INDEPENDENT AUDITOR'S REPORT

To the Members of
LORDS FREIGHT (INDIA) PRIVATE LIMITED
Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying financial statements of **LORDS FREIGHT (INDIA) PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the 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 31st March, 2020, and its financial performance including other comprehensive income, changes in equity 2020 and its cash flows for the year ended on that date

Basis for Opinion

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

Other Information

The company's Board of Directors is responsible for the other information. The other information comprises the Board report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

INDEPENDENT AUDITOR'S REPORT

As part of an audit in accordance with Standard on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-I", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   - (e) On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 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 II".

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

i. The Company does not have any pending litigations;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B. K. Khare & Co.**
Chartered Accountants
(Firm's Registration Number 105102W)

H.P. Mahajani
Partner
Membership Number: 030168
Mumbai,
May 15, 2020

ANNEXURE I TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 9 of our report of even date on the financial statements of LORDS FREIGHT (INDIA) PRIVATE LIMITED for the year ended March 31, 2020.

<u>Annexure to the Auditor's Report referred to in our report of even date:</u>

I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) These fixed assets were physically verified by the Management during the year at reasonable intervals and discrepancies noticed during the verification were not material and have been properly dealt with in the books of accounts.

(c) There is no immovable property held by Company.

II. The company has no inventories hence Clause 3 (ii) is not applicable to the Company

III. The Company has not granted any loans to parties covered in the register maintained under section 189 of Companies Act, 2013. Therefore, clause 3(iii) (a), (b) & (c) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.

IV. The Company has not granted any loans or made any investments, or provided any guarantees or securities to the parties covered under Section 185 & 186 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the company.

V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Consequently, no order has been passed by the Company Law Board or National Company Law Commission or Reserve Bank of India or any court or any other tribunal on the Company. The clause 3(v), therefore is not applicable to the company.

VI. As informed to us maintenance of cost records Under Section 148(1) of the Companies Act, 2013 is not prescribed to the Company.

VII. (a) According to the records of the Company and information and explanations given to us, the Company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods & service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities

(b) According to the information and explanations given to us and records of the Company examined by us ,there are no disputed dues of income tax or sales tax, wealth tax, service tax, duty of customs, duty of excise value added tax and cess which have not been deposited on account of any dispute.

VIII. Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date.

IX. On the basis of examination of relevant records and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year, and accordingly, Para 3(ix) of the Order is not applicable to the Company.

X. To the best of our knowledge and according to the information and explanations given to us, Bangalore branch had done excess revenue accruals (in form of unbilled revenue) in Q1 and Q2, People who were involved have been asked to resigned with immediate effect.

XI. As the company is a private limited company hence Section 197 read with Schedule V to the Companies Act, 2013 is not applicable to company.

XII. The Company is not a 'Nidhi Company'; therefore, clause 3(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

XIII. On the basis of examination of relevant records and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable. The Company has disclosed the details of transactions with related parties in the Financial Statements as required by the applicable accounting standards.

XIV. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit; therefore, clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.

XV. On the basis of examination of relevant records and according to the information and explanations given to us, in our opinion, the Company has not entered into any non-cash transactions with directors or persons connected with them.

XVI. 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 are not applicable to the Company.

For **B. K. Khare& Co.**
Chartered Accountants
Firm Registration No. 105102W

H.P.Mahajani
Partner
Membership No. 030168
Mumbai
May 15, 2020

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls with reference to financial statements of **LORDS FREIGHT (INDIA) PRIVATE LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to 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 with reference to financial statements issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that operate effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls 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 control 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control 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 With reference to financial statements issued by the Institute of Chartered Accountants of India.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

H.P. Mahajani
Partner
Membership No. 030168
Mumbai
May 15, 2020

BALANCE SHEET AS AT 31ST MARCH, 2020

₹ in lacs

Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019
	ASSETS			
I	**NON-CURRENT ASSETS**			
	(a) Property, Plant and Equipment	5	**92.50**	49.05
	(b) Capital Work-in-Progress			
	(c) Intangible Assets	6	**5.72**	7.47
	(d) Intangible Assets Under Development			
	(e) Financial Assets			
	(i) Other Financial Asset	8	**30.03**	19.88
	(f) Deferred Tax Assets (Net)	9 &10	**106.73**	89.66
	SUB-TOTAL		**234.98**	166.06
II	**CURRENT ASSETS**			
	(a) Financial Assets			
	(i) Trade Receivables	7	**6,008.01**	3,567.73
	(ii) Cash and Cash Equivalents	12	**2.92**	1.84
	(iii) Other Financial Asset	8	**266.53**	184.39
	(b) Current Tax Assets (Net)	13	**429.24**	602.99
	(c) Other Current Assets	11	**28.84**	1,194.17
	SUB-TOTAL		**6,735.54**	5,551.12
	TOTAL ASSETS		**6,970.52**	5,717.18
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	14	**236.26**	236.26
	(b) Other Equity	15	**725.82**	575.46
	SUB-TOTAL		**962.08**	811.72
	LIABILITIES			
I	**NON-CURRENT LIABILITIES**			
	(a) Provisions	18	**104.71**	65.48
	(b) Borrowings	16	**26.52**	–
	SUB-TOTAL		**131.23**	65.48
II	**CURRENT LIABILITIES**			
	(a) Financial Liabilities			
	(i) Borrowings	16	**2,097.45**	1,407.93
	(ii) Trade Payables	17		
	Due to Micro and Small Enterprises		**45.14**	109.60
	Other then Micro and Small Entreprises		**3,419.00**	1,961.78
	(b) Provisions	18	**211.78**	141.66
	(c) Other Financials Liabilites (Lease Liabilities)	19	**29.04**	–
	(c) Other Current Liabilities	20	**74.80**	1,219.01
	SUB-TOTAL		**5,877.21**	4,839.98
	TOTAL		**6,970.52**	5,717.18

The accompanying notes 1 to 35 are an integral part of the financial statements.

"As per our Report of Even Date"

For B. K. Khare & Co.
Chartered Accountants
FRN: 105102W

H. P. Mahajani
Partner
M.No. 030168

Place : Mumbai
Date : 15th May, 2020

For and on behalf of Board of Directors
LORDS Freight (India) Pvt Ltd

Krishnan Varada
Whole Time Director

Rampraveen Swaminathan
Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

₹ in lacs

	Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
I	Revenue from operations	21	**20,467.99**	17,417.14
II	Other Income	22	**45.99**	21.12
III	**Total Revenue (I + II)**		**20,513.98**	17,438.26
IV	**EXPENSES**			
	(a) Employee benefit expense	23	**1,437.35**	1,227.66
	(b) Finance costs	24	**151.04**	101.29
	(c) Depreciation and amortization expense	5&6	**43.06**	18.88
	(d) Other expenses	25	**18,665.60**	15,954.51
	Total Expenses (IV)		**20,297.05**	17,302.34
V	**Profit/(loss) before tax (III-IV)**		**216.93**	135.92
VI	**Tax Expense**			
	(1) Current tax		**80.54**	44.13
	(2) Deferred tax		**(16.21)**	(1.76)
	Total tax expense		**64.33**	42.37
VII	**Profit/(loss) after tax (V-VI)**		**152.60**	93.55
VIII	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss		**–**	–
	Remeasurements of the defined benefit liabilities/(asset)		**(3.10)**	(9.56)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**0.86**	2.66
	Total Other Comprehensive Income/(Loss)		**(2.24)**	(6.90)
IX	**Total comprehensive income for the period (VII+VIII)**		**150.36**	86.65
X	**Earnings per equity share**			
	(1) Basic	26	**6.36**	3.67
	(2) Diluted	26	**6.36**	3.67
	(3) No. of Shares		**2,362,509**	2,362,509

The accompanying notes 1 to 35 are an integral part of the financial statements.

"As per our Report of Even Date"

For B. K. Khare & Co.
Chartered Accountants
FRN: 105102W

H. P. Mahajani
Partner
M.No. 030168

Place : Mumbai
Date : 15th May, 2020

For and on behalf of Board of Directors
LORDS Freight (India) Pvt Ltd

Krishnan Varada
Whole Time Director

Rampraveen Swaminathan
Director

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

(a) Equity Share Capital

₹ in lacs

Particulars	Number of Shares	Equity share capital
As at 31st March, 2019	**2,362,509**	**236.26**
Changes in equity share capital during the year	–	–
As at 31st March, 2020	**2,362,509**	**236.26**

(b) Other Equity

Particulars	Reserves & Surplus			
	Securities Premium	Equity-settled employee benefits reserve	Retained earnings	Total
Balance at 1st April, 2018	622.75	–	(133.94)	488.81
Total Comprehensive income for the year				–
– Profit for the year	–	–	93.55	93.55
– Other Comprehensive Income transferred to retained earnings	–	–	(6.90)	(6.90)
Balance at 31st March, 2019	622.75	–	(47.29)	575.46
Total Comprehensive income for the year				
– Profit for the year	–	–	152.60	152.60
– Other Comprehensive Income transferred to retained earnings	–	–	(2.24)	(2.24)
Balance at 31st March, 2020	**622.75**	–	**103.07**	**725.82**

"As per our Report of Even Date"

For B. K. Khare & Co.
Chartered Accountants
FRN: 105102W

H. P. Mahajani
Partner
M.No. 030168

Place : Mumbai
Date : 15th May, 2020

For and on behalf of Board of Directors
LORDS Freight (India) Pvt Ltd

Krishnan Varada
Whole Time Director

Rampraveen Swaminathan
Director

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2019

₹ in lacs

	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
A.	**Cash flows from operating activities**		
	Profit before tax for the year	**216.93**	135.92
	Adjustments for:		
	Actuarial (Gain)/Loss	**(3.10)**	(9.56)
	Loss/(Gain) on disposal of property, plant and equipment	**(0.40)**	7.61
	Impairment loss recognized on trade receivables	**239.46**	193.26
	Depreciation and amortization of non-current assets	**43.06**	18.88
	Finance Charges	**151.04**	99.96
	Total	**646.99**	446.07
	Movements in working capital:		
	Increase in trade and other receivables	**(2,679.74)**	(695.92)
	(Increase)/decrease in other assets	**1,247.10**	(1,432.00)
	Decrease in trade and other payables	**357.90**	661.44
		(427.75)	(1,020.41)
	Cash generated from operations		
	Income taxes paid	**(80.54)**	(44.13)
	Net cash generated by operating activities	**(508.29)**	(1,064.54)
B.	**Cash flows from investing activities**		
	Payments for property, plant and equipment	**(9.32)**	(19.79)
	Proceeds from disposal of property, plant and equipment	**–**	–
	Net cash (used in)/generated by investing activities	**(9.32)**	(19.79)
C.	**Cash flows from financing activities**		
	Proceeds from Borrowings	**689.52**	1,134.58
	Rent Paid as per IND AS 116	**(24.31)**	
	Interest paid	**(146.52)**	(99.96)
	Net cash used in financing activities	**518.69**	1,034.62
	Net increase in cash and cash equivalents	**1.08**	(49.71)
	Cash and cash equivalents at the beginning of the year	**1.84**	51.55
	Cash and cash equivalents at the end of the year	**2.92**	1.84

Notes :

1 The above Cash Flow Statement has been prepared under the Indirect Method set out in IND AS 7.

2 Figures in bracket indicates cash outgo.

3 Additions to property, plant and equipment and intangible assets respectively during the year.

"As per our Report of Even Date"

For B. K. Khare & Co.
Chartered Accountants
FRN: 105102W

H. P. Mahajani
Partner
M.No. 030168

Place : Mumbai
Date : 15th May, 2020

For and on behalf of Board of Directors
LORDS Freight (India) Pvt Ltd

Krishnan Varada
Whole Time Director

Rampraveen Swaminathan
Director

Notes to the financial statements for the year ended 31st March, 2020

1. Corporate information

LORDS Freight (India) Pvt Ltd is a private limited company incorporated on 25th April, 2011 under the Companies Act, 1956. The Company's main activities are freight forwarding including transportation of goods via sea & air.

The financial statements for the year ended 31st March, 2020 are approved for issue in accordance with a resolution of the directors on 15th May, 2020.

2. Significant accounting policies

2.1. Statement of compliance

The financial statements have been prepared in accordance with the provisions of Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, specified under Section 133 of the Act. The financial statements are separate financial statements.

2.2. Basis of preparation and presentation

The financial statements have been prepared on accrual basis and the historical cost basis as a going concern except for certain financial instruments that are measured at fair values or at amortized cost, wherever applicable, at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in this financial statement is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements are prepared in Indian Rupee (INR) and denominated in lakhs. The principal accounting policies are set out below.

2.3. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

2.3.1. Rendering of services

Incomes from logistics services rendered are recognized on the completion of the services as per the terms of contract. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

2.3.2. Dividend and interest income

Dividend income from investments is recognized when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.4. Leasing

The Company's significant operating leasing arrangements are in respect of office premises, warehouse, warehouse equipments and IT related equipments. Lease rentals are recognized as per the terms of lease.

Rental expense from operating leases is generally recognized 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 lessor's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue.

2.5. Foreign currencies

The Financial statement are presented in rupees in lacs, which is also Company's functional currency.

i. Initial recognition

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

ii. Conversion

a. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

b. Non-monetary items, if any are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

The Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

a. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.

b. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

2.6. Borrowing costs

Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue in the year of incurrence.

2.7. Employee benefits

2.7.1. Retirement benefit costs and termination benefits

i. Defined Contribution Plan :

Company's contributions paid/payable during the year to the Superannuation Fund, ESIC, Provident Fund and Labour Welfare Fund are recognized in the Statement of Profit and Loss.

ii. Defined Benefits Plan:

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income

in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

b. net interest expense or income; and

c. remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

2.7.2. Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.8.1. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.8.2. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.8.3. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.9. Property, plant and equipment

All items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition is inclusive of purchase price, levies and any directly attributable cost of bringing the assets to its working condition for the intended use. Subsequent costs are included in the assets carrying amount or recognized as separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the company and cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred. Depreciation on tangible assets is charged by the Straight Line Method (SLM) in accordance with the useful lives specified in Part – C of Schedule II of the Companies Act, 2013 on a pro-rata basis except in the case of:

I. Assets costing less than Rs.5000/- which are fully depreciated in the year of purchase.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

2.10. Intangible assets

2.10.1. Intangible assets acquired separately

The useful lives of intangible assets are assessed as either finite or infinite. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

2.10.2. Useful lives of intangible assets

The expenditure incurred is amortized over ten financial years equally commencing from the year in which the expenditure is incurred.

