

G. K. Choksi & Co.

Chartered Accountants

'Madhuban', Nr. Madalpur Underbridge, Ellisbridge, Ahmedabad - 380 006.
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INDEPENDENT AUDITOR'S REPORT

To,
The Members
M/s. Adani Logistics Limited,

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Adani Logistics Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 and presentation of these standalone 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2016 and its profit and its cash flows for the year ended on that date.

Our opinion is not modified in respect of these matters.

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 Act, we give in the "Annexure – A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. 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 appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid 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 written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (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 and to our best of our information and according to the explanations given to us :
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer note 2.34 to the financial statements;
 - (ii) The Company did not have any long-term contracts including derivatives 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 G. K. CHOKSI & CO.
[Firm Registration No. 01896W]
Chartered Accountants

SANDIP PARIKH
Partner
Mem. No. 040727

Place : Ahmedabad
Date : 25th April, 2016



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in our Report of even date to Adani Logistics Limited)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

- (i) In respect of Fixed Assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of its fixed assets.
 - (b) Fixed assets have been physically verified by the management at reasonable intervals which in our opinion is reasonable having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of Inventories
- According to information and explanation given to us, the Management of the Company has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed on physical verification during the year.
- (iii) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) According to information and explanations given to us, the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section(1) of Section 148 of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, Employee state insurance, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise and custom.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, Employee state insurance, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

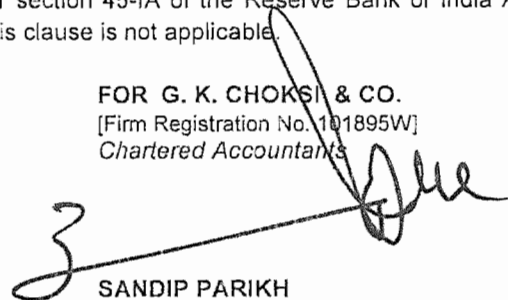
- (b) According to information and explanations given to us, the Company has no disputed outstanding statutory dues as at 31st March, 2016 other than those stated below:



Name of the Statute	Nature of Dues	Amount (Rs in lacs)	Period of Dues	Forum at which dispute is pending
Finance Act, 1994	Service Tax	169.99	2006 - 07 to 2009 - 10	Commissioner of Service tax, New Delhi
Finance Act, 1994	Service Tax	30.28	2010 - 11	Commissioner of Service tax, New Delhi
Indian Stamp Act, 1899	Stamp Duty (Net of amount paid under protest)	40.23	2011 - 12	Registrar of Rajasthan Tax Board, Ajmer

- (viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to financial institutions, banks, government or dues to debenture holders during the year.
- (ix) 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. Further, as per our information and explanations, term loans have been applied for the purposes for which they have been obtained.
- (x) According to the information and explanations given to us, no fraud by company or any fraud on the company by its officers and employees have been noted or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the requirement of reporting under this clause is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and therefore, requirement of reporting under this clause is not applicable.

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants



SANDIP PARIKH
Partner
Mem. No. 040727

Place : Ahmedabad
Date : 25th April, 2016



Annexure - B to the Independent Auditors' Report of even date on the standalone Financial Statements of Adani Logistics Limited.

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 over financial reporting of **Adani Logistics Limited** ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants



