded with the High Court against the interest portion. The High Court vide its Order dated January 09, 2018 upheld interest payment to be made to FPL and ETA Group from the date of the date of disbursement till the date of High Court' order (i.e. January 09, 2018) along with late payment charges @ 12% p.a.

The Company accordingly recorded an interest expense amounting to Rs 147.25 lacs in the Statement of profit and loss in the previous year.



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Kanpur Logistic Park Private Limited

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Notes to the financial statements for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

31 Employee benefits

(i) Defined contribution plans:

Provident fund

The Company makes contributions, determined as a specified percentage of employee's salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as expense towards such contribution to provident fund and employee state insurance fund for the year aggregated to Rs. 14.36 lacs (March 31, 2018 Rs. 11.05 lacs).

(ii) Defined benefit plans:

A. Gratuity

The Company has a defined benefit plan that provide gratuity. The gratuity plan entitles all eligible employees who has completed five years or more of service to receive one half month's salary for each year of completed service at the time of retirement, superannuation, death or permanent disablement, in terms of the provisions of the payment of Gratuity Act or as per company's scheme whichever is more beneficial. The following table summarizes the position of assets and obligations:

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity and the amounts recognized in the Company's financial statements as at balance sheet date:

	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
a) Net defined benefit liability:			
Gratuity (unfunded)	23.63	17.06	10.00
	<u>23.63</u>	<u>17.06</u>	<u>10.00</u>
b) Classification of defined benefit liability in current and non-current:			
Non-current	18.26	12.80	9.76
Current	5.37	4.26	0.24

c) Reconciliation of present value of defined benefit obligation:

	Defined benefit obligation	
	March 31, 2019	March 31, 2018
Balance at the beginning of the year	17.06	10.00
Benefits paid	-	(0.48)
Current service cost	3.94	3.07
Interest cost	1.21	0.75
Actuarial (gain)/ loss recognized in other comprehensive income	-	-
-Demographic assumptions	-	3.37
-Financial assumptions	0.98	1.21
-Experience adjustment	0.44	(0.86)
Balance at the end of the year	<u>23.63</u>	<u>17.06</u>



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Kanpur Logistic Park Private Limited

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Notes to the financial statements for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

d) Expense recognized in statement of profit or loss:

	March 31, 2019	March 31, 2018
Current service cost	3.94	3.07
Interest cost	1.21	0.75
	<u>5.15</u>	<u>3.82</u>

e) Remeasurement recognized in other comprehensive income:

	March 31, 2019	March 31, 2018
Actuarial (gain)/ loss on defined benefit obligation	1.42	(3.73)
	<u>1.42</u>	<u>(3.73)</u>

f) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	March 31, 2019	March 31, 2018
Discount rate	7.65%	7.54%
Salary escalation rate	5.61%	5.61%
Retirement age (years)	58	58
Mortality rates inclusive of provision for disability	100% of IALM (2006 - 08)	
Ages		
Attrition rate	26.57%	26.57%

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

g) Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	March 31, 2019		March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(0.35)	0.37	(0.25)	0.26
Salary escalation rate (0.5% movement)	0.36	(0.35)	0.26	(0.25)



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Notes to the financial statements for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

The sensitivity analysis is based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognized in the Balance Sheet.

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior years.

h) Risk exposure:

i) Changes in discount rate

A decrease in discount yield will increase plan liabilities.

ii) Mortality table

The gratuity plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in plan liabilities.

Expected maturity analysis of gratuity in future

	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at March 31, 2019	5.42	4.23	7.96	6.02	23.63
As at March 31, 2018	4.26	3.20	5.56	4.04	17.06

Expected contributions to post-employment benefit plans for the year ending March 31, 2020 are Rs 5.08 lacs (March 31, 2019: Rs.3.68 lacs).

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 3.17 years (March 31, 2018: 3.19 years).

(iii) Other long term employee benefit plans

Other long term employee benefit plans comprises of compensated absences.

The Company operates compensated absences plan (earned leaves), where in every employee is entitled to the benefit equivalent to 15 days salary for every completed year of service which is subject to maximum of 15 days accumulation of leaves. The same is payable during early retirement, withdrawal of scheme, resignation by employee and upon death of employee. The salary for calculation of earned leave are last drawn basic salary.