2.11. Impairment of tangible and intangible assets other than goodwill

The management of the Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

2.12. Provisions, Contingent Liabilities & Contingent assets

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is disclosed where an inflow of economic benefits is probable.

2.13. Financial instruments

Financial assets and financial liabilities are recognized when a company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

2.14. Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

2.14.1. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

i. the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

ii. the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortized cost, refer Note 2.14.3

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

i. the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

ii. the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognized in profit or loss for FVTOCI debt instruments.

All other financial assets are subsequently measured at fair value.

2.14.2. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that

form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

2.14.3. Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

2.14.4. Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

2.14.5. Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

2.15. Financial liabilities and equity instruments

2.15.1. Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.15.2. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.15.3. Financial liabilities

All financial liabilities are subsequently measured at amortized cost or at FVTPL.

i. Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

a. it has been incurred principally for the purpose of repurchasing it in the near term; or

b. on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

c. it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognized by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

a. such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

b. the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

c. it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

ii. Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.16. Segment Accounting:

The VP/Whole Time Director monitors the operating results of the business segments separately for the purpose of making decisions about the allocation of resources and performance assessment. Segment performance is measured based on profit or loss and is measured consistently with profit or loss in financial statements.

2.17. Earnings per Share:

Basic and diluted earnings per share is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year.

2.18. First-time adoption – mandatory exceptions, optional exemptions

2.18.1. Overall Principle

The Company has prepared the opening balance sheet as per Ind AS as of 1 April 2015 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

2.18.2. Deemed cost for property, plant and equipment, investment property, and intangible assets

The Company has not opted the exemption of using previous GAAP carrying value of all its Property, Plant and Equipment, and Intangible Assets recognized as of 1 April 2015 (transition date) as deemed cost.

2.18.3. Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

2.18.4. Derecognition of financial assets and financial liabilities

The company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April 2015 (the transition date).

2.18.5. Impairment of financial assets

The entity has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the entity has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3.1. Defined Benefit Plans:

The cost of the defined benefit plans and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4. Ind AS 116 – 'Leases':-

The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings, furniture & fixtures and vehicles. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (1) the contract involves the use of an identified asset (2) the company has substantially of the economic benefits from use of the asset throughout the period of the lease and (3) the company has the right to direct the use of the asset throughout the period of use.

At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹75.37 lakhs and a lease liability of ₹75.37 lakhs. The cumulative effect of applying the standard, amounting to ₹20.28 lakhs was debited to retained earnings, net of taxes. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The difference between the lease obligation recorded as of March 31, 2019 under Ind AS 17 disclosed under Note No. 24 of annual financial statements forming part of 2019 Annual Report and the value of the lease liability as of April 1, 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised, in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8.85%.

Note No. 5 - Property, Plant and Equipment

For the year ended 31st March, 2020

₹ in lacs

Description of Assets	Computer	Office Equipment	Furniture, Fittings and Fixtures	Lease Assets	Total
A. Gross Carrying Amount					
a) Balance as at 1st April, 2019	67.41	22.04	39.30	–	**128.75**
b) Additions	9.32	–	–	**75.37**	**84.69**
Less: Disposals/Adjustments	(6.64)	–	–	–	**(6.64)**
Balance as at 31st March, 2020	**70.09**	**22.04**	**39.30**	**75.37**	**206.80**
B. Accumulated depreciation and impairment					
a) Balance as at 1st April, 2019	41.66	17.83	20.21	–	**79.70**
b) Depreciation expense for the year	12.67	1.22	3.94	**23.08**	**40.91**
Less: Eliminated on disposal of assets	(6.31)	–	–		**(6.31)**
Balance as at 31st March, 2020	**48.02**	**19.05**	**24.15**	**23.08**	**114.30**
C. Net carrying amount (A-B)	**22.07**	**2.99**	**15.15**	**52.29**	**92.50**

For the year ended 31st March, 2019

Description of Assets	Computer	Office Equipment	Furniture, Fittings and Fixtures	Total
A. Gross Carrying Amount				
a) Balance as at 1st April, 2018	**52.14**	**26.05**	**52.97**	**131.16**
b) Additions	16.33	1.72	0.55	**18.60**
Less: Disposals/Adjustments	(1.06)	(5.73)	(14.22)	**(21.01)**
Balance as at 31st March, 2019	**67.41**	**22.04**	**39.30**	**128.75**
B. Accumulated depreciation and impairment				
a) Balance as at 1st April, 2018	32.31	21.00	22.63	**75.94**
b) Depreciation expense for the year	10.36	1.80	5.00	**17.16**
Less: Eliminated on disposal of assets	(1.01)	(4.97)	(7.42)	**(13.40)**
Balance as at 31st March, 2019	**41.66**	**17.83**	**20.21**	**79.70**
C. Net carrying amount (A-B)	**25.75**	**4.21**	**19.09**	**49.05**

Notes:

i) The depreciation methods used and the useful lives or the depreciation rates used have been mentioned in the note 2.9.

ii) The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2020 is Rs. Nil (2019: Rs. NIL).

Note No. 6 - Other Intangible Assets

For the year ended 31st March, 2020

₹ in lacs

Description of Assets	Computer Software	Total
A. Gross Carrying Amount		
a) Balance as at 1st April, 2020	17.50	**17.50**
b) Additions	–	**–**
Less: Disposals/ Adjustments	–	**–**
Balance as at 31st March, 2020	**17.50**	**17.50**
B. Accumulated depreciation and impairment		
a) Balance as at 1st April, 2019	10.03	**10.03**
b) amortization expense for the year	1.75	**1.75**
Less: Eliminated on disposal of assets	–	**–**
Balance as at 31st March, 2020	**11.78**	**11.78**
C. Net carrying amount (A-B)	**5.72**	**5.72**

For the year ended 31st March, 2019

₹ in lacs

Description of Assets	Computer Software	Total
A. Gross Carrying Amount		
a) Balance as at 1st April, 2018	16.31	**16.31**
b) Additions	1.19	**1.19**
Less: Disposals/ Adjustments	–	**–**
Balance as at 31st March, 2019	**17.50**	**17.50**
B. Accumulated depreciation and impairment		
a) Balance as at 1st April, 2018	8.31	**8.31**
b) amortization expense for the year	1.72	**1.72**
Less: Eliminated on disposal of assets	–	**–**
Balance as at 31st March, 2019	**10.03**	**10.03**
C. Net carrying amount (A-B)	**7.47**	**7.47**

Notes:

i) The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2020 is **Rs.NIL (2019: Rs. NIL)**.

Note No. 7- Trade receivables

₹ in lacs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade receivables		
a) Unsecured, considered good	**6,008.01**	3,567.73
b) Significant increase in credit risk	**–**	–
c) Credit Imparied	**239.46**	193.26
	6,247.47	3,760.99
Less: Allowance for Credit Losses	**239.46**	193.26
TOTAL	**6,008.01**	3,567.73

Notes:

i) Refer Note 26 (III) for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.

ii) The Company applies the simplified approach to providing for expected credit losses prescribed by Ind As 109, which permits the use of the lifetime expected loss provision for all trade receiables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company.

Note No. 8 – Other Financial Asset

Particulars	As at 31st March, 2020 Current	As at 31st March, 2020 Non-Current	As at 31st March 2019 Current	As at 31st March 2019 Non-Current
A. Security Deposits				
a) Unsecured, considered good	**23.64**	**29.40**	42.22	19.25
Less: Allowance for Credit Losses	–	–	–	–
B. Unbilled Revenue	**241.48**	–	140.76	–
C. Others	**1.41**	**0.63**	1.41	0.63
Total	**266.53**	**30.03**	184.39	19.88

Notes:

i) Refer Note 26 (III) for disclosures related to credit risk, impairment under expected credit loss model and related disclosures.

Note No. 9 - Current Tax and Deferred Tax

(a) Income Tax recognized in profit or loss

₹ in lacs

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
A. Current Tax:		
a) In respect of current year	**80.54**	44.13
b) In respect of prior years	**–**	–
c) Unrecognized tax loss used to reduce current tax expense	**–**	–
Total	**80.54**	44.13
B. Deferred Tax:		
a) In respect of current year origination and reversal of temporary differences	**(16.21)**	(1.76)
b) Adjustments due to changes in tax rates		–
Total	**(16.21)**	(1.76)
Total (A+B)	**64.33**	42.37

(b) Income tax recognized in Other Comprehensive Income

₹ in lacs

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
A. Current Tax:		
Remeasurement of defined benefit obligations	**–**	**–**
Total	**–**	–
B. Deferred Tax:		
Remeasurement of defined benefit obligations	**0.86**	2.66
Total	**0.86**	2.66
Classification of income tax recognized in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	**0.86**	2.66
Income taxes related to items that will be reclassified to profit or loss	**–**	–
Total	**0.86**	2.66

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
a) **Profit Before tax**	**216.93**	135.92
b) Income Tax using the Company's domestic tax rate	**60.35**	37.81
c) Change in tax rates	**–**	**–**
d) Expenses not allowed for tax purpose	**2.97**	2.29
e) Tax impact on Business Loss	**63.32**	40.10
f) Adjustments recognized in the current year in relation to the deferred tax of prior years		0.69
g) Adjustments recognized in the current year in relation to the current tax of prior years		–
Income tax expense recognised In profit or loss	**63.32**	40.79

(d) Amounts on which deferred tax asset has not been created:

Deferred tax assets have not been recognized in respect of following items, because it is not probable that future taxable profit will be available against which the Company can use the benefit therefrom.

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
a) Deductible Temporary differences	**–**	–
b) Unused Tax losses (revenue in nature)	**–**	–
c) Unused Tax losses (capital in nature)	**–**	–
Total	**–**	–

Note No. 10 – Deferred Tax Assets

(i) Movement in deferred tax balances

Particulars	As at, 31st March, 2020				As at, 31st March, 2019			
	Opening Balance	**Recognized in profit and Loss**	**Recognized in OCI**	**Closing Balance**	Opening Balance	Recognized in profit and Loss	Recognized in OCI	Closing Balance
A. Tax effect of items constituting deferred tax liabilities								
a) Property, Plant and Equipment	–	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–	–
B. Tax effect of items constituting deferred tax assets								
a) Property, Plant and Equipment	**6.08**	**(0.04)**	**–**	**6.04**	2.90	3.18	–	6.08
b) Employee Benefits	**23.27**	**9.05**	**0.86**	**33.18**	13.10	7.51	2.66	23.27
c) Provision for doubtful debts/advances	**53.75**	**12.85**	**–**	**66.60**	27.86	25.89	–	53.75
d) Lease Effects	**–**	**0.91**	**–**	**0.91**	–		–	–
e) MAT credit entitlement	**6.56**	**(6.56)**	**–**	**–**	**41.38**	**(34.82)**	**–**	**6.56**
Total	**89.66**	**16.21**	**0.86**	**106.73**	85.24	1.76	2.66	89.66
Net Tax Assets / (Liabilities)	**89.66**	**16.21**	**0.86**	**106.73**	**85.24**	**1.76**	**2.66**	**89.66**

Note No. 11 – Other Current Assets

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Current	**Non-Current**	Current	Non-Current
A. Capital advances				
a) For Capital work in progress	**–**	**–**	–	–
b) For intangible asset under development	**–**	**–**	–	–
Total (A)	**–**	**–**	–	–
B. Advances other than capital advances				
a) Advances to suppliers - considered good	**–**	**–**	–	–
b) Prepaid Expenses	**18.37**	**–**	21.86	–
c) Other advances	**10.47**	**–**	1,172.31	–
Total (B)	**28.84**	**–**	1,194.17	–
TOTAL (A+B)	**28.84**	**–**	1,194.17	–
Less: Allowances for Credit Losses	**–**	**–**	–	–
Total (C)	**–**	**–**	–	–
TOTAL (A+B+C)	**28.84**	**–**	1,194.17	–

Note No. 12 – Cash and Bank Balances

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash and cash equivalents		
a) Balances with banks	**2.05**	1.64
b) Cheques, drafts on hand	**–**	–
c) Cash on hand	**0.87**	0.20
d) Bank deposits with maturity of less than 3 months	**–**	–
Total	**2.92**	1.84

Note No. 13 – Current Tax Assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance Income Tax/TDS Receivable (Net off Provision for Tax)	**429.24**	602.99
Total	**429.24**	602.99

Note No. 14 – Share Capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	**Amount**	No. of shares	Amount
A. **Authorised:**				
Equity shares of Rs. 10 each with voting rights	**2,500,000**	**250.00**	2,500,000	250.00
Total				
B. **Issued, Subscribed and Fully Paid:**				
Equity shares of Rs. 10 each with voting rights	**2,362,509**	**236.26**	2,362,509	236.26
Total		**236.26**		236.26
C. **Issued, Subscribed and Partly Paid:**	**–**	**–**	–	–
Total	**–**	**–**	–	–
Total (B+C)	**–**	**236.26**	–	**236.26**

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	Opening Balance	Fresh Issue	Other Changes	Closing Balance
A. **Equity Shares with Voting rights**				
a) **Year Ended 31st March 2019**				
No. of Shares	**23,62,509**	**–**	–	**23,62,509**
Amount	**236.26**	**–**	–	**236.26**
b) Year Ended 31st March 2018				
No. of Shares	23,62,509	**–**	–	23,62,509
Amount	236.26	**–**	–	236.26

Notes:

i) **Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) **Details of shares held by the holding company:**

Particulars	No. of Equity Shares with Voting rights	
	As at 31st March, 2020	As at 31st March, 2019
Mahindra Logistics Limited	**1,959,039**	1,959,039

(iii) **Details of shares held by each shareholder holding more than 5% shares:**

Class of shares/Name of shareholder	As at 31st March, 2020 Number of shares held	As at 31st March, 2020 % holding in that class of shares	As at 31st March, 2019 Number of shares held	As at 31st March, 2019 % holding in that class of shares
Equity shares with voting rights				
Mahindra Logistics Limited	**1,959,039**	**82.92%**	1,959,039	82.92%
Mr. Shamsudeen Ahmed	**261,360**	**11.06%**	261,360	11.06%
Mr. V. Krishnan	**119,610**	**5.06%**	119,610	5.06%
Mr. S. Rajagopalan	**22,500**	**0.95%**	22,500	0.95%
Mr. Sumit S. Varma	**–**	**0.00%**	–	0.00%
Mr. Santhosh Kannambra	**–**	**0.00%**	–	0.00%

Note No. 15 – Other Equity

₹ in lacs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Securities Premium	**622.75**	622.75
Retained earnings	**103.07**	(47.29)
Total	**725.82**	575.46

Movement in Reserves

Particulars	As at 31st March, 2020	As at 31st March, 2019
(A) Securities Premium		
Balance as at the beginning of the year	**622.75**	622.75
Add: Additions during the year	–	–
Less: Deletion during the year	–	–
Balance as at the end of the year	**622.75**	622.75

Particulars	As at 31st March, 2020	As at 31st March, 2019
(B) Retained Earnings		
Balance as at the beginning of the year	**(47.29)**	(133.94)
Add: Profit for the year	**152.60**	93.55
Less: Actuarial gain/(loss) for the year	**(2.24)**	(6.90)
Balance as at the end of the year	**103.07**	(47.29)

Nature and purpose of other reserves:

Retained earnings:

Retained earnings represents the surplus during the year to be retained in business and not for appropriation.