SANDIP PARIKH
Partner
Mem. No. 040727

Place : Ahmedabad
Date : 25th April, 2016

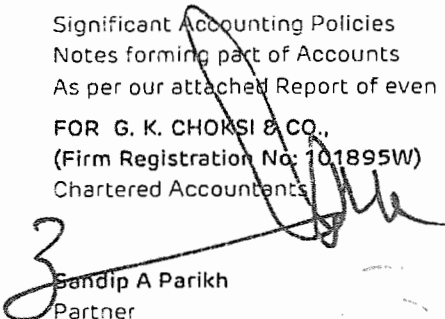


Adani Logistics Limited
Balance Sheet as at 31st March, 2016

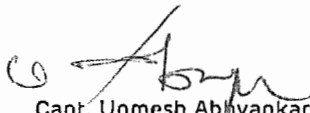
				Rs. in Lacs
Particulars	Notes	As at 31st March, 2016	As at 31st March, 2015	
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	2.2	32,500.00		32,500.00
Reserves and Surplus	2.3	4,032.61		2,309.20
			36,532.61	34,809.20
Non - Current Liabilities				
Long-Term Borrowings	2.4	9,731.03		57,250.76
Deferred Tax Liabilities (Net)	2.5	1,964.34		1,065.74
Long Term Provisions	2.6	142.09		127.03
			11,837.46	58,443.53
Current Liabilities				
Short Term Borrowings	2.7	-		85,028.10
Trade Payables	2.8	9,623.38		4,895.43
- Total Outstanding dues of Micro, Small and Medium Enterprises (MSME)		-		-
- Total Outstanding dues of creditors other than MSME		9,623.38		4,895.43
Other Current Liabilities	2.9	164,526.61		11,209.37
Short-Term Provisions	2.10	53.92		2.24
			174,203.91	101,135.14
Total			222,573.98	194,387.87
ASSETS				
Non Current Assets				
Fixed Assets				
Tangible Assets	2.11	54,940.41		50,483.96
Intangible Assets	2.12	3,015.15		3,290.95
Capital Work-In-Progress	2.13	545.73		2,686.22
		58,601.29		56,461.13
Non-Current Investments	2.14	26.54		26.54
Long Term Loans and Advances	2.15	10,645.16		8,841.39
Other Non - Current Assets	2.16	1.91		-
			69,274.90	65,329.06
Current Assets				
Inventories	2.17	516.38		513.36
Trade Receivables	2.18	14,832.57		11,597.93
Cash and Bank Balances	2.19	769.83		3,391.54
Short-Term Loans and Advances	2.20	117,988.16		107,780.62
Other Current Assets	2.21	19,192.14		5,775.36
			153,299.08	129,058.81
Total			222,573.98	194,387.87

Significant Accounting Policies 1
Notes forming part of Accounts 2
As per our attached Report of even date

FOR G. K. CHOKSI & CO.,
(Firm Registration No: 101895W)
Chartered Accountants

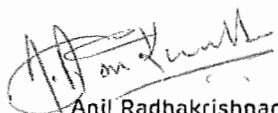

Sandip A Parikh
Partner
Membership No.: 40727

For and on behalf of the Board of Directors
Adani Logistics Limited


Capt. Umesh Abhyankar
Director
DIN : 03040812


Anand Vijay
Chief Financial Officer


Yogesh Dalal
Company Secretary


Anil Radhakrishnan
Director
DIN : 05294517

Place : Ahmedabad

Place : Ahmedabad

Date : 25 APR 2016

Date : 25 APR 2016

Adani Logistics Limited
Statement of Profit and Loss for the year ended March 31,2016

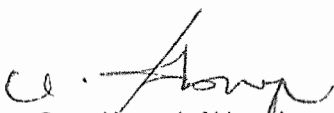
Rs. in Lacs

Particulars	Notes	For the year ended 31st March, 2016	For the year ended 31st March, 2015
INCOME			
Income from Operations	2.22	67,857.24	63,408.09
Other Income	2.23	14,304.15	12,842.44
Total		82,161.39	76,250.53
EXPENDITURE			
Operating Expenses	2.24	57,720.04	51,048.96
Employee Benefit Expenses	2.25	1,743.47	1,651.97
Administrative and Other Expenses	2.26	2,338.52	3,025.41
Finance Cost	2.27	15,252.55	13,014.37
Depreciation and Amortization		2,697.00	2,433.97
Total		79,751.58	71,174.68
Profit for the year before tax		2,409.81	5,075.85
Tax Expense:			
(1) Current Tax		589.97	1,187.50
(2) Deferred Tax		898.60	697.87
(3) MAT Credit		(567.74)	(1,593.29)
(4) (Excess)/ Short provision of previous year		(22.23)	6.10
Total Tax expenses		898.60	298.18
Profit for the year carried to Balance Sheet		1,511.21	4,777.67
Earning per Equity Share(In Rs)	2.28		
Face value of Rs 10 each			
(1) Basic		0.46	1.47
(2) Diluted		0.46	1.47
Significant Accounting Policies	1		
Notes forming part of Accounts	2		
As per our attached Report of even date			