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Present value of obligation as at the end of the year			
Compensated absences	11.98	3.71	2.10
Current and non-current liability breakup			
Non current	10.41	2.57	2.05
Current	1.57	1.14	0.05
	<u>11.98</u>	<u>3.71</u>	<u>2.10</u>



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Kanpur Logistics Park Private Limited

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Notes to the financial statements for the year ended March 31, 2019
(All amounts in Indian Rupees Lacs, unless otherwise stated)

32 - a) Names of related parties and related party relationship

Holding company
Fellow subsidiary
Fellow subsidiary
Pristine Logistics & Infraprojects Private Limited
Teellog Support Services Private Limited
Pristine Mega Logistics Park Private Ltd

Key management personnel (KMP)

Name of related parties
Avinil Jain
Rishi Rajesh Kumar Shukla
Pravleen Kumar
Vikas Kumar Verma

Designation

Director
Director (till September 28, 2018)
Director (till March 05, 2019)
Director (appointed w.e.f. June 06, 2018)

Relative of key management personnel

Name of related parties
Anand Kumar Jain

Enterprise owned or significantly influence by key management personnel
Hindustan Dock Yard Private Limited

b) Transactions during the year

Particulars	Key management personnel			Holding Company			Fellow Subsidiary			Relatives of key management personnel and enterprise owned or significantly influence by key management personnel		
	March 31, 2019	March 31, 2018	April 1, 2017	March 31, 2019	March 31, 2018	April 1, 2017	March 31, 2019	March 31, 2018	April 1, 2017	March 31, 2019	March 31, 2018	April 1, 2017
A) Transactions during the year with key managerial person												
i) Short term employee benefit												
ii) Post employment benefit #	27.58		24.44									
iii) Other long term benefits #			7.95									
ii) Interest on 15% Double option cumulative fully convertible debentures												
Avinil Jain												
B) Transactions during the year with Holding Company												
- Pristine Logistics & Infraprojects Private Limited				8.40	8.40	4.20						
(a) Amount of rent paid					38.88	25.55						
(b) Interest expense					37.55	39.82						
(c) Management support fee					1.34							
(d) Income from services during the year				64.27	504.50	61.72						
(e) Loans/advances received during the year				64.27	542.21	278.73						
(f) Loans/Advances repayment during the year												
C) Transactions during the year with Fellow Subsidiary												
- Teellog Support Services Private Limited							24.07	31.68	30.16			
(a) Handling and transport expenses							0.08					
(b) Income from sale of services												
- Pristine Mega Logistics Park Private Limited							526.03	591.38	460.94			
(a) Income from sale of services												
(b) Cost of service taken							40.48	81.27	205.50			
Transactions during the year with other related parties												
- Hindustan Dock Yard Private Limited										71.31	72.84	64.67
(a) Amount of rent paid												17.55
(b) Interest expense												
(c) Income from 15% Double option cumulative fully convertible debentures												



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Particulars	Key management personnel			Holding Company			Fellow Subsidiary			Relatives of key management personnel and enterprise owned or significantly influence by key management personnel		
	March 31, 2019	March 31, 2018	April 1, 2017	March 31, 2019	March 31, 2018	April 1, 2017	March 31, 2019	March 31, 2018	April 1, 2017	March 31, 2019	March 31, 2018	April 1, 2017
	Transactions during the year with relatives of key management personnel											
- Anand Kumar Jain												3.00
(a) Interest on 15% Double option cumulative fully convertible debentures												
D) Accounts payable / (receivable) at the year end												
- Pristine Logistics & Infraprojects Private Limited					14.89							
- Pristine Mega Logistics Park Private Limited							(295.04)	(745.52)	(214.92)			
- Techno Support Services Private Limited							14.41	16.31	14.56			
- Interest payable to Pristine Logistics & Infraprojects Private Limited												
- Trade payable to Pristine Logistics & Infraprojects Private Limited					8.05	22.82						
					1.89	45.55						
E) Other sums payable												
- Jain family												
(a) Interest accrued but not due on debentures			15.92									
- Hindustan Deck Yard Private Limited												
(a) Interest accrued but not due on debentures												
- Anand Kumar Jain												52.70
(a) Interest accrued but not due on debentures												9.01

The director has given personal guarantee against certain borrowings taken by the company (Refer note 15)
Does not include gratuity and compensated absence as these are provided based on Company as a whole.