Securities Premium:

Securities premium account is created when shares are issued at premium. The reserve can be utilized in accordance with the provisions of the Act.

Note No. – 16 Borrowings

₹ in lacs

Particulars	As at 31st March, 2020 Current	As at 31st March, 2020 Non- Current	As at 31st March, 2019 Current	As at 31st March, 2019 Non- Current
A. Secured Borrowings				
Loans repayable on demand from Banks	**2,097.45**	**–**	1,407.93	–
Total Secured Borrowings	**2,097.45**	**–**	1,407.93	–
Lease Liabilities	–	**26.52**	–	0.00
Total Lease Liabilities	–	**26.52**	–	–
Total Borrowings	**2,097.45**	**26.52**	1,407.93	–

Note:

i. Secured loan from banks is in the nature of Cash Credit facility availed.

ii. Cash credit facililty has been availed at the rate of interest ranging from 7.80% to 9.20% p.a. agianst the charge of trade receivables.

iii. Bank sanctioned facility comprises of Cash Credit limit and working capital facility of Rs. 2,200 lacs and facility availed as on 31st March, 2020 is Rs. 2,097.45 lacs.

Note No. 17 – Trade Payables

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade Payable		
a) Due to Micro and Small Enterprises (refer point no. ii)	**45.14**	109.60
b) Other then Micro and Small Entreprises	**3,419.00**	1,961.78
Total	**3,464.14**	2,071.38

Notes:

i) Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

ii) Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below

Particulars	As at 31st March, 2020	As at 31st March, 2019
Dues remaining unpaid		
— Principal	45.14	109.60
Interest on the above	–	–

Particulars	As at 31st March, 2020	As at 31st March, 2019
Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year	–	–
Principal paid beyond the appointed date	–	–
Interest paid in terms of Section 16 of the MSMED Act	–	–
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	–	–
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	–	–
Amount of interest accrued and remaining unpaid	–	–

Note No. 18 – Provisions

₹ in lacs

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Current	**Non-Current**	Current	Non-Current
Provision for employee benefits	**211.78**	**104.71**	141.66	65.48
Total	**211.78**	**104.71**	141.66	65.48

Note No. 19 – Other Liabilities

₹ in lacs

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Current	**Non-Current**	Current	Non-Current
Lease Liabilities	**29.04**	–	–	–
TOTAL	**29.04**	–	–	–

Note No. 20 – Other Liabilities

₹ in lacs

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Current	**Non-Current**	Current	Non-Current
A. Advances received from customers	**2.29**	–	2.23	–
B. Statutory dues				
a) Taxes payable	**58.25**	–	26.51	–
b) Employee Liabilities	**9.29**	–	8.68	–
c) Other Liabilities	**4.97**	–	1,181.59	
TOTAL (A+B)	**74.80**	–	1,219.01	–

Note No. 21 – Revenue from Operations

₹ in lacs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Revenue from rendering of services	**20,467.99**	17,417.14
Total	**20,467.99**	17,417.14

Note No. 22 – Other Income

Particulars		As at 31st March, 2020	As at 31st March, 2019
a)	Interest Income	**40.92**	0.48
b)	**Miscellaneous Income**		
	a) Gain on exchange fluctuation	**5.15**	12.91
	b) Other Income	**(0.08)**	7.73
Total		**45.99**	21.12

Note No. 23 – Employee Benefits Expense

Particulars		As at 31st March, 2020	As at 31st March, 2019
a)	Salaries and wages, including bonus	**1,328.27**	1,143.61
b)	Contribution to provident and other funds	**56.23**	44.71
c)	Gratuity	**15.86**	12.39
d)	Staff welfare expenses	**36.99**	26.95
Total		**1,437.35**	1,227.66

Notes:

i) Salaries and wages would include: Salaries, wages, bonus, compensated absences and all other amounts payable to employees in respect of services rendered as per their employment terms under a contract of service/employment.

ii) Employee would deem to include directors, in full time or part time employment of the Company, but would exclude directors who are not under a contract of employment with the Company.

iii) Contribution to provident fund and other funds would include contributions to other funds like superannuation fund etc.pertaining to employees. Contributions to ESIC, Labour Welfare Fund.

Note No. 24 – Finance Cost

Particulars		As at 31st March, 2020	As at 31st March, 2019
a)	Interest expense on cash credit	**143.86**	99.96
b)	Interest on Lease	**4.52**	–
c)	Interest on MSME	**2.66**	1.33
Total		**151.04**	101.29

Notes:

i) Analysis of Interest Expenses by Category

₹ in lacs

Particulars	As at 31st March, 2020	As at 31st March, 2019
Interest Expenses		
a) On Financial Liability at Amortized Cost	**143.86**	99.96
Total	**143.86**	99.96

Note No. 25 – Other Expenses

Particulars				As at 31st March, 2020	As at 31st March, 2019
a)	Freight & Other related Expenses			**18,127.38**	15,425.47
b)	Rent including lease rentals			**83.56**	101.64
c)	Travelling and Conveyance Expenses			**132.79**	111.13
d)	Provision for expected credit losses (Net of Reversals)			**46.20**	97.55
e)	Bad Debts Written off			**48.68**	**8.63**
f)	Bad Advances Written off			–	–
g)	Auditors remuneration and out-of-pocket expenses				
	i)	As Auditors	1.60		
	ii)	For Taxation matters	0.75		
	iii)	For Other services	0.23	**2.58**	3.89
h)	Repairs and maintenance:				
	i)	Machinery	25.29		20.12
	ii)	Others	19.75	**45.04**	17.48
i)	Legal & Professional charges			**59.55**	47.54
j)	Loss on sale of Fixed Assets			**(0.40)**	**7.05**
k)	Other expenses			**120.22**	114.01
Total				**18,665.60**	15,954.51

Note No. 26 – Earnings per Share

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	Per Share	Per Share
A. Basic Earnings per share	**6.36**	3.67
Total basic earnings per share	**6.36**	3.67
B. Diluted Earnings per share	**6.36**	3.67
Total diluted earnings per share	**6.36**	3.67

Notes:

i) Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

₹ in lacs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
a) Profit/(loss) for the year attributable to owners of the Company	**150.36**	86.65
b) Less: Preference dividend and tax thereon	–	–
Profit/(loss) for the year used in the calculation of basic earnings per share	**150.36**	86.65
Total number of equity shares	**2,362,509**	2,362,509
Earnings per share from continuing operations – Basic	**6.36**	3.67

ii) Diluted Earnings Per Share

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving the effect of the dilutive potential ordinary shares for the respective periods.

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Profit/(loss) for the year used in the calculation of basic earnings per share	**150.36**	86.65
b) Add: adjustments on account of dilutive potential equity shares	–	–
Profit/(loss) for the year used in the calculation of diluted earnings per share	**150.36**	86.65

iii) Reconciliation of weighted average number of equity shares

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Weighted average number of equity shares used in the calculation of Basic EPS	**2,362,509.00**	2,362,509.00
Add: Effect of Adjustments	–	–
Weighted average number of equity shares used in the calculation of Diluted EPS	**2,362,509.00**	2,362,509.00

Note No. 27 – Financial Instruments

I. Capital management Policy

a) The company's capital management objectives are:

– to ensure the company's ability to continue as a going concern.

– to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

b) For the purpose of company's capital management, capital includes issued share capital, equity as well as preference and all other equity reserves. The company monitors capital on the basis of the carrying amount of equity as presented on the face of the statement of financial position. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

c) The following table shows the components of capital:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Equity	**962.08**	811.72
Capital	**962.08**	811.72

Note:

The above capital management disclosures are based on the information provided internally to key management personnel.

II. Categories of financial assets and financial liabilities

₹ in lacs

As at 31st March, 2020

Particulars	Amortised Costs	FVTPL	FVOCI	Total
A. Non-current Assets				
a) Investments	–	–	–	–
b) Other Financial Assets	**30.03**	–	–	**30.03**
Total	**30.03**	–	–	**30.03**
B. Current Assets				–
a) Investments	–	–	–	–
b) Trade Receivables	**6,008.01**	–	–	**6,008.01**
c) Cash and Bank Balances	**2.92**	–	–	**2.92**
d) Other Financial Assets	**266.53**	–	–	**266.53**
Total	**6,277.46**	–	–	**6,277.46**
C. Non-current Liabilities				
a) Borrowings	**26.52**	–	–	**26.52**
Total	**26.52**	–	–	**26.52**
D. Current Liabilities				
a) Trade Payables	**3,464.14**	–	–	**3,464.14**
b) Other Financial Liabilities	**2,097.45**	–	–	**2,097.45**
Total	**5,561.59**	–	–	**5,561.59**

As at 31st March, 2019

Particulars	Amortised Costs	FVTPL	FVOCI	Total
A. Non-current Assets				
a) Investments	–	–	–	–
b) Other Financial Assets	19.88	–	–	19.88
Total	19.88	–	–	19.88
B. Current Assets				–
a) Investments	–	–	–	–
b) Trade Receivables	3,567.73	–	–	3,567.73
c) Cash and Bank Balances	1.84	–	–	1.84
d) Other Financial Assets	184.39	–	–	184.39
Total	3,753.96	–	–	3,753.96
C. Non-current Liabilities				
a) Borrowings	–	–	–	–
Total	–	–	–	–
D. Current Liabilities				
a) Trade Payables	**2,071.38**	–	–	**2,071.38**
b) Other Financial Liabilities	**1,407.93**	–	–	**1,407.93**
Total	**3,479.31**	–	–	**3,479.31**

III. Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk and liquidity risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A) Credit risk management

Trade receivables and deposits

(i) Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Credit exposure is controlled by counterpaty credit period which is monitored through an approved policy.

(ii) Trade receivables consist of a large number of customers, spread across diverse industries and places across India.

(iii) Apart from one large customer of the company, the company does not have significant credit risk exposure to any single customer. Concentration of credit risk related to a single company did not exceed 15 % of gross monetary assets at any time during the year.

(iv) The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

(v) There is no change in estimation techniques or significant assumptions during the reporting period.

(vi) The loss allowance provision is determined as follows:

As at 31st March, 2020

Particulars	Not due	Less than 6 months past due	More than 6 months past due	Total
a) Gross carrying amount	**2,790.64**	**2,884.45**	**572.38**	**6,247.47**
b) Loss allowance provision	**43.25**	**44.71**	**151.50**	**239.46**

As at 31st March, 2019

Particulars	Not due	Less than 6 months past due	More than 6 months past due	Total
a) Gross carrying amount	1,795.78	1,706.14	259.07	3,760.99
b) Loss allowance provision	36.16	34.36	122.74	193.26

(vii) Reconciliation of loss allowance provision for Trade Receivables

₹ in lacs

Particulars	31st March, 2020	31st March, 2019
a) Balance as at beginning of the year	**193.27**	95.71
b) Impairment losses recognised in the year based on lifetime expected credit...		
– On receivables originated in the year	**94.87**	106.18
– Other receivables	–	–
c) Impairment losses reversed/written back	**48.68**	8.62
d) Balance at end of the year	**239.46**	193.27

(viii) During the period, the company has made write off of Rs.48.68 lacs (31 March, 2019: Rs. 8.63 lacs) of trade receivable. These trade receivables and advances are not subject to enforcement activity.

Cash and Cash equivalents

As at 31st March, 2020 the company held cash and cash equivalents of Rs.2.92 Lacs (As at 31st March, 2019 Rs. 1.84 Lacs). The cash and cash equivalents are held with banks with good credit rating.

B) Liquidity risk management

(i) The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(ii) Maturities of financial liabilities

Table showing maturity profile of financial liabilities:

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
A) Non-derivative financial liabilities				
As at 31st March 2020				
a) Trade Payables	**3,464.14**	–	–	–
b) Security Deposits	–	–	–	–
c) Borrowings	**2,097.45**	**26.52**	–	–
d) Employee Dues	–	–	–	–
Total	**5,561.59**	**26.52**	–	–
As at 31st March 2019				
a) Trade Payables	2,071.38	–	–	–
b) Security Deposits	–	–	–	–
c) Borrowings	1,407.93	–	–	–
d) Employee Dues	–	–	–	–
Total	3,479.31	–	–	–

The above table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

The contractual maturity is based on the earliest date on which the Company may be required to pay.