FOR G. K. CHOKSI & CO.,
(Firm Registration No: 101895W)
Chartered Accountants



Sandip A Parikh
Partner
Membership No.: 40727

For and on behalf of the Board of Directors
Adani Logistics Limited


Capt. Umesh Abhyankar
Director
DIN : 03040812


Anil Radhakrishnan
Director
DIN : 05294517


Anand Vijay
Chief Financial Officer


Yogesh Datar
Company Secretary

Place : Ahmedabad
Date : 25 APR 2016

Place : Ahmedabad
Date : 25 APR 2016



Adani Logistics Limited
Cash Flow Statement for the year ended 31st March, 2016

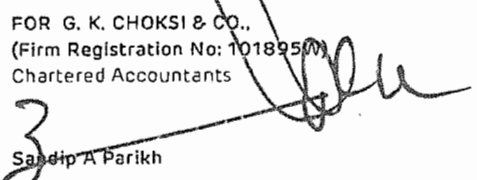
Rs. in Lac

	For the year ended March 31,2016	For the year ended March 31,2015
A. Cash flow from Operating Activities:		
Net Profit for the year before taxation as per profit and loss statement	2,409.82	5,075.86
Adjustments for :		
Depreciation	2,696.99	2,433.96
Loss/(Profit) on Sale of Fixed Asset	0.68	(232.21)
Interest Income	(14,284.39)	(12,528.27)
Liability No longer required written back	(14.59)	(58.55)
Provision for Bad and Doubtful Debts	354.59	488.42
Bad Debt	3.80	-
Interest Expense	15,252.55	13,014.37
Diminution in Value of Capital Inventory	25.77	135.67
Amortization of Foreign Currency Monetary Translation Difference Account	212.20	212.20
Operating Profit before Working Capital changes	6,657.42	8,541.45
Adjustments for:		
inventories	(3.02)	(102.56)
Trade and other receivables	(4,228.78)	(5,463.67)
Trade and other payables	4,815.76	4,612.77
Cash generated from operations before tax	7,241.38	7,587.99
Taxes paid	(1,569.21)	(667.49)
Total	5,672.17	6,920.50
B. Cash flow from Investing Activities:		
Addition to fixed assets/ Capital Work in Progress	(4,399.03)	(4,044.25)
Sale of Fixed Assets	-	627.88
Interest received	204.74	12,528.27
Capital Advances	205.34	444.27
Loans and Advances	-	(17,600.00)
Changes in Other Non - Current Assets	(1.91)	211.72
Inter Corporate Deposit	(10,445.00)	3,703.29
Investment in to Deposit Money	-	(3.68)
Total	(14,435.86)	(4,132.50)
C. Cash flow from Financing Activities:		
Procurement/(Repayment) of Loan taken (Net)	20,895.35	16,526.34
Interest paid	(14,753.37)	(19,586.05)
Total	6,141.98	(3,059.71)
Net Increase (Decrease) in Cash & Cash Equivalent	(2,621.71)	(271.75)
Cash and Cash Equivalents at the beginning of the year	3,391.54	3,663.29
Cash and Cash Equivalents at the end of the half year	769.83	3,391.54
Cash and Cash Equivalent comprise		
Cash on Hand	-	-
Balances with Banks - Current Accounts	623.38	1,018.04
- Term Deposit Accounts	146.45	2,373.50
Total Cash and Cash Equivalent as per Cash Flow Statement	769.83	3,391.54

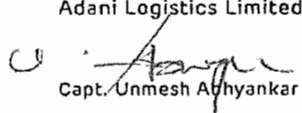
Summary of significant accounting policies

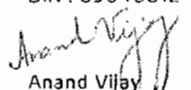
As per our attached Report of even date

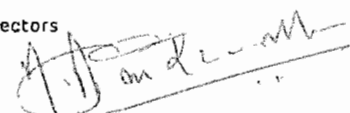
FOR G. K. CHOKSI & CO.,
(Firm Registration No: 101895M)
Chartered Accountants


Sandip A Parikh
Partner
Membership No.: 40727

For and on behalf of the Board of Directors
Adani Logistics Limited


Capt. Umesh Achyankar
Director
DIN : 03040812


Anand Vijay
Chief Financial Officer


Anil Radhakrishnan

Director
DIN : 05294517


Yogesh Dalal
Company Secretary

Place : Ahmedabad
Date: 25 APR 2016



Place: Ahmedabad

Date: 25 APR 2016

1. Significant Accounting Policies

1.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

The Ministry of Company Affairs (MCA) has notified the Companies (Accounting Standards) Amendments Rules, 2016 vide notification dated 30th March, 2016. The said notification read with Rule 3 (2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1st April, 2016 and therefore, the effect has not been considered in this financial statements.

The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.2 Use of Estimates

These financial statements have been prepared on the basis of estimates, wherever necessary, which have an effect on the reported amounts of assets and liabilities as on the date of the statements and the reported amounts of income and expenditure for the reporting period. The difference between actuals and estimates is recognized in the subsequent period when the actuals are known.