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Kanpur Logistics Park Private Limited

CIN: U74900DL2009PTC193936

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

33 Operating leases

(a) The Company has entered into cancellable leases agreement for trailers with various parties. Lease rental recognized in the Statement of Profit and Loss is Rs. 262.16 lacs (March 31, 2018 : Rs. 211.25 lacs)

(b) The Company has entered into various commercial leases for land at Panki, Kanpur and office premises at Mahipalpur Radisson Hotel ranging from one to fifteen years with an option to renew the lease after this

Non-cancellable operating lease rentals payable (minimum lease payments) under commercial lease for office premises are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Within one year	19.05	19.05	18.14
After one year but not more than five years	20.95	40.00	59.05
More than five years	-	-	-
	40.00	59.05	77.19

34 Earnings per share "(EPS)"

(a) Basic and diluted earnings per share (in Rs.)

	As at March 31, 2019	As at March 31, 2018
Basic earnings per share	0.71	0.56
Diluted earnings per share	0.71	0.56
Nominal value per share	10.00	10.00

(b) Profit attributable to equity sh:

	As at March 31, 2019	As at March 31, 2018
Profit attributable to equity holders for basic earnings	705.23	543.68
Profit attributable to equity holders	705.23	543.68

(c) Weighted average number of equity shares (used as denominator) (in Nos.)

	As at March 31, 2019	As at March 31, 2018
Opening balance of issued equity shares	10,000,000	9,500,000
Weighted average number of equity shares outstanding at the end of year for calculation of basic and diluted	10,000,000	9,753,425



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Kanpur Logistics Park Private Limited

CIN: U74900DL2009PTC193936

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Indian Rupees Laacs, unless otherwise stated)

35 Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

The Company is set-up with the object of, inter-alia, rendering end to end logistic solutions to the customers. This is the only activity performed and is thus also the main source of risks and returns. Accordingly, the Company's activities/business is reviewed regularly by the Board of Director of the Company from an over all business perspective. Thus, the Company has only one operating segment, and no reportable segments in accordance with Ind AS 108 - Operating Segments.

Segment reporting - Geographical Information

Geographical information analyses the company's revenue and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customers and segment assets which have been based on the geographical location of the assets.

Segment information for the year ended:

1. Revenue

Particulars	March 31, 2019	March 31, 2018
Inside India	5,572.14	5,219.30
Outside India	-	-
Total	5,572.14	5,219.30

2. Non current assets *

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Inside India	3,463.49	3,529.19	2,770.08
Outside India	-	-	-
Total	3,463.49	3,529.19	2,770.08

* Non current assets does not include financial assets and deferred tax assets.

Major customer:

Two customers accounts for 27.04% approximately (previous year 26.77% approximately) of Company's total revenue from operation individually contributing more than 10% of total revenue.

36 As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company during the year. The areas for CSR activities are promoting health care, sanitation, conservation of natural resources, promoting education, gender equality and Contribution to Prime Minister's National Relief fund or any other fund set up by the Central Government or the State Government as prescribed and such other matters as may be prescribed by statue. The requisite disclosures are set out as below :

For the year ended
31 March 2019

- Gross amount required to be spent by the Company during the year 8.93
- Amount spent during the year on acquisition of asset -



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37 Fair value measurement

The following table shows the carrying amounts and fair value of financial assets and liabilities including their levels into fair value hierarchy

(As of March 31, 2019)

Particulars	Carrying amount	Fair value at amortized cost	Fair value through profit and loss	Fair value		
				Level 1	Level 2	Level 3
Financial assets						
Non current						
Loans	8.86	8.86	-	-	-	-
Other financial assets	58.21	58.21	-	-	-	-
	67.07	67.07	-	-	-	-
Current						
Trade receivables *	779.37	779.37	-	-	-	-
Cash and cash equivalents*	55.27	55.27	-	-	-	-
Bank balances other than cash and cash equivalents*	113.87	113.87	-	-	-	-
Other financial assets*	28.50	28.50	-	-	-	-
	977.01	977.01	-	-	-	-
Financial liabilities						
Non current						
Borrowings#	380.05	380.05	-	-	-	380.05
Other financial liabilities*	84.80	84.80	-	-	-	-
	464.85	464.85	-	-	-	-
Current						
Borrowings#	189.25	189.25	-	-	-	189.25
Trade payables*	553.88	553.88	-	-	-	-
Other financial liabilities*	743.53	743.53	-	-	-	609.29
	1,486.65	1,486.65	-	-	-	798.54

(As of March 31, 2018)