(iii) Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

₹ in lacs

Particulars	As at 31st March, 2020	As at 31st March, 2019
a) Secured Cash credit facility		
– Expiring within one year	**102.55**	292.07
– Expiring beyond one year	–	–

(iv) Maturities of financial assets

Table showing maturity profile of financial assets

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
	In Rs. Lacs	In Rs. Lacs	In Rs. Lacs	In Rs. Lacs
Non-derivative financial assets				
As at 31st March 2020				
Trade Receivables	**6,008.01**	–	–	–
Security Deposits	**23.64**	**29.40**	–	–
Others	**2.92**	–	–	–
Total	**6,034.57**	**29.40**	–	–
As at 31st March 2019				
Trade Receivables	3,567.73	–	–	–
Security Deposits	42.22	19.25	–	–
Others	1.84	–	–	–
Total	3,611.79	19.25	–	–

The above table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

C) Market Risk Management

Market Risk

"Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Board of Directors.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's Company's exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

The carrying amounts of the Company's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Currency	31st March, 2020	31st March, 2019
Trade Receivables	USD	**652,169**	225,522
	EUR	**2,402**	1,019
	SGD	**3,447**	3,447
	GBP	**1,542**	2,118
	HKD	**7,486**	24,957
Trade Payables	USD	**2,575,706**	7,949
	HKD	**1,345,425**	752,393
	EUR	**238,511**	28,710
	GBP	**176,763**	47,421
	SGD	**8,726**	10,298
	CAD	**2,234**	–
	CHF	–	450
	AUD	–	600
	DKK	–	1,434
	JPY	**156,058**	1,363,976
	AED	–	4,238
	SEK	**16,655**	16,655
	NOK	–	–

The Company does not enter into hedge transactions for either trading or speculative purposes. The outstanding forward contracts at the year end their maturity profile and sensitivity analysis are as under.

Fair value of forward contracts designated as Fair Value hedges of USD-INR as at 31 March 2020 and 31 March 2019 was NIL and 10.43 Cr respectively Outstanding number of contracts as at 31 March 2020 were NIL and 31 March 2019 were 23.

Following table demonstrate the Notional value of forward contracts designated as fair value hedges in lakhs

Currency	As at 31st March, 2020 Amount in foregeign Currency	Amount in INR	As at 31st March, 2019 Amount in foregeign Currency	Amount in INR
USD - INR	–	–	15.00	1,043.00
HKD - INR	–	–	6.00	53.00
GBP- INR	–	–	0.40	37.00
Euro - INR	–	–	0.60	47.00

The foreign exchange forward contracts designated as Fair Value hedges mature maximum within 3 months.

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Currency	Change in rate	Effect on profit before tax	Effect on pre-tax equity
31-Mar-20	**USD**	**+10%**	**144.98**	**144.98**
	USD	**-10%**	**(144.98)**	**(144.98)**
	HKD	**+10%**	**13.00**	**13.00**
	HKD	**-10%**	**(13.00)**	**(13.00)**
	EUR	**+10%**	**19.62**	**19.62**
	EUR	**-10%**	**(19.62)**	**(19.62)**
	GBP	**+10%**	**16.45**	**16.45**
	GBP	**-10%**	**(16.45)**	**(16.45)**
31-Mar-19	USD	+10%	(15.07)	(15.07)
	USD	-10%	15.07	15.07
	HKD	+10%	6.42	6.42
	HKD	-10%	(6.42)	(6.42)
	EUR	+10%	2.15	2.15
	EUR	-10%	(2.15)	(2.15)
	GBP	+10%	4.09	4.09
	GBP	-10%	(4.09)	(4.09)

Interest Risk

The following tables demonstrate the sensitivity to a reasonably possible change in Interest rates, with all other variables held constant.

Particulars	Name of borrowing	Type of Interest	Rate of interest	Loan amount outstanding as at year end	Increase in Base Rate	Sensitivity Impact on P&L (pre-tax)	Decrease in Base Rate	Sensitivity Impact on P&L (pre-tax)
As at 31st March, 2020......................................	Cash Credit	Floating	7.93%	2,097.45	1.00%	-20.97	1.00%	20.97
As at 31st March, 2019.......................................	Cash Credit	Floating	9.35%	1,407.93	1.00%	-14.08	1.00%	14.08

Note No. 28 – Fair Value Measurement

a) Fair value of financial assets and financial liabilities that are measured at amortized cost:

Particulars	31st March, 2020 Carrying amount	Fair value	31st March, 2019 Carrying amount	Fair value
A) Financial assets				
a) Financial assets carried at amortized Cost				
i) Trade and other receivables	**6,008.01**	**6,008.01**	3,567.73	3,567.73
ii) Deposits given	**53.04**	**53.04**	61.47	61.47
iii) Cash and cash equivalents	**2.92**	**2.92**	1.84	1.84
Total	**6,063.97**	**6,063.97**	3,631.04	3,631.04
B) Financial liabilities				
b) Financial liabilities held at amortized cost				
i) Borrowings	**2,097.45**	**2,097.45**	1,407.93	1,407.93
ii) Trade and other payables..	**3,464.14**	**3,464.14**	2,071.38	2,071.38
Total	**5,561.59**	**5,561.59**	3,479.31	3,479.31

Note No. 29 – Segment information

i) The management of the company has chosen to organise the company on the basis of nature of services. No operating segments have been aggregated in arriving at the reportable segments of the group.

ii) The Company has only one operating segment i.e. "Freight Forwarding.

iii) The VP/ Whole time director monitors the operating results of the business segments separately for the purpose of making decisions about the allocation of resources and performance assessment.

(iv) Geographic information

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Revenue from external customers		
India	**19,729.26**	16,883.45
Outside India	**738.73**	533.69
Total Revenue as per statement of Profit or Loss	**20,467.99**	17,417.14

v) Non-current operating assets

Particulars	As at 31st March, 2020	As at 31st March, 2019
India	**98.22**	56.52
Outside India	–	–
Total	**98.22**	56.52

Non-current assets for this purpose consist of property, plant and equipment, and intangible assets.

The revenues of the company from a group of customers under common control amounts to around 8.84% of its total revenues.

(vi) The company had set up its internal reporting based on Ind AS, ahead of Ind AS adoption for statutory reporting. Hence, the VP/Whole time director was already using Ind AS information for economic decision making. This implies that the company's internal reporting is already set up to report in accordance with Ind-AS.

Note No. 30 – Leases

Operating Lease

i) The Company has entered into operating lease arrangements for commercial premises. The leases are non-cancellable and are for period as specified in the agreement and may be renewed based on mutual agreement of the parties.

Particulars	For the year ended 31 March, 2020	For the year ended 31st March, 2019
i) Future Non-Cancellable minimum lease commitments		
a) not later than one year	–	–
b) later than one year and not later than five years	–	–
c) later than five years	–	–
ii) Expenses recognised in the Statement of Profit and Loss		
a) Minimum Lease Payments	–	–

Note No. 31 – Employee benefits

i) Defined Contribution Plan

The Company's contribution to Provident Fund aggregating Rs. 55.26 lacs (2019 : Rs. 44.71 lacs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

ii) Defined Benefit Plans:

Gratuity

a) The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

b) Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

(1) Change in bond yields

A decrease in government bond yields will increase plan liabilities.

(2) Inflation risk

Defined benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, caps on the level of inflationary increases are in place to protect the plan against extreme inflation).

(3) Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the Company's defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

(c) Significant Actuarial Assumptions

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at 31st March, 2020	Valuation as at 31st March, 2019
a) Discount rate(s)	**6.55%**	7.30%
b) Expected rate(s) of salary increase	**7.00%**	6.00%
c) Mortality rate during employment	**IALM(2012-14) Ultimate**	IALM(2006-08) Ultimate

(d) Defined benefit plans – as per actuarial valuation

Particulars	Unfunded Plan – Gratuity 2020	Unfunded Plan – Gratuity 2019
I. Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
a) Current Service Cost	**13.49**	10.85
b) Past service cost and (gains)/ losses from settlements	–	–
c) Net interest expense	**2.37**	1.54
Components of defined benefit costs recognised in profit or loss	**15.86**	12.39
a) Remeasurement on the net defined benefit liability	–	–
b) Return on plan assets (excluding amount included in net interest expense)	–	–
c) Actuarial (gains)/loss arising form changes in demaographic	**0.20**	
d) Actuarial (gains)/loss arising form changes in financial assumptions	**5.45**	0.61
e) Actuarial (gains)/loss arising form experience adjustments	**(2.56)**	8.94
Components of defined benefit costs recognised in other comprehensive income	**3.09**	9.55
Total	**18.95**	21.94

Particulars		Unfunded Plan – Gratuity 2020	2019
II.	**Net Asset/(Liability) recognised in the Balance Sheet as at 31st March**		
a)	Present value of defined benefit obligation	**(50.11)**	(32.37)
b)	Fair value of plan assets	–	–
c)	Surplus/(Deficit)	**(50.11)**	(32.37)
d)	Current portion of the above	**(2.84)**	(2.90)
e)	Non current portion of the above	**(47.27)**	(29.47)
III.	**Change in the obligation during the year ended 31st March**		
a)	Present value of defined benefit obligation at the beginning of the year	**32.37**	20.35
b)	Add/(Less) on account of Scheme of Arrangement/Business	–	–
c)	Transfer	–	–
d)	*Expenses Recognised in Profit and Loss Account*		
	– Current Service Cost	**13.49**	10.85
	– Past Service Cost		
	– Interest Expense (Income)	**2.37**	1.54
e)	*Recognised in Other Comprehensive Income*		
	Remeasurement gains/(losses)		
–	Actuarial Gain (Loss) arising from:		
	i. Demographic Assumptions	**0.20**	
	ii. Financial Assumptions	**5.45**	0.61
	iii. Experience Adjustments	**(2.56)**	8.94
f)	Benefit payments	**(1.21)**	(9.92)
g)	**Present value of defined benefit obligation at the end of the year**	**50.11**	32.37
IV.	**Change in fair value of assets during the year ended 31st March**		
i)	Fair value of plan assets at the beginning of the year	–	–
ii)	*Expenses Recognised in Profit and Loss Account*		
	– Expected return on plan assets	–	–
iii)	*Recognised in Other Comprehensive Income*	–	–
	Remeasurement gains/(losses)		
–	Actual Return on plan assets in excess of the expected return	–	–
iv)	Contributions by employer (including benefit payments recoverable)	–	–
v)	Benefit payments	–	–
vi)	**Fair value of plan assets at the end of the year**	–	–
V.	**The Major categories of plan assets**		
–	Insurance Funds	–	–
VI.	**Actuarial assumptions**		
a)	Discount rate	**6.55%**	7.30%
b)	Expected rate of return on plan assets	–	–
c)	Attrition rate	**12.00%**	12.00%

f) The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Principal assumption		Changes in assumption	Impact on defined benefit obligation – Increase in assumption	Decrease in assumption
a)	Discount rate	2020	1.00%	46.65	54.01
		2019	1.00%	30.39	34.58
b)	Salary growth rate	2020	1.00%	53.95	46.63
		2019	1.00%	34.59	30.35
c)	Rate of employee turnover	2020	0.50%	45.55	55.48
		2019	0.50%	30.16	34.47
d)	Rate of Mortality	2020	0.10%	50.11	50.11
		2019	0.00%	32.38	32.36

Notes:

i) The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and 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 period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

ii) The weighted average duration of the defined benefit obligation as at 31 March 2020 is 7 years (2019: 6 years)

f) Maturity profile of defined benefit obligation:

The tables include both discounted value as well as unwinding of interest.

Particulars	2020	2019
Within 1 year	**2.84**	2.90
2 – 5 year	**25.07**	16.66
6 – 10 year	**24.13**	16.28

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

h) The current service cost and the net interest expense for the year are included in the employee benefits expense in profit or loss of the expense for the year.

Note No. 32 – Related Party Transactions

i) List of Related Parties:

a) Holding Companies:	
1	Mahindra Logistics Limited
b) Other Related parties	
1	Mahindra & Mahindra Limited and its divisions
2	Mahindra Heavy Engines Pvt Ltd
3	Mahindra Trucks and Buses Ltd
4	Mahindra Two Wheelers Ltd
5	Mahindra Vehicles Manufacturers Ltd
6	Mahindra CIE Automotive Limited
7	Mahindra Electric Mobility Limited
c) Key management Personnel	
1	Krishnan Varada (WTD)

ii) Details of transaction between the Company and its related parties are disclosed below:

			₹ in lacs
Particulars	**Parent Company**	**Other related parties**	**KMP**
Nature of transactions with Related Parties			
a) Rendering of services	27.92 335.65	1205.76 1,204.79	–
b) Receiving of services	24.61	3.54 3.50	–
c) Salary/PP Payable	–	–	41.65 44.41
d) Reimbursements made to parties	19.63 22.14	–	–
e) Reimbursements received from the parties	–	–	–
Nature of Balances with Related Parties			
a) Trade payables	45.15 4.02	–	–
b) Trade Receivable	0.14	161.75 225.18	–
c) Loans & advances received	–	–	–

iii) All the outstanding balances, whether receivables or payables are unsecured.

iv) Related party transactions were made on terms equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated.