Particulars	Carrying amount	Fair value at amortized cost	Fair value through profit and loss	Fair value		
				Level 1	Level 2	Level 3
Financial assets						
Non current						
Loans	9.73	9.73	-	-	-	-
Other financial assets	31.26	31.26	-	-	-	-
	40.98	40.98	-	-	-	-
Current						
Trade receivables *	1,121.89	1,121.89	-	-	-	-
Cash and cash equivalents*	34.04	34.04	-	-	-	-
Bank balances other than cash and cash equivalents*	16.14	16.14	-	-	-	-
Other financial assets*	29.75	29.75	-	-	-	-
	1,201.82	1,201.82	-	-	-	-
Financial liabilities						
Non current						
Borrowings#	856.21	856.21	-	-	-	856.21
Other financial liabilities*	188.49	188.49	-	-	-	-
Current						
Borrowings#	194.81	194.81	-	-	-	194.81
Trade payables*	604.13	604.13	-	-	-	-
Other financial liabilities*	1,015.27	1,015.27	-	-	-	804.51
	1,814.21	1,814.21	-	-	-	999.32



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(As of April 01, 2017)

Particulars	Carrying amount	Fair value at amortized cost	Fair value through profit and loss	Fair value measured		
				Level 1	Level 2	Level 3
Financial assets						
Non current						
Loans	9.00	9.00	-	-	-	-
Other financial assets	19.47	19.47	-	-	-	-
	28.47	28.47	-			
Current						
Trade receivables *	572.06	572.06	-	-	-	-
Cash and cash equivalents*	23.42	23.42	-	-	-	-
Bank balances other than cash and cash equivalents*	15.64	15.64	-	-	-	-
Other financial assets*	32.65	32.65	-	-	-	-
	643.77	643.77	-			
Financial liabilities						
Non current						
Borrowings#	1,061.19	973.56	87.62	-	-	1,061.19
Other financial liabilities*	268.51	268.51	-	-	-	-
	1,329.70	1,242.07	87.62			1,061.19
Current						
Borrowings#	72.92	72.92	-	-	-	72.92
Trade payables*	611.69	611.69	-	-	-	-
Other financial liabilities*	671.97	671.97	-	-	-	594.44
	1,356.58	1,356.58	-			667.36

The Company's borrowings, other non-current financial liabilities and other non-current financial assets approximated the fair value, except for 15% Double option cumulative fully convertible preference shares.

*The carrying amounts of trade receivables, trade payables, cash and cash equivalents, bank balances other than cash and cash equivalents and other current financial assets and other current financial liabilities, approximates the fair values, due to their short-term nature.

The fair values for loans were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

There has been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2019 and 31 March 2018.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

The fair value of the financial instrument is estimated using the the amount of future benefit earned in return for their investment as per SHA which is discounted to determine its present value.

Valuation framework

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Senior Management. Discussions on valuation and results are held between the Senior Management atleast once every year in line with the Company's yearly reporting.

Disclosure related to sensitivity analysis of the level 3 borrowings outstanding as at April 01, 2017 have not been disclosed in these financial statements because these instruments were converted into equity share capital on September 2017.



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Kanpur Logistics Park Private Limited

CIN: U74900DL2009PTC193936

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

38 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analysis the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The board provides principles for overall risk management, as well as policies covering specific areas, such as regulatory risk, compliance risk, technology related risk, IT risk, interest rate risk, credit risk and investment of excess liquidity.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from trade receivables, investments, loans and advances, cash and cash equivalents and deposits with banks and other financial assets. The carrying amount of the financial assets represents maximum credit exposure.

Expected credit loss on financial assets other than trade receivables :

Credit risks on cash and cash equivalents and bank deposits is limited as the Company generally invest in deposits with banks with High credit ratings assigned by domestic credit agencies. The management actively monitors the interest rate and maturity period of these investments. The Company does not expect the counterparty to fail to meet its obligations. The loans primarily represents security deposits given for facilities taken on rent. Such security deposit will be returned to the Company at the end of lease term. Hence, the credit risk associated with such deposits is relatively low. Accordingly, no provision for expected credit loss has been provided on these financial assets. Credit risk on trade receivable is also very limited.

Trade receivables and unbilled revenue

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed centrally and is subject to the Company's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored. The Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers.