Note No. 33 – IND AS 115:- Revenue Recognition policies:-

A. Country-wise break up of Revenue

				₹ in lacs
	Year ended 31st March, 2020		Year ended 31st March, 2019	
Country	**Revenue from contracts with customers (IndAS 115)**	**Total Revenue from Operations**	**Revenue from contracts with customers (IndAS 115)**	**Total Revenue from Operations**
Australia	**7.34**	**7.34**	1.48	1.48
Bangladesh	**11.64**	**11.64**	–	–
Brazil	**0.49**	**0.49**	–	–
Canada	**37.21**	**37.21**	5.07	5.07
China	**11.97**	**11.97**	13.68	13.68
Croatia	–	–	0.19	0.19
Czech Republic	**1.10**	**1.10**	0.59	0.59
Denmark	**0.53**	**0.53**	–	–
France	**1.25**	**1.25**	0.16	0.16
Germany	**7.87**	**7.87**	0.30	0.30
Ghana		–	1.22	1.22
Hong Kong	**36.75**	**36.75**	29.94	29.94
Indonesia	**0.41**	**0.41**	0.19	0.19
Israel	**0.35**	**0.35**	–	–
Italy	**1.55**	**1.55**	1.91	1.91
Japan	–	–	0.28	0.28
Jordan	–	–	0.64	0.64
Kazakhstan	**6.53**	**6.53**	3.18	3.18
Kenya	**1.80**	**1.80**	–	–
Korea (South)	**15.08**	**15.08**	39.04	39.04
Kuwait	**1.32**	**1.32**	–	–
Malaysia	**1.78**	**1.78**	0.67	0.67
Myanmar	–	–	1.07	1.07
Nepal	**-1.14**	**-1.14**	1.98	1.98
Netherlands	**6.73**	**6.73**	6.22	6.22
New Zealand	**0.85**	**0.85**	0.04	0.04
Philippines	**0.34**	**0.34**	–	–
Poland	–	–	0.18	0.18
Qatar	**2.73**	**2.73**	2.30	2.30
Saudi Arabia	**1.22**	**1.22**	–	–
Singapore	**8.51**	**8.51**	19.46	19.46
Slovakia	**0.06**	**0.06**	0.85	0.85
Spain	**0.51**	**0.51**	1.77	1.77
Sri Lanka	**5.04**	**5.04**	9.91	9.91
Sweden	–	–	1.76	1.76
Switzerland	**0.07**	**0.07**	3.05	3.05
Taiwan	–	–	6.36	6.36
Thailand	–	–	0.06	0.06
Turkey	**3.49**	**3.49**	0.06	0.06
Uae	**116.95**	**116.95**	104.59	104.59
United Kingdom	**68.58**	**68.58**	16.89	16.89
United States Of America	**379.54**	**379.54**	255.62	255.62
Vietnam	**0.28**	**0.28**	2.98	2.98
India	**19,729.26**	**19,729.26**	16,883.47	16,883.47
Total	**20,467.99**	**20,467.99**	17,417.16	17,417.16

B. Reconciliation of revenue from contract with customer

Particulars	**Year ended 31st March, 2020**	Year ended 31st March, 2019
Revenue from contract with customer as per the contract price	**20,467.99**	19,252.88
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	**–**	–
b) Sales Returns / Reversals	**–**	1,835.72
c) Deferrment of revenue	**–**	–
d) Changes in estimates of variable consideration	**–**	–
e) Recognition of revenue from contract liability out of opening balance of contract liability	**–**	–
f) Any other adjustments	**–**	–
Revenue from contract with customer as per the statement of Profit and Loss	**20,467.99**	17,417.16

C. Break-up of Provision for Expected Credit Losses recognized in P&L

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Expected Credit loss recognized during the year on trade receivables	**46.20**	97.55
Expected Credit loss recognized during the year on contract assets	–	
Expected Credit loss recognized during the year on others	–	
Expected Credit loss recognized during the year on loan related assets	–	
Total	**46.20**	97.55

D. Movement of Contract Assets and Contract Liabilities

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Opening Balance	**140.76**	21.49
Additions during the year	**3,418.35**	1,550.21
Reclassification Adjustments:		
- Reclass of opening balances of contract assets to trade receivables	**(140.76)**	(21.49)
- Reclass of contract assets (out of additions during the year) to trade receivables	**(3,176.87)**	(1,409.45)
Cumulative catch up adjustment recognized during the year	–	–
Adjustments due to contract modification	–	–
Impairment of contract asset	–	–
Addition on account of merger / acquisition of subsidiary	–	–
Deletion on account of demerger / sale of subsidiary	–	–
Closing Balance	**241.48**	140.76

Note No 34:- Ind AS 116 Disclosures

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020

Particulars	Office Premises	Furniture & Fixtures	Vehicles	Total
Balance at 1 April, 2019				
Reclassified on account of adoption of Ind AS 116 (Refer to Note No. 4)	–			–
Addition	75.37			75.37
Deletion	–			–
Depreciation	(23.08)			(23.08)
Balance at 31 March, 2020	**52.29**	**–**	**–**	**52.29**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2020

Particulars	As at March 31, 2020
Current lease liabilities	**29.04**
Non-current lease liabilities	**26.52**
Total	**55.56**

The following is the movement in lease liabilities during the year ended March 31, 2020

Particulars	Year ended March 31, 2020
Balance at the beginning	**35.28**
Additions	**40.05**
Finance cost accrued during the period	**4.52**
Deletions	–
Payment of lease liabilities	**(24.29)**
Translation Difference	–
Balance at the end	**55.56**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	As at March 31, 2020
Less than one year	**29.04**
One to five years	**26.52**
More than five years	–
Total undiscounted lease liabilities at 31 March, 2020	**55.56**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was 24.29 lacs and NIL for the year ended March 31, 2020 and year ended March 31, 2019 respectively.

The following is the movement in the net investment in sublease in ROU asset during the year ended March 31, 2020

Particulars	Year ended March 31, 2020
Balance at the beginning of the period	–
Interest income accrued during the period	–
Lease receipts	–
Translation Difference	–
Balance at the end of the period	–

The table below provides details regarding the contractual maturities of net investment in sublease of ROU asset as at March 31, 2020 on an undiscounted basis:

Particulars	As at March 31, 2020
Less than one year	–
One to five years	–
More than five years	–
Total	–

Note No 35:- Covid-19 Disclosure

The Company has accounted significant accounting estimates which have been disclosed in the financial statements.

These includes fair valuation of financial assets, testing of impairment of assets, going concern assessment etc. requiring significant management judgement in estimating the same. Considering the continuing COVID-19 pandemic, the results in upcoming period may significantly vary and may affect the recoverability of assets. However, this will depend upon future developments including actions taken to contain or treat the disease and to mitigate its impact on the economy.

The Company, based on internal & external sources of information, has assessed that as a result of Covid-19 outbreak, there is no significant financial impact on the financial statements for the year ended March 31, 2020 as at the date of approval of these financial statements.

For B.K. Khare & Co.
Chartered Accountants
FRN: 105102W

H.P. Mahajani
Partner
M.No. 030168

Place: Mumbai
Date: 15th May, 2020

For and on behalf of Board of Directors
LORDS Freight (India) Pvt Ltd

Krishnan Varada
Whole Time Director
Place: Bangalore

Sushil Rathi
Director
Place: Bangalore

INDEPENDENT AUDITOR'S REPORT

To the Members of **2 X 2 LOGISTICS PRIVATE LIMITED**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **2 X 2 Logistics Private Limited** ("the Company"), which comprise the balance sheet as at 31st March, 2020, and the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the 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 31st March, 2020, and its financial performance including other comprehensive income, changes in equity 2020 and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The company's Board of Directors is responsible for the other information. The other information comprises the Board report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

As part of an audit in accordance with Standard on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (c) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (d) On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

   (e) Section 143(3)(i) mandates the auditor to comment on whether the company has an adequate internal financial controls over financial reporting of the company and the operating effectiveness of such controls. In terms of paragraph 5 of Ministry of Corporate Affairs notification number G.S.R. 583 (E) dated June 13, 2017, and as amended from time to time, exemption has been provided to private limited companies fulfilling certain criteria mentioned in the notification, from the applicability of the requirement of reporting in terms of Section 143(3)(i). As the Company meets the relevant criteria specified in the said notification for the Financial Year 2019-20, the requirement of Section 143(3)(i) is not applicable to the Company and accordingly no report has been made under the said clause.

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

      i. The Company does not have any pending litigations;

      ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B. K. Khare & Co.**
Chartered Accountants
(Firm's Registration No. 105102W)

H P Mahajani
Partner
Membership No. 030168
UDIN: 20030168AAAAXA1046

Mumbai, 16th May, 2020

ANNEXURE A TO THE AUDITOR'S REPORT

Referred to in paragraph 1 of our report of even date on the financial statements of **2 X 2 Logistics Private Limited** for the year ended 31st March 2020

Annexure to the Auditor's Report referred to in our report of even date:

I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment's.

(b) These Property, Plant & Equipment's were physically verified by the Management during the year at reasonable intervals and discrepancies noticed during the verification were not material and have been properly dealt with in the books of accounts.

(c) The Company has no immovable properties and hence Clause 3(i)(c) is not applicable to the Company.

II. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

III. According to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured to or from companies, firms or other parties covered in the register maintained under Section 189 of the Act, and accordingly provisions of clause 3 (iii) are not applicable to the Company

IV. The Company has not granted any loans or made any investments or provided any guarantees or securities to the parties covered under Section 185 & 186 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the company.

V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Consequently, no order has been passed by the Company Law Board or National Company Law Commission or Reserve Bank of India or any court or any other tribunal on the Company. The clause 3(v), therefore is not applicable to the Company.

VI. On facts, clause 3(vi) relating to maintenance of cost records is not applicable to the Company.

VII. (a) According to the records of the Company and information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, value added tax, and other statutory dues applicable to it with the appropriate authorities.

(b) According to the information and explanations given to us and records of the Company examined by us, there are no disputed dues of income tax or sales tax, wealth tax, service tax, duty of customs, duty of excise value added tax and cess which have not been deposited on account of any dispute.

VIII. Based on the records examined by us and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date.

IX. On the basis of examination of relevant records and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year, and accordingly, Para 3(ix) of the Order is not applicable to the Company.

X. On the basis of our examination of the relevant records of the Company, carried out in accordance with generally accepted auditing practices and according to the information and explanations given to us, no material fraud by the Company or any material fraud on the Company by its officers or employees has been noticed or reported during the year.

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

Section 197 of the Companies Act 2013 is not applicable to a private limited company, hence reporting requirements of section 197(16) does not apply to the Company.

XII. The Company is not a 'Nidhi Company'; therefore, clause 3(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

XIII. On the basis of examination of relevant records and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable. The Company has disclosed the details of transactions with related parties in the Financial Statements as required by the applicable accounting standards.

XIV. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit; therefore, clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.

XV. On the basis of examination of relevant records and according to the information and explanations given to us, in our opinion, the Company has not entered into any non-cash transactions with directors or persons connected with them.

XVI. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provision of Clause 3(xvi) of the Order are not applicable to the Company.

For **B. K. Khare & Co.**
Chartered Accountants
Firm's Registration Number 105102W

H P Mahajani
Partner
Membership No. 030168
UDIN: 20030168AAAAXA1046

Mumbai, 16th May, 2020

BALANCE SHEET AS AT 31ST MARCH 2020

Rs. in Lakhs

	Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
	ASSETS			
I	**NON-CURRENT ASSETS**			
	(a) Property, Plant and Equipment	3	1,575.49	2,280.42
	(b) Intangible Assets	4	–	–
	(c) Deferred Tax Assets (Net)	18	56.24	9.35
	(d) Income Tax Assets (Net)	9	72.39	98.53
	(e) Other Assets	7	–	–
	SUB-TOTAL		1,704.12	2,388.30
II	**CURRENT ASSETS**			
	(a) Financial Assets			
	(i) Trade Receivables	5	174.97	587.76
	(ii) Cash and Cash Equivalents	8	21.13	8.59
	(iii) Other Financial Assets	6	328.80	387.10
	(b) Other Assets	7	1,556.58	1,086.19
	SUB-TOTAL		2,081.48	2,069.64
	TOTAL ASSETS		3,785.60	4,457.94
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	10	901.00	901.00
	(b) Other Equity	11	8.56	130.28
	SUB-TOTAL		909.56	1,031.28
	LIABILITIES			
I	**NON-CURRENT LIABILITIES**			
	(a) Financial Liabilities			
	(i) Borrowings	12	231.09	888.69
	(b) Provisions	16	7.23	5.30
	(c) Other Liabilities	17	–	–
	SUB-TOTAL		238.32	893.99
II	**CURRENT LIABILITIES**			
	(a) Financial Liabilities			
	(i) Borrowings	13	602.89	555.05
	(ii) Trade Payables	14	1,365.43	1,008.91
	(iii) Other Financial Liabilities	15	657.60	918.18
	(b) Provisions	16	0.74	0.30
	(c) Other Liabilities	17	11.06	50.23
	SUB-TOTAL		2,637.72	2,532.67
	TOTAL EQUITY AND LIABILTIES		3,785.60	4,457.94

The accompanying notes 1 to 31 are integral part of these financial statement.

In terms of our report attached.

For B. K. Khare & Co.
Chartered Accountants
FRN: 105102W

H.P Mahajani
Partner
M.No. 030168

Place : Mumbai
Date : 16th May, 2020

For and on behalf of Board of Directors

2 X 2 Logistics Private Ltd.

Sushil Rathi
Director

Nitin Singhal
Director

Ruchie Khanna
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020

Rs. in Lakhs

	Particulars	**Note No.**	**Year ended 31st March 2020**	Year ended 31st March 2019
I	Revenue from operations	**19**	**4,741.82**	5,907.89
II	Other Income	**20**	**23.94**	15.41
III	**Total Income (I + II)**		**4,765.76**	5,923.30
IV	**EXPENSES**			
	(a) Operating Expenses	**21**	**3,805.17**	4,558.70
	(b) Employee benefits expense	**22**	**115.26**	90.36
	(c) Finance costs	**23**	**169.14**	231.85
	(d) Depreciation and amortisation expense	**3&4**	**705.38**	706.49
	(e) Other expenses	**24**	**138.94**	160.40
	Total Expenses		**4,933.89**	5,747.80
V	**Profit/(loss) before tax (III - IV)**		**(168.13)**	175.50
VI	**Tax Expense**			
	(1) Current tax	**24**	**–**	36.15
	(2) Deferred tax	**24**	**(46.76)**	12.65
	Total Tax Expense (1+2)		**(46.76)**	**48.80**
VII	**Profit/(loss) After Tax (V - VI)**		**(121.37)**	126.70
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans- Gains/(Losses)		**(0.48)**	0.10
	(ii) Income tax relating to items that will not be reclassified to profit or loss	**18**	**0.13**	(0.04)
	Total Other Comprehensive Income		**(0.35)**	0.06
IX	**Total comprehensive income for the period (VII + VIII)**		**(121.72)**	126.76
X	**Earnings per equity share (face value Rs.10/- per share)**			
	(1) Basic (in Rs.)	**25**	**(1.35)**	1.41
	(2) Diluted (in Rs.)	**25**	**(1.35)**	1.41

The accompaying notes 1 to 31 are integral part of these financial statement.

In terms of our report attached.