The amount of total allowance for credit loss is disclosed in Note 10 and the movement thereof during the years ended March 31, 2019 and March 31, 2018 is tabulated below:

	As at March 31, 2019	As at March 31, 2018
Opening balance	37.09	21.12
Net remeasurement of loss allowance	9.58	15.97
Closing balance	46.67	37.09

b) Market risk

Market risk is the risk that future cash flows of a financial instruments will fluctuate because of change in market price. Market comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i) Currency risk:

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency. Accordingly, the Company does not have any exposure to foreign currency risk at the end of the reporting period.



Kanpur Logistics Park Private Limited

CIN: U74900DL2009PTC193936

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Indian Rupees Lacs, unless otherwise stated)

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company borrowings are at fixed rate of interest. The Company's interest earning financial assets are term deposits with banks, which are fixed rate interest bearing investments and accordingly, the Company is not significantly exposed to interest rate risk.

e) Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents, cash generated from operations. The Company manages its liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consists mainly of trade payables and other liabilities arising during the normal course of business as of each reporting date. The Company maintain a sufficient balance in cash and cash equivalents to meet its short term liquidity requirements. The Company assesses its long term liquidity requirements on a periodical basis and manage them through internal accruals.

The table below analyze Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2019

Particulars	Upto 1 year	1 - 3 years	More than 3 years	Total
Financial liabilities:				
Borrowings	189.25	380.05	-	569.30
Trade payables	553.88	-	-	553.88
Other financial liabilities	743.53	84.80	-	828.33
Total	1,486.66	464.85	-	1,951.51

As at March 31, 2018

Particulars	Upto 1 year	1 - 3 years	More than 3 years	Total
Financial liabilities:				
Borrowings	194.81	856.21	-	1,051.02
Trade payables	604.13	-	-	604.13
Other financial liabilities	1,015.27	188.49	-	1,203.76
Total	1,814.21	1,044.70	-	2,858.91

As at April 01, 2017

Particulars	Upto 1 year	1 - 3 years	More than 3 years	Total
Financial liabilities:				
Borrowings	72.92	1,061.19	-	1,134.11
Trade payables	611.69	-	-	611.69
Other financial liabilities	671.97	268.51	-	940.48
Total	1,356.58	1,329.70	-	2,686.28

Capital Management

A. Risk Management:

The Company's objectives when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits to other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using gearing ratio, which is total debt (including short term debt) divided by total capital plus borrowings.

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Total borrowings	569.29	1,051.02	1,134.11
Total equity	2,466.90	1,763.09	796.53
Debt to Equity ratio	0.23	0.60	1.42



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39 Transition from Previous GAAP to IND AS

As mentioned in note 2.1.1, these financial statements for the year ended March 31, 2019, are the first financial statements of the Company prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. For the year ended March 31, 2018, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ("previous GAAP").

The accounting policies set out in note 2.2 have been applied in preparing these financial statements for the year ended March 31, 2019 including the comparative information for the year ended 31 March 2018 and the opening Ind AS balance sheet on the date of transition i.e. April 01, 2017.

In preparing its Ind AS balance sheet as at April 01, 2017 and in presenting the comparative information for the year ended March 31, 2018, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

A. Optional exemptions availed and mandatory exceptions

In the Ind AS Opening Balance Sheet as at April 01, 2017, the carrying amounts of assets and liabilities from the previous GAAP as at March 31, 2017 are generally recognized and measured according to Ind AS in effect. For certain individual cases, however, Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS. The Company has made use of the following exemptions and exceptions in preparing its Ind AS Opening Balance Sheet.

A.1 Ind AS optional exemptions

A.1.1 Property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities.

This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.2 Ind AS mandatory exemptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below :

- Determination of discounted value of financial instruments carried at amortized cost
- Impairment of financial assets based on expected credit loss model

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable.



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B. Effect of Ind AS Adoption on the standalone Balance Sheet as at April 1, 2017 and March 31, 2018