For B. K. Khare & Co.
Chartered Accountants
FRN: 105102W

H.P Mahajani
Partner
M.No. 030168

Place : Mumbai
Date : 16th May, 2020

For and on behalf of Board of Directors

2 X 2 Logistics Private Ltd.

Sushil Rathi
Director

Nitin Singhal
Director

Ruchie Khanna
Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2020

Rs. in Lakhs

	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
A.	**Cash flows from operating activities**		
	Profit before tax for the period	**(168.13)**	175.50
	Adjustments for:		
	(Profit)/Loss on disposal of property, plant and equipment		–
	Depreciation and amortisation of non-current assets	**705.38**	706.49
	Finance Charges	**169.14**	231.85
	Interest Income	**(6.87)**	(3.64)
	Operating profit before working capital changes	**699.52**	1,110.20
	Movements in working capital:		
	(Increase)/Decrease in trade and other receivables	**0.70**	(380.96)
	Increase/(Decrease) in trade and other payables	**319.24**	331.65
	Cash generated from operations	**1,019.46**	1,060.89
	Income taxes paid	**26.14**	(7.31)
	Net cash generated by/(used in) operating activities	**1,045.60**	1,053.58
B.	**Cash flows from investing activities**		
	Interest income	**6.87**	3.64
	Payments for property, plant and equipment	**(0.45)**	(4.28)
	Net cash generated by/(used in) investing activities	**6.42**	(0.64)
C.	**Cash flows from financing activities**		
	Issue of Share Capital		
	Proceeds from borrowings	**47.84**	16.02
	Repayment of borrowings	**(918.18)**	(843.69)
	Finance Charges	**(169.14)**	(231.85)
	Net cash generated by/(used in) financing activities	**(1,039.48)**	(1,059.52)
	Net increase in cash and cash equivalents (A+B+C)	**12.54**	(6.58)
	Cash and cash equivalents at the beginning of the period	**8.59**	15.17
	Cash and cash equivalents at the end of the period	**21.13**	8.59
	Components of cash and cash equivalents		
	Cash / Cheques on hand	**19.52**	8.04
	With Banks - on Current account/Balance in Cash Credit Accounts	**1.61**	0.55
		21.13	8.59

Notes:

1 The above Cash Flow Statement has been prepared under the Indirect Method set out in 'IND AS 7- Statement of Cash Flows'.

2 Figures in bracket indicates cash outflow.

3 Additions to property, plant and equipment and intangible assets include movements in capital work-in-progress and intangible assets under development respectively during the period.

The accompayning notes 1 to 31 are integral part of these financial statement.

In terms of our report attached.

For B. K. Khare & Co.
Chartered Accountants
FRN: 105102W

H.P Mahajani
Partner
M.No. 030168

Place : Mumbai
Date : 16th May, 2020

For and on behalf of Board of Directors

2 X 2 Logistics Private Ltd.

Sushil Rathi
Director

Nitin Singhal
Director

Ruchie Khanna
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 2020

Rs. in Lakhs

(a) Equity Share Capital

Particulars	Number of Shares	Equity share capital
As at 31st March, 2018	9,010,000	901.00
Changes in equity share capital during the period	–	–
As at 31st March 2019	9,010,000	901.00
Changes in equity share capital during the period	–	–
As at 31st March 2020	**9,010,000**	**901.00**

(b) Other Equity

Particulars	Reserves & Surplus			Total
	Securities premium reserve	Equity-settled employee benefits reserve	Retained earnings	
Balance as at 31st March, 2018	–	–	3.52	3.52
– Addition to equity settled employee benefit reserve	–	–	–	–
Total Comprehensive income for the period				
– Profit for the period	–	–	126.70	126.70
– Actuarial gain/(loss) transferred to retained earnings	–	–	0.06	0.06
Balance as at 31st March, 2019	–	–	130.28	130.28
– Addition to equity settled employee benefit reserve	–	–	–	–
Total Comprehensive income for the period				
– Profit for the period	–	–	(121.37)	(121.37)
– Actuarial gain/(loss) transferred to retained earnings	–	–	(0.35)	(0.35)
Balance as at 31st March, 2020	–	–	**8.56**	**8.56**

The accompanying notes 1 to 31 are integral part of these financial statement.

In terms of our report attached.

For B. K. Khare & Co.
Chartered Accountants
FRN: 105102W

H.P Mahajani
Partner
M.No. 030168

Place : Mumbai
Date : 16th May, 2020

For and on behalf of Board of Directors

2 X 2 Logistics Private Ltd.

Sushil Rathi
Director

Nitin Singhal
Director

Ruchie Khanna
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Notes to Accounts – Part A

Corporate Information

2 X 2 Logistics Private Limited is a deemed public limited company incorporated on 22nd October, 2012 under the Companies Act, 1956. The Company is engaged in providing logistics services to its Customers. The financial statements for the period ended 31st March, 2020 were approved for issue in accordance with a resolution of the directors on 16th May, 2020.

1. Significant accounting policies

1.1 Statement of compliance

The financial statements have been prepared in accordance with the provisions of Companies Act, 2013 and the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, specified under Section 133 of the Act. The financial statements are separate financial statements.

1.2 Basis of preparation and presentation

The financial statements have been prepared on accrual basis and the historical cost basis as a going concern except for certain financial instruments that are measured at fair values or at amortised cost, wherever applicable, at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in this financial statement is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Assets and Liabilities are classified as Current or Non Current as per the provisions of Schedule III to the Companies Act, 2013 and Company's Normal Operating Cycle. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the classification of assets and liabilities.

The financial statements are prepared in Indian Rupee(INR) and denominated in lakhs.

The principal accounting policies are set out below.

1.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

1.3.1 <u>Rendering of services</u>

Incomes from logistics services rendered are recognised on the completion of the services as per the terms of contract. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

1.3.2 <u>Dividend and interest income</u>

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.4 Leasing

The Company's significant operating leasing arrangements are in respect of office premises and IT related equipments. Lease rentals are recognised as per the terms of lease.

Rental expense 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 lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

1.5 Borrowing costs

Borrowing Cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue in the year of incurrence.

1.6 Employee benefits

1.6.1 <u>Retirement benefit costs and termination benefits</u>

Defined Contribution Plan:

Company's contributions paid/payable during the year to the Superannuation Fund, ESIC, Provident Fund and Labour Welfare Fund are recognised in the Statement of Profit and Loss.

Defined Benefits:

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

1.6.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

1.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.7.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

1.7.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

1.7.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.8 Property, plant and equipment

All fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition is inclusive of purchase price, levies and any directly attributable cost of bringing the assets to its working condition for the intended use. Subsequent costs are included in the assets carrying amount or recognised as separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the company and cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

Depreciation on tangible assets is charged by the Straight Line Method (SLM) in accordance with the useful lives specified in Part – C of Schedule II of the Companies Act, 2013 on a pro-rata basis except for following assets in order to reflect the actual usage of the assets:

- Horse portion of a Vehicle is depreciated over five years based on the management experience of handling similar kind of asset.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

1.9 Intangible assets

1.9.1 Intangible assets acquired separately

The useful lives of intangible assets are assessed as either finite or infinite. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

1.9.2 Useful lives of intangible assets

The expenditure incurred is amortised over three financial years equally commencing from the year in which the expenditure is incurred.

1.10 Impairment of tangible and intangible assets other than goodwill

The Management of the Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

1.11 Provisions, Contingent Liabilities & Contingent assets

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is disclosed where an inflow of economic benefits is probable.

1.12 Financial instruments

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.13 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

1.13.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note 1.13.3

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments.

All other financial assets are subsequently measured at fair value.

1.13.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item. Dividend on financial assets at FVTPL is recognised when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

1.13.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

1.13.4 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

1.14 Financial liabilities and equity instruments

1.14.1 Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

1.14.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

1.14.3 Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

1.14.4 Financial liabilities

All financial liabilities are subsequently measured at amortised cost or at FVTPL.

1.14.4.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

1.14.4.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

1.15 Segment Accounting:

The Company has single reportable segment "Supply chain management" for the purpose of Segment reporting.

1.16 Earnings Per Share:

Basic and diluted earnings per share is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year.

2A. Critical accounting judgements and key sources of estimation uncertainty

2A. In the application of the Company's accounting policies, which are described in note 1, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2A.1.1 Useful lives of Property, plant and equipment

As described in note 2 above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

2A.1.2 Defined Benefit Plans:

The cost of the defined benefit plans and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making assumptions that may differ from actual developments in the future. These include the determination of discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2B. COVID-19:

The Company has accounted significant accounting estimates which have been disclosed in the financial statements.

These includes fair valuation of financial assets, testing of impairment of assets, going concern assessment etc. requiring significant management judgement in estimating the same. Considering the continuing COVID-19 pandemic, the results in upcoming period may significantly vary and may affect the recoverability of assets. However, this will depend upon future developments including actions taken to contain or treat the disease and to mitigate its impact on the economy.

The Company, based on internal & external sources of information, has assessed that as a result of Covid-19 outbreak, there is no significant financial impact on the financial statements for the year ended March 31, 2020 as at the date of approval of these financial statements.

Note No. 3 - Property, Plant and Equipment

As at 31st March 2020

Rs. in Lakhs

Description of Assets	**Plant and Machinery**	**Office Equipment**	**Furniture & Fittings**	**Vehicles**	**Total**
A. Cost					
Balance as at 1st April, 2019	4.09	5.96	2.24	4,358.95	4,371.24
a) Additions	–	0.45	–	–	0.45
b) Less: Disposals / adjustments	–	–	–	–	–
Balance as at 31st March 2020	**4.09**	**6.41**	**2.24**	**4,358.95**	**4,371.69**
B. Accumulated depreciation and impairment					
Balance as at 1st April, 2019	1.32	3.28	0.61	2,085.61	2,090.82
a) Depreciation expense for the year	0.91	1.88	0.21	702.38	705.38
b) Less: Disposals / adjustments	–	–	–	–	–
Balance as at 31st March 2020	**2.23**	**5.16**	**0.82**	**2,787.99**	**2,796.20**
C. Net carrying amount (A-B)	**1.86**	**1.25**	**1.42**	**1,570.96**	**1,575.49**

As at 31st March 2019

Rs. in Lakhs

Description of Assets	**Plant and Machinery**	**Office Equipment**	**Furniture & Fittings**	**Vehicles**	**Total**
A. Cost					
Balance as at 1st April, 2018	1.36	4.42	2.24	4,358.95	4,366.97
a) Additions	2.73	1.54	–	–	4.27
b) Less: Disposals / adjustments	–	–	–	–	–
Balance as at 31st March 2019	4.09	5.96	2.24	4,358.95	4,371.24

Rs. in Lakhs

Description of Assets	Plant and Machinery	Office Equipment	Furniture & Fittings	Vehicles	Total
B. Accumulated depreciation and impairment					
Balance as at 1st April, 2018	0.26	1.96	0.40	1,381.71	1,384.33
a) Depreciation expense for the year	1.06	1.32	0.21	703.90	706.49
b) Less: Disposals / adjustments	–	–	–	–	–
Balance as at 31st March 2019	1.32	3.28	0.61	2,085.61	2,090.82
C. Net carrying amount (A-B)	2.77	2.68	1.63	2,273.34	2,280.42

Notes:

i) There is no significant amount of compensation received from third parties recognised in profit or loss related to tangible assets.

ii) Vehicles with the carrying amount of Rs. 1564.60 lakhs (31st March 2019 - Rs. 2263.33 lakhs) have been pledged to secure borrowings of the Company. For details refer note no.13 on borrowing.

iii) The depreciation methods used and the useful lives or the depreciation rates used have been mentioned in the note 1.8.

iv) The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2020 and for 31st March 2019 is Nil.

Note No. 4 - Intangible Assets

Rs. in Lakhs

Computer Software	As at 31st March 2020	As at 31st March 2019
A. Cost		
Balance as at 1st April	0.51	0.51
a) Additions	–	–
b) Less: Disposals / adjustments	–	–
Balance as at 31st March	**0.51**	0.51
B. Accumulated amortisation and impairment		
Balance as at 1st April	0.51	0.51
a) Additions	–	–
b) Less: Disposals / adjustments	–	–
Balance as at 31st March	**0.51**	0.51
C. Net carrying amount (A-B)	**–**	**–**

Notes:

i) There is no significant intangible asset that is material to the Company's financial statements on individual basis.

ii) The intangible assets mentioned above have finite useful lives as mentioned in note 1.9.2.

Note No. 5 - Trade receivables

Rs. in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
Trade receivables		
Unsecured, considered good	**174.97**	587.76
	174.97	587.76
Less: Allowance for Credit Losses	**–**	–
TOTAL...	**174.97**	587.76

Notes:

i) Refer Note 26 for disclosures related to credit risk and impairment of trade receivables .

ii) Trade Receivables are subject to confirmation and Reconciliations.

Note No. 6 - Other financial assets

Rs. in Lakhs

Particulars	As at 31st March 2020 Current	As at 31st March 2020 Non-Current	As at 31st March 2019 Current	As at 31st March 2019 Non-Current
Financial assets at amortised cost				
a) Bank Deposit with more than 12 months original maturity	**–**	**–**	–	–
Total	**–**	**–**	–	–
b) Security Deposits				
i. Unsecured, considered good	**1.31**	**–**	1.31	–
ii. Doubtful	**–**	**–**	–	–
Total	**1.31**	**–**	1.31	–
c) Other items				
i. Accrued Sales	**319.10**	**–**	380.31	–
ii. Other Accrued	**8.39**	**–**	5.48	–
Total	**327.49**	**–**	385.79	–
Total (a+b+c)	**328.80**	**–**	387.10	–

Notes:

i) Refer Note 26 for disclosures related to credit risk, impairment under expected credit loss model and related disclosures.