Particulars	Note	Balance Sheet as at March 31, 2018			Sheet as at April 01, 2017		
		Previous GAAP *	Adjustments	Ind AS	Previous GAAP *	Adjustments	Ind AS
ASSETS							
Non current assets							
Property, plant and equipment		3,491.90	-	3,491.90	2,697.03	-	2,697.03
Capital work in progress		-	-	-	28.45	-	28.45
Intangible assets		2.27	-	2.27	3.21	-	3.21
Financial assets							
Loans	a	13.66	(3.93)	9.73	13.58	(4.58)	9.00
Other financial assets		31.26	-	31.26	19.47	-	19.47
Deferred tax assets (net)	c	28.66	-	28.66	113.70	(1.69)	112.01
Non current tax assets		29.54	-	29.54	28.80	-	28.80
Other non- current assets	a	3.00	2.48	5.48	9.45	3.15	12.60
Current assets							
Financial assets							
Trade receivables	j	1,151.90	(30.01)	1,121.89	592.06	(20.00)	572.06
Cash and cash equivalents		34.04	-	34.04	23.42	-	23.42
Bank balances other than cash and cash equivalents		16.14	-	16.14	15.64	-	15.64
Other financial assets		29.75	-	29.75	32.65	-	32.65
Other current assets	a	119.53	0.67	120.20	102.82	0.66	103.48
Total		4,951.65	(30.79)	4,920.86	3,680.28	(22.46)	3,657.82
EQUITY AND LIABILITIES							
Equity							
Equity share capital		1,000.00	-	1,000.00	950.00	-	950.00
Other equity		788.89	(25.80)	763.09	(41.09)	(112.38)	(153.47)
LIABILITIES							
Non- current liabilities							
Financial liabilities							
Borrowings	i	856.21	-	856.21	966.19	95.00	1,061.19
Other financial liabilities	h	245.25	(56.76)	188.49	320.30	(51.79)	268.51
Provisions		15.37	-	15.37	11.81	-	11.81
Other non-current liabilities	c,h	3.93	41.21	45.14	4.98	35.19	40.17
Current liabilities							
Financial liabilities							
Short term borrowings		194.81	-	194.81	72.92	-	72.92
Trade payables		604.13	-	604.13	611.69	-	611.69
Other financial liabilities		1,015.27	-	1,015.27	671.97	-	671.97
Other current liabilities	h	124.15	10.56	134.71	111.22	11.52	122.74
Provisions		5.40	-	5.40	0.29	-	0.29
Current tax liabilities (net)		98.24	-	98.24	-	-	-
Total		4,951.65	(30.79)	4,920.86	3,680.28	(22.46)	3,657.82

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



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C. Reconciliation of total comprehensive income for the year ended March 31, 2018

Particulars	Note	Previous GAAP *	Adjustments	Ind AS
Income				
i) Revenue from operations		5,219.30	-	5,219.30
ii) Other income	a,i	118.49	(84.92)	33.57
Total Income		5,337.79	(84.92)	5,252.87
Expenses				
i) Direct expenses		2,319.00	-	2,319.00
ii) Employee benefits expense	b	271.57	(3.72)	267.85
iii) Finance cost	i	330.36	6.40	336.76
iv) Depreciation and amortization		606.66	-	606.66
v) Other expenses	a	891.11	10.44	901.55
Total expense		4,418.70	13.12	4,431.82
Profit before tax		919.09	(98.04)	821.05
Tax expense:				
Current tax		194.02	-	194.02
MAT credit write off		72.88	-	72.88
- Deferred tax charge	c	12.16	(1.68)	10.48
Total tax expense		279.06	(1.68)	277.38
I Profit/(loss) for the period		640.03	(96.36)	543.67
II Other Comprehensive Income				
i) Items that will not be reclassified to profit or loss	b	-	(3.73)	(3.73)
ii) Items that will be reclassified to profit or loss		-	-	-
Other Comprehensive Income		-	(3.73)	(3.73)
Total Comprehensive Income for the period		640.03	(100.09)	539.94

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

**Explanation shall be given for adjustment under Ind AS

D. Reconciliation of total Equity as at March 31, 2018 and April 1, 2017

Particulars	Note	As at March 31, 2018	As at April 01, 2017
Total equity (shareholder's funds) as per previous GAAP		1,788.89	908.91
Fair value of security deposit	a,h	(0.78)	(0.77)
Impairment of expected credit losses	j	(30.01)	(20.00)
Lease equalisation reserve	c	4.99	5.07
Fair value of compound financial instrument	i	-	(95.00)
Deferred Tax	c	-	(1.69)
Total equity as per Ind AS		1,763.09	796.52

E. Reconciliation of total comprehensive income for the year ended March 31, 2018

Particulars	Note No.	For the year ended March 31, 2018
Profit as per previous GAAP		640.03
Adjustments		
Fair value of compound financial instrument and security deposits	i	(84.92)
Interest on loans from others	a,h	(0.38)
Interest expense on compound financial instrument		(6.02)
Impairment allowance for trade receivable	j	(10.00)
Interest expense on security deposits		(0.44)
Re-measurement gain/loss	b	3.72
Deferred Tax	c	1.68
Profit after tax		543.67
Other comprehensive income	b	(3.73)
Total comprehensive income		539.94



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Notes to Reconciliation to Equity and Other Comprehensive Income

Notes to first-time adoption:

(a) Financial assets: Loans - Security deposits

Under Indian GAAP, interest free security deposits (that are refundable in cash on completion of the term as per the contract) are recorded at their transaction value. Under Ind AS, such financial assets are required to be recognized initially at their fair value and subsequently at amortized cost. Difference between the fair value and transaction value of the security deposit has been recognized as deferred rent. The unwinding of security deposit happens by recognition of a notional interest income in Statement of Profit and Loss at effective interest rate. The deferred rent gets amortized on a straight line basis over the term of the security deposits.

(b) Employee benefits :

Under Ind AS, remeasurements i.e. actuarial gains and losses on the net defined benefit liability are recognized in other comprehensive income instead of statement of profit and loss. Under Indian GAAP these were forming part of the statement of profit and loss for the year.

(c) Lease equalization reserves

Under Indian GAAP, operating lease charges are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term and lease equalization reserve ('LER') is to be amortized over the lease term.

However, under Ind AS, Lease payments under an operating lease shall be recognized as an expense on a straight line basis over lease term only if the payments to the lessor are not structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Since, escalation allowed in lease arrangement in respect of office premises taken by the Company represents general inflation. Hence, lease payments under an operating lease shall not be required to be recognized on a straight line basis over lease term.

Further the deferred tax created on the the lease equalisation reserves in the previous year has been adjusted.

(d) Other equity :

Retained earnings as at April 01, 2017 has been adjusted consequent to the above Ind AS transition adjustments. Refer 'Reconciliation of total equity as at March 31, 2018 and April 01, 2017 as given above for details.

(e) Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Items that have been reclassified from statement of profit and loss to other comprehensive income includes remeasurement of defined benefit plans net of tax. Hence, on overall basis, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

(f) Statement of cash flows

The impact of transition from Indian GAAP to Ind AS on the statement of cash flow is due to reclassification adjustments recorded under Ind AS balance sheet and statement of profit and loss. The transition from Indian GAAP to Ind AS does not have a material impact of the statement of cash flow of the Company.

(h) Financial liability (Loans): Security deposits:

Under Indian GAAP, interest free security deposits (that are recoverable in cash on completion of the term as per the contract) are recorded at their transaction value. Under Ind AS, such financial assets are required to be recognized initially at their fair value and subsequently at amortized cost. Difference between the fair value and transaction value of the security deposit has been recognized as deferred rent. The unwinding of security deposit happens by recognition of a notional interest income in Statement of Profit and Loss at effective interest rate. The deferred rent gets amortized on a straight line basis over the term of the security deposits.

(i) 15% Double option cumulative fully convertible debentures and 15% Double option cumulative fully convertible preference shares

Under previous GAAP, 15% Double option cumulative fully convertible debentures and 15% Double option cumulative fully convertible preference shares are presented under equity share capital. However under Ind AS 32 the same is classified as a financial liability which has been recorded at fair value and the difference between transaction value and fair value is recognized as equity component of compound financial instrument in other equity. Subsequently, interest expense has been recognized at market rate of interest on such instruments. On conversion, the interest component is not paid by the Company and only principal component is converted in to equity, accordingly the difference between the value of equity shares issued and the carrying value of liability is recognized as deemed equity contribution since it is a shareholder transaction.


(j) Impairment allowance for trade receivable

Under previous GAAP provisions for credit losses were primarily based on management assessment considering recoverability. Under Ind AS, the ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial assets ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 - month-ECL.

As per our report of even date attached

For BSR & Associates LLP
Chartered Accountants

ICAI Firm Registration Number. 116231W/W-100024

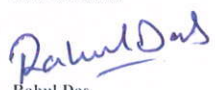

Anant Marwah
Partner

Membership No: 510549

For and on behalf of the Board of Directors of
Kanpur Logistics Park Private Limited


Amit Kumar
Director
DIN: 01928813


Aviral Jain
Director
DIN: 06735607


Rahul Das
Company Secretary
Membership No: A53588

Place: Gurugram
Date: September 27, 2019

Place: New Delhi
Date: September 27, 2019