Note No. 7 - Other assets

Rs. in Lakhs

Particulars	As at 31st March 2020 Current	As at 31st March 2020 Non- Current	As at 31st March 2019 Current	As at 31st March 2019 Non- Current
A. Capital advances				
a) For Capital work in progress	–	–	–	–
b) For intangible asset	–	–	–	–
Total (A)	–	–	–	–
B. Advances other than capital advances				
a) Advances to suppliers - considered good	**15.21**	–	22.40	–
b) Prepaid Expenses	**71.18**	–	75.22	–
c) Other advances	**1,464.96**	–	981.64	–
d) Balances with government authorities (other than income taxes)	–	–	–	–
Total (B)	**1,551.35**	–	1,079.26	–
C. Consumables Tyres	**5.23**	–	6.93	–
TOTAL (A+B+C)	**1,556.58**	–	1,086.19	–
Less: Provision for doubtful advances	–	–	–	–
TOTAL (A+B+C)	**1,556.58**	–	1,086.19	–

Note No. 8 - Cash and Cash equivalents

Rs. in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
A. Cash and cash equivalents		
a) Balances with banks	**1.61**	0.55
b) Cash on hand	**19.52**	8.04
Total	**21.13**	8.59

Note No. 9 - Income Tax Assets (Net)

Rs. in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
Advance Income Tax/TDS Receivable (Net)	**72.39**	98.53
Total	**72.39**	98.53

Note No. 10 - Equity Share Capital

Particulars	Year ended 31st March 2020 No. of shares	Year ended 31st March 2020 Amount	Year ended 31st March 2019 No. of shares	Year ended 31st March 2019 Amount
A. Authorised:				
a) Equity shares of Rs.10 each with voting rights	**10,00,00,000**	**10,00,00,000**	10,00,00,000	10,00,00,000
Total	**10,00,00,000**	**10,00,00,000**	10,00,00,000	10,00,00,000
B. Issued, Subscribed and Fully Paid:				
a) Equity shares of Rs.10 each with voting rights	**90,10,000**	**9,01,00,000**	90,10,000	9,01,00,000
Total	**90,10,000**	**9,01,00,000**	90,10,000	9,01,00,000
C. Issued, Subscribed and Partly Paid:				
a) Equity shares of Rs.10 each with voting rights Rs. 2 paid up	–	–	–	–
b) Equity shares of Rs.10 each with voting rights Rs. 1 paid up	–	–	–	–
TOTAL	–	–	–	–
TOTAL (B+C)	**90,10,000**	**9,01,00,000**	90,10,000	9,01,00,000

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Rs. in Lakhs

Particulars		Opening Balance	Right Issue	Other Changes	Closing Balance
A. Equity Shares with Voting rights					
a) Period ended 31st March 2020					
	No. of Shares	**90,10,000**	–	–	**90,10,000**
	Amount	**901.00**	–	–	**901.00**
b) Period ended 31st March 2019					
	No. of Shares	90,10,000	–	–	90,10,000
	Amount	901.00	–	–	901.00

(i) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shares held by Holding Company / and their Subsidiaries

Name of shareholder	As at 31st March 2020	As at 31st March 2019
Holding Company - Mahindra Logistics Limited	**49,55,500**	49,55,500

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March 2020 Number of shares held	% holding in that class of shares	As at 31st March 2019 Number of shares held	% holding in that class of shares
A. Equity shares with voting rights				
a) Mahindra Logistics Ltd.	**49,55,500**	**55.00%**	49,55,500	55.00%
b) IVC Logistics Ltd.	**40,54,500**	**45.00%**	40,54,500	45.00%

Note No. 11 - Other Equity

Rs. in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
Securities premium reserve	**–**	–
Equity-settled employee benefits reserve	**–**	–
Retained earnings	**8.56**	130.28
Total	**8.56**	130.28

Movement in Reserves

Rs. in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
(A) Securities Premium Reserve		
Balance as at the beginning of the year	**–**	–
Add: Additions during the year	**–**	–
Less: Deletion during the year	**–**	–
Balance as at the end of the year	**–**	–
(B) Equity-settled Employee benefits reserve		
Balance as at the beginning of the year	**–**	–
Add: Additions during the year	**–**	–
Less: Deletion during the year	**–**	–
Balance as at the end of the year	**–**	–
(C) Retained Earnings		
Balance as at the beginning of the year	**130.28**	3.52
Add: Profit for the year	**(121.37)**	126.70
Less: Actuarial gain/(loss) for the year	**(0.35)**	0.06
Balance as at the end of the year	**8.56**	130.28

Nature and purpose of other reserves:

Retained earnings:

Retained earnings represents the accumulated surplus. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013.

Note No. 12 - Non-Current Borrowings

Rs. in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
Measured at amortised cost		
A. Secured Borrowings:		
(a) Term Loans		
(1) From Banks	**231.09**	888.69
(2) From Related Party	–	–
Total Secured Borrowings	**231.09**	888.69
B. Unsecured Borrowings - at amortised Cost		
(a) Other Loans	–	–
Total Unsecured Borrowings	–	–
Total Borrowings	**231.09**	888.69

Note: i) Vehicle loan has been taken at the rate of interest ranging from 8.15% p.a to 8.40 % p.a.

ii) The Loan has been secured by way of hypothecation of the related vehicle and to be paid in 57 equal monthly instalments.

Note - 13: Current Borrowings

Rs. in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
A. Secured Borrowings	**–**	–
Total Secured Borrowings	**–**	–
B. Unsecured Borrowings		
from Banks	**602.89**	555.05
Total Unsecured Borrowings	**602.89**	555.05
Total Current Borrowings	**602.89**	555.05

Note:

Unsecured loan from banks is in the nature of Bank Overdraft facility.

Note No. 14 - Trade Payables

Rs. in Lakhs

Particulars	As at 31st March 2020	As at 31st March 2019
Due to Micro and Small Enterprises	**22.81**	25.71
Trade payable - Other than Micro and Small Enterprises	**1,342.62**	983.20
Total	**1,365.43**	1,008.91

Note:

i) Trade Payables are payables in respect of the amount due on account of goods purchased or services availed in the normal course of business.

Note No. 15 - Other Financial Liabilities

Rs. in Lakhs

Particulars	As at 31st March 2020 Current	As at 31st March 2020 Non Current	As at 31st March 2019 Current	As at 31st March 2019 Non Current
Other Financial Liabilities Measured at Amortised Cost				
Current maturities of long-term debt				
From Banks	**657.60**	–	918.18	–
From Related Party	–	–	–	–
Total	**657.60**	–	918.18	–

Note No. 16 - Provisions

Rs. in Lakhs

Particulars	As at 31st March 2020 Current	As at 31st March 2020 Non-Current	As at 31st March 2019 Current	As at 31st March 2019 Non-Current
Provision for employee benefits				
a) Post- employment Benefit - Leave Encashment and Gratuity	**0.74**	**7.23**	0.30	5.30
Total	**0.74**	**7.23**	0.30	5.30

Note No. 17 - Other Liabilities

Rs. in Lakhs

Particulars	As at 31st March 2020 Current	As at 31st March 2020 Non-Current	As at 31st March 2019 Current	As at 31st March 2019 Non-Current
Statutory dues				
a) Taxes Payable	**6.91**	–	46.41	–
b) Employee Liabilities	**3.98**	–	3.82	–
c) Advance to customer	**0.17**	–	–	–
TOTAL	**11.06**	–	50.23	–

Notes:

For disclosures related to employee benefits, refer note 29.

Note No. 18: Deferred Tax Assets

Movement in deferred tax balances

Rs. in Lakhs

Particulars	**Year ended 31st March 2020**				Year ended 31st March 2019			
	Opening Balance	**Recognised in profit and Loss**	**Recognised in OCI**	**Closing Balance**	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
A. Tax effect of items constituting deferred tax liabilities								
a) Property, Plant and Equipment WDV	**234.87**	**(76.50)**	**–**	**158.37**	243.77	(8.90)	–	234.87
Total	**234.87**	**(76.50)**	**–**	**158.37**	243.77	(8.90)	–	234.87
B. Tax effect of items constituting deferred tax assets								
a) Income tax Loss	**184.27**	**(30.26)**	**–**	**154.01**	242.55	(58.28)	–	184.27
b) MAT Credit	**58.39**	**–**	**–**	**58.39**	22.24	36.15	**–**	58.39
c) Employee benefits	**1.56**	**0.52**	**0.13**	**2.21**	1.02	0.58	(0.04)	1.56
Total	**244.22**	**(29.74)**	**0.13**	**214.61**	265.81	(21.55)	(0.04)	244.22
Net Tax Asset/(Liabilities) (B-A)	**9.35**	**46.76**	**0.13**	**56.24**	22.04	(12.65)	(0.04)	9.35

Note No. 19 - Revenue from Operations

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Revenue from rendering of services	**4,741.82**	5,907.89
Total	**4,741.82**	5,907.89

Ind As 115 Disclosure

A. Country-wise break up of Revenue

Rs. in Lakhs

Country	Revenue from contracts with customers (IndAS 115)	Revenue from operations from other than customers	Total Revenue from Operations	Other Income	Total Income
India	4,741.82	–	4,741.82	23.94	4,765.76
Others (specify)	–	–	–	–	–
Total	**4,741.82**	–	**4,741.82**	**23.94**	**4,765.76**

B. Reconciliation of revenue from contract with customer

Particulars	Amount
Revenue from contract with customer as per the contract price	**4,987.15**
Adjustments made to contract price on account of :-	
a) Discounts / Rebates / Incentives	**158.51**
b) Sales Returns / Reversals	**25.61**
f) Any other adjustments-Unbilled Revenue	**61.21**
Revenue from contract with customer as per the statement of Profit and Loss	**4,741.82**

C. Movement of Contract Assets and Contract Liabilities

Movement of Contract Assets

Particulars	Amount
Opening Balance	**380.31**
Additions during the year	**319.10**
Reclassification Adjustments:	
– Reclass of opening balances of contract assets to trade receivables	**380.31**
Closing Balance	**319.10**

Note No. 20 - Other Income

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
a) Interest Income	**6.87**	3.64
b) Miscellaneous Income	**17.07**	11.77
Total	**23.94**	15.41

Note No. 21 - Operating Expenses

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
a) Freight & other related Expense	**18.00**	–
b) Labour & other related Expense	**234.16**	251.26
c) Rent including lease rentals	**14.34**	17.47
d) Vehicle running expense	**1,652.56**	1,737.22
h) Power & Fuel Expenses	**1,632.83**	2,226.24
i) Repairs and maintenance - machinery	**253.28**	326.51
Total Operating Expense	**3,805.17**	4,558.70

Note No. 22 - Employee Benefits Expense

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
a) Salaries and wages, including bonus	**101.04**	80.03
b) Contribution to provident and other funds	**6.02**	5.68
c) Gratuity	**1.79**	1.47
e) Staff welfare expenses	**6.41**	3.18
Total Employee Benefit Expense	**115.26**	90.36

Notes:

i) Salaries and wages includes salaries, wages, bonus, compensated absences and all other amounts payable to employees in respect of services rendered as per their employment terms under a contract of service.

Note No. 23 - Finance Cost

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
a) Interest expense on Term Loan	**119.69**	194.19
b) Interest expense on Bank Overdraft	**49.45**	37.66
Total	**169.14**	231.85

Notes:

i) Analysis of Interest Expenses by Category

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Interest Expenses		
a) On Financial Liability at Amortised Cost	**169.14**	231.85
Total	**169.14**	231.85

Note No. 24 - Other Expenses

Rs. in Lakhs

Particulars		Year ended 31st March 2020		Year ended 31st March 2019
a) Rent including lease rentals		**11.82**		17.12
b) Legal and Other professional costs		**34.24**		45.52
c) Insurance		**72.32**		75.90
d) Travelling and Conveyance Expenses		**6.56**		8.95
e) Repairs and maintenance - machinery		**–**		–
f) Auditors remuneration and out-of-pocket expenses		**1.34**		1.30
i) As Auditors	0.90		0.84	–
ii) For Taxation matters	0.41		0.40	–
iii) For Other services	0.03		0.06	–
g) Miscellaneous Expenses		**12.66**		11.61
Total		**138.94**		160.40

Note No. 25 - Current Tax and Deferred Tax

(a) Income Tax recognised in Profit & Loss

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
A. Current Tax:		
a) In respect of current year	**–**	36.15
b) In respect of prior year	**–**	–
Total	**–**	36.15
B. Deferred Tax:		
In respect of current year originination and reversal of temporary difference	**(46.76)**	12.65
In respect of changes in tax rate	**–**	–
Total	**(46.76)**	12.65
Total (A+B)	**(46.76)**	48.80

(b) Income tax recognised in Other Comprehensive Income

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
A. Current Tax:		
Remeasurement of defined benefit obligations	**–**	–
Total	**–**	–
B. Deferred Tax:	**0.13**	(0.04)
Total	**0.13**	(0.04)
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	**–**	–
Total	**–**	–

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
a) Profit Before tax	**(168.61)**	175.60
b) Income Tax using the Company's domestic tax rate#	**(46.89)**	48.85
c) Change in tax rate	**–**	–
d) Expenses not allowed for tax purpose	**–**	–
Income tax expense recognised In profit or loss	**(46.89)**	48.85

Note:

The tax rate used in reconciliations above is the corporate tax rate of 25% (plus surcharge and cess as applicable) on taxable profits under Income Tax Act, 1961.

Note No. 26 - Earnings Per Share

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
A. Basic Earnings Per Share (in Rs.) (face value in Rs. 10/- per share)	**(1.35)**	1.41
B. Diluted Earnings Per Share (in Rs.) (face value in Rs. 10/- per share)	**(1.35)**	1.41

Notes:

i) Basic Earnings Per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Profit / (loss) for the period attributable to owners of the Company	**-121.37**	126.70
Profit / (loss) for the period used in the calculation of basic earnings per share	**-121.37**	126.70
Weighted average number of equity shares	**90.10**	90.10
Earnings per share from continuing operations - Basic (in Rs.)	**(1.35)**	1.41

ii) Diluted Earnings Per Share

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving the effect of the dilutive potential ordinary shares for the respective years.

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
a) Profit / (loss) for the period used in the calculation of basic earnings per share	**-121.37**	126.70
b) Add: adjustments on account of dilutive potential equity shares	**–**	–
Profit / (loss) for the period used in the calculation of diluted earnings per share	**-121.37**	126.70

iii) Reconciliation of weighted average number of equity shares

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Rs. in Lakhs

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Weighted average number of equity shares used in the calculation of Basic EPS	**90.10**	90.10
Add: Effect of ESOPs	**–**	–
Weighted average number of equity shares used in the calculation of Diluted EPS	**90.10**	90.10

Note No. 27- Financial Instruments

I. Capital management Policy

a) The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern.
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

b) For the purpose of Company's capital management, capital includes issued share capital, equity and all other equity reserves. The Company monitors capital on the basis of the carrying amount of equity as presented on the face of the statement of financial position. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

c) The following table shows the components of capital:

		Rs. in Lakhs
Particulars	**As at 31st March 2020**	As at 31st March 2019
Equity	**909.56**	1,031.28
Capital	**909.56**	1,031.28

Note:

The above capital management disclosures are based on the information provided internally to key management personnel.

The Company is not subject to externally enforced capital regulation.

II. Categories of financial assets and financial liabilities

Rs. in Lakhs

As at 31st March 2020

Particulars	Amortised Costs	FVTPL	FVOCI	Total
A. Current Assets				
a) Trade Receivables	**174.97**	–	–	**174.97**
b) Cash and Bank Balances	**21.13**	–	–	**21.13**
c) Other Financial Assets	**328.80**	–	–	**328.80**
Total	**524.90**	–	–	**524.90**
B. Non-current Liabilities				
a) Other Financial Liabilities	**231.09**	–	–	**231.09**
Total	**231.09**	–	–	**231.09**
C. Current Liabilities				
a) Trade Payables	**1,365.43**	–	–	**1,365.43**
b) Current Maturities of long term Debt	**657.60**	–	–	**657.60**
c) Short Term Borrowing	**602.89**	–	–	**602.89**
d) Other Financial Liabilities	–	–	–	–
– Non Derivative Financial Liabilities	–	–	–	–
Total	**2,625.92**	–	–	**2,625.92**

Particulars	As at 31st March 2019 Amortised Costs	FVTPL	FVOCI	Total
A. Current Assets				
a) Trade Receivables	587.76	–	–	587.76
b) Cash and Bank Balances	8.59	–	–	8.59
c) Other Financial Assets	387.10	–	–	387.10
Total	983.45	–	–	983.45
B. Non-current Liabilities				
a) Other Financial Liabilities	888.69	–	–	888.69
Total	888.69	–	–	888.69
C. Current Liabilities				
a) Trade Payables	1,008.91	–	–	1,008.91
b) Current Maturities of long term Debt	918.18	–	–	918.18
c) Short Term Borrowing	555.05	–	–	555.05
d) Other Financial Liabilities	–	–	–	–
Total	2,482.14	–	–	2,482.14

III) Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk and liquidity risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A) Credit risk management

Trade receivables and deposits

(i) Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The company yearically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Credit exposure is controlled by counterpaty credit year which is monitored through an approved policy.

(ii) Trade receivables consist of a small number of customers.

(iii) One of the customer of the Company, which is also a group company accounts for more than 10% of total outstanding exposure. However since such customer is also a group company, the Company does not anticipate any credit risk.

(iv) The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

(v) There is no change in estimation techniques or significant assumptions during the reporting year.

(vi) During the year, the company has not made any write off on trade receivable and advances. These trade receivables and advances are not subject to enforcement activity.

b) Liquidity risk management

(i) The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(ii) Maturities of financial liabilities

Table showing maturity profile of financial liabilites

Rs. in Lakhs

Particulars	**As at 31st March 2020** Less than 1 Year	**1-3 Years**	**3 Years to 5 Years**	**5 years and above**
A) Non-derivative financial liabilities				
a) Trade Payables	**1,365.43**	–	–	–
b) Long term debt	–	**231.09**	–	–
c) Current maturities of long term debt	**657.60**	–	–	–
d) Employee Dues	–	–	–	–
e) Short Term Borrowings	**602.89**	–	–	–
Total	**2,625.92**	**231.09**	–	–

Particulars	As at 31st March 2019 Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
A) Non-derivative financial liabilities				
a) Trade Payables	1,008.91	–	–	–
b) Long term debt	–	856.34	32.35	–
c) Current maturities of long term debt	918.18	–	–	–
d) Employee Dues	–	–	–	–
e) Short Term Borrowings	555.05	–	–	–
Total	2,482.14	856.34	32.35	–

The above table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The contractual maturity is based on the earliest date on which the Company may be required to pay.

(iii) Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting year:

Rs. in Lakhs

Particulars	**As at 31st March 2020**	As at 31st March 2019
a) Unsecured Bank Overdraft facility		
- Expiring within one year	**97.11**	144.95
- Expiring beyond one year	–	–

(iv) Maturities of financial assets

Table showing maturity profile of financial assets

Rs. in Lakhs

Particulars	**As at 31st March 2020** Less than 1 Year	**1-3 Years**	**3 Years to 5 Years**	**5 years and above**
	In Rs. Lakhs	**In Rs. Lakhs**	**In Rs. Lakhs**	**In Rs. Lakhs**
Non-derivative financial assets				
Trade Receivables	174.97	–	–	–
Security Deposits	1.31	–	–	–
Others	327.49	–	–	–
Total	503.77	–	–	–

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
	As at 31st March 2019			Rs. in Lakhs
	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs	In Rs. Lakhs
Non-derivative financial assets				
As at 31st March 2019				
Trade Receivables	587.76	–	–	–
Security Deposits	1.31	–	–	–
Others	385.79	–	–	–
Total	974.86	–	–	–

The above table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

c) Market Risk Management

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Board of Directors.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Interest rate risk

								Rs. in Lakhs
Nature of Liability	**Nature of Borrowing**	**Type of Interest**	**Rate of interest**	**Loan amount outstanding as at year end**	**Increase in Base Rate**	**Sensitivity Impact on P&L (pre-tax)**	**Decrease in Base Rate**	**Sensitivity Impact on P&L (pre-tax)**
As at 31st March, 2020	**Bank Overdraft**	**Floating**	**8.20%**	**602.89**	**1.00%**	**(6.03)**	**1.00%**	**6.03**
As at 31st March, 2019	Bank Overdraft	Floating	8.75%	555.05	1.00%	(5.55)	1.00%	5.55

Note No. 28 - Fair Value Measurement

a) Fair value of financial assets and financial liabilities that are measured at amortised cost:

Particulars	31st March 2020 Carrying amount	31st March 2020 Fair value	31st March 2019 Carrying amount	31st March 2019 Fair value
				Rs. in Lakhs
A) Financial assets				
a) Financial assets carried at Amortised Cost				
i) Trade and other receivables	**174.97**	**174.97**	587.76	587.76
ii) Deposits given	**1.31**	**1.31**	1.31	1.31
iii) Cash and cash equivalents	**21.13**	**21.13**	8.59	8.59
iv) Others	**327.49**	**327.49**	385.79	385.79
Total	**524.90**	**524.90**	983.45	983.45
B) Financial liabilities				
b) Financial liabilities held at amortised cost				
i) Trade and other payables	**1,365.43**	**1,365.43**	1,008.91	1,008.91
ii) Borrowings	**888.69**	**842.06**	1,806.87	1,643.53
iii) Short Term Borrowings	**602.89**	**602.89**	555.05	555.05
Total	**2,857.01**	**2,810.38**	3,370.83	3,207.49

Note No. 29 - Related Party Transactions

i) List of Related Party

a) Holding Company	**Mahindra Logistics Limited**
b) Other related parties	
1	**Mahindra & Mahindra Limited**
2	**IVC Logistics Limited**

ii) Details of transaction between the Company and its related parties are disclosed below:

Particulars	Holding Company	Other related parties
		Rs. in Lakhs
Nature of transactions with Related Parties		
a) Purchase of property and other assets	– –	– –
b) Rendering of services	4,133.28 (4,406.05)	407.24 (1,041.21)
c) Receiving of services	0.60 (0.60)	88.74 (75.73)
d) Reimbursements made to parties	12.86 (6.53)	39.28 (46.55)
e) Reimbursements received from parties	– –	– –
f) Loans/Deposits Taken	– –	– –
g) Loans/Deposits paid	– –	– –
h) Interest on Vehicle Loan paid	– –	– –

Nature of Balances with Related Parties	Holding Company	Other related parties
i) Trade payables	14.66 (2.85)	2.42 (7.07)
j) Trade receivables & others	112.00 (444.27)	62.27 (140.81)
k) Loan Payable	– –	– –

iii) All the outstanding balances, whether receivables or payables(Except Loan payable) are unsecured.

iv) All the Previous year balances are shown in Bracket.

Note No. 30 - Employee benefits

i) Defined Contribution Plan

The Company's contribution to Provident Fund, Superannuation Fund and other Funds aggregating Rs. 6.02 lakhs (2018 : Rs. 5.68 lakhs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

ii) Defined Benefit Plans:

Gratuity

a) The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

b) Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

(1) Change in bond yields

A decrease in government bond yields will increase plan liabilities.

(2) Inflation risk

Defined benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities (although caps on the level of inflationary increases are in place to protect the plan against extreme inflation).

(3) Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the Company's defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

c) **Significant Actuarial Assumptions**

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Rs. in Lakhs

Particulars	Valuation	
	As at 31st March 2020	As at 31st March 2019
a) Discount rate(s)	**6.60%**	7.50%
b) Expected rate(s) of salary increase	**8.00%**	8.00%
c) Mortality rate during employment	**IALM(2012-14) Ultimate**	IALM(2006-08) Ultimate

d) **Defined benefit plans – as per actuarial valuation**

Particulars	Non Funded Plan - Gratuity	
	As at 31st March 2020	As at 31st March 2019
I. Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
a) Current Service Cost	**2.27**	1.37
b) Past service cost and (gains)/losses from settlements	–	–
c) Net interest expense	–	–
Components of defined benefit costs recognised in profit or loss	**2.27**	1.37
Remeasurement on the net defined benefit liability		
a) Return on plan assets (excluding amount included in net interest expense)	–	–
b) Actuarial (gains)/loss arising form changes in financial assumptions	–	–
c) Actuarial (gains)/loss arising form changes in demographic assumptions	–	–
d) Actuarial (gains)/loss arising form experience adjustments	–	–
Components of defined benefit costs recognised in other comprehensive income	–	–
Total	**2.27**	1.37

Particulars	Non Funded Plan - Gratuity	
	As at 31st March 2020	As at 31st March 2019
II. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
a) Present value of defined benefit obligation	**5.74**	3.47
b) Fair value of plan assets	–	–
c) Surplus/(Deficit)	**5.74**	3.47
d) Current portion of the above	–	–
e) Non current portion of the above	**5.74**	3.47
III. Change in the obligation during the year ended 31st March		
a) Present value of defined benefit obligation at the beginning of the period	**3.47**	2.10
b) Add/(Less) on account of Scheme of Arrangement/ Business	–	–
c) Transfer	–	–
d) *Expenses Recognised in Profit and Loss Account*		
- Current Service Cost	**1.53**	1.31
- Past Service Cost	–	–
- Interest Expense (Income)	**0.26**	0.16
e) *Recognised in Other Comprehensive Income Remeasurement gains/(losses)*		
- Actuarial Gain (Loss) arising from:		
i. Financial Assumptions	**0.41**	0.06
ii. Demographic Assumptions	–	–
iii. Experience Adjustments	**0.07**	(0.16)
f) Benefit payments	–	–
g) Present value of defined benefit obligation at the end of the period	**5.74**	3.47
IV. Change in fair value of assets during the year ended 31st March		
i) Fair value of plan assets at the beginning of the period	–	–
ii) *Expenses Recognised in Profit and Loss Account*		
- Expected return on plan assets	–	–
iii) *Recognised in Other Comprehensive Income Remeasurement gains/(losses)*		
- Actual Return on plan assets in excess of the expected return	–	–
iv) Contributions by employer (including benefit payments recoverable)	–	–
v) Benefit payments	–	–
vi) Fair value of plan assets at the end of the period	–	–
V. The Major categories of plan assets		
- Insurance Funds	–	–
VI. Actuarial assumptions		
a) Discount rate	**6.60%**	7.50%
b) Expected rate of return on plan assets	**6.60%**	7.50%
c) Attrition rate	**11.00%**	11.00%

e) **The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:**

Principal assumption	Changes in assumption	Impact on defined benefit obligation			
		As at 31st March 2020		As at 31st March 2019	
		Increase in assumption	**Decrease in assumption**	Increase in assumption	Decrease in assumption
a) Discount rate	1.00%	**(0.45)**	**0.53**	(0.28)	0.33
b) Salary growth rate	1.00%	**0.51**	**(0.45)**	0.32	(0.29)
c) Rate of employee turnover	50.00%	**(0.34)**	**0.57**	(0.32)	0.38

Notes:

i) The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and 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 period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

ii) The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

iii) The weighted average duration of the defined benefit obligation as at 31st March 2020 is 9 years

f) **Maturity profile of defined benefit obligation:**

The tables include both discounted value as well as unwinding of interest.

Particulars	**2020**	2019
Within 1 year	**0.45**	0.01
2-5 years	**2.23**	1.52
6-10 years	**2.72**	1.97
More than 10 years	**6.24**	4.48

g) **Experience Adjustments:**

Rs. in Lakhs

	Particulars	**As at 31st March 2020**	As at 31st March 2019
		Gratuity	
1.	Defined Benefit Obligation	**(5.74)**	(3.47)
2.	Fair value of plan assets	–	–
3.	Surplus/(Deficit)	**5.74**	3.47
4.	Experience adjustment on plan liabilities [(Gain)/Loss]	–	–
5.	Experience adjustment on plan assets [Gain/(Loss)]	–	–

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

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

j) The current service cost and the net interest expense for the period are included in the employee benefits expense in profit or loss of the expense for the year.

All amounts are in Rs. Lakhs unless otherwise stated

Note No. 31 - MSME disclosures

(i) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	**Year ended 31st March 2020**	Year ended 31st March 2019
i. Principal amount remaining unpaid to any supplier as at the end of the accounting year	**22.81**	25.71
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	–	–

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

The accompayning notes 1 to 31 are integral part of these financial statement.

In terms of our report attached.

For B. K. Khare & Co.
Chartered Accountants
FRN: 105102W

H.P Mahajani
Partner
M.No. 030168

Place : Mumbai
Date : 16th May, 2020

For and on behalf of Board of Directors

2 X 2 Logistics Private Ltd.

Sushil Rathi	**Nitin Singhal**	**Ruchie Khanna**
Director	Director	Company Secretary