1.3 Revenue Recognition

Revenue from service activities is recognized as and when related services are rendered to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

1.4 Fixed Assets and Capital Work-in-Progress

- (i) Fixed Assets are stated at cost less accumulated depreciation. Cost includes interest on borrowings attributable to the acquisition of the Fixed Assets, up to the date of their commissioning, and other incidental expenses incurred up to that date.
- (ii) Capital Work-in-Progress includes projects under implementation and other capital work-in-progress, which are carried at cost, comprising



ADANI LOGISTICS LIMITED

cost of land, direct cost, related incidental expenses and attributable interest.

- (iii) Insurance spares / stand by equipments are capitalized as part of mother assets.

1.5 Intangible Asset

Registration Fees paid to Railway Authorities: The registration fee paid to Ministry of Railway (MOR) for approval for movement of container trains on Indian Railways is capitalized as an Intangible Asset.

1.6 Depreciation

(a) Depreciation on fixed asset is calculated on Straight Line Method (SLM) using the rates arrived at based on the useful lives estimated by the management. Further, pursuant to the notification of Schedule II of the Companies Act 2013, by the Ministry of Corporate Affairs effective 01st April, 2014, the management has internally reassessed and changed, wherever necessary the useful lives to compute depreciation, to conform to the requirements of the Companies Act, 2013.

(b) The registration fees paid to Railway Authorities is amortized over a period of 20 years.

(c) Depreciation on additions to fixed assets on account of foreign exchange fluctuation is provided prospectively over the remaining useful lives of the respective assets.

(d) Spares / standby equipments are depreciated prospectively over the remaining useful lives of the respective mother assets.

1.7 Impairment of Assets:

An asset is treated as impaired when the carrying amount of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

1.8 Foreign Currency Transactions

I. Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



II. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

III. Exchange Differences

Exchange differences arising on the settlement or on restatement of Long Term Foreign Currency Monetary Items are capitalized as a part of the cost of fixed assets so far as they relate to the acquisition of a depreciable capital assets and have been accumulated in a "Foreign Currency Monetary Item Translation Difference Account" in other cases. The exchange differences accumulated in "Foreign Currency Monetary Item Translation Difference Account" have been amortized to the Statement of Profit and Loss Account over the balance period of such Long Term Foreign Currency Monetary Items to which they pertain or up to 31st March, 2020 which ever earlier. This is in line with the amendment dated 29th December, 2011 to Accounting Standard (AS 11) on "Effects of Changes in Foreign Exchange Rates" vide GSR Notification dated 29th December, 2011, the above accounting treatment followed by the Company is consistent with the revised AS 11. For this purpose, an asset or liability has been designated as a long term foreign currency monetary item, if the asset or liability is denominated in foreign currency and has a term of twelve months or more at the date of origination of asset or liability.

All other exchange differences are recognized as income or as expenses in the year in which they arise.

1.9 Retirement Benefits

- (a) The Company has Defined Contribution Plan for its employees' retirement benefit comprising of provident fund, Employees' Pension Scheme and Employees Death Linked Insurance.
 - (i) The Company and eligible employees make monthly contributions to provident fund trust equal to specified percentage of the covered employees' salary.
 - (ii) The amounts towards accrued liabilities for pension to employees are deposited with the Regional Provident Fund Commissioner office as per provision of Employee Pension Act.



The Company has no further obligations to the above referred plans beyond its monthly contributions.

- (b) The Defined Benefit Plan comprising of Gratuity (administered through trust), and Leave Encashment: The liability for the gratuity and leave encashment is determined and accrued on the basis of independent actuarial valuation done at year end.

1.10 Borrowing Costs

Borrowing costs 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 substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.11 Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.12 Income Taxes

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognised only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future



ADANI LOGISTICS LIMITED

taxable income will be available against which such deferred tax assets can be realised.

1.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.14 Derivative Instruments

The Company uses derivative financial instrument, such as foreign currency option contract, foreign currency forward contract, etc. to hedge foreign currency risk arising from its business operations. In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored. Derivative (gain)/loss are included under head "Finance Costs".



2.1 Nature of Operations

Adani Logistics Limited (the Company) was incorporated on July 13, 2005 at Ahmedabad under the Companies Act,1956. The core businesses of the Company are establishing and operating Inland Container Depots (ICDs), Container Freight Station (CFSs), Rail/ Road Transportation, Terminal Operations, Third Party Logistics and Coal Handling at various Ports in India.

2.2 Share Capital

Rs. in Lac

Particulars	Rs. in Lac	
	As at 31st March, 2016	As at 31st March, 2015
(a) Authorized Share Capital		
325,000,000 (Previous Year 325,000,000) Equity Shares of Rs. 10 Each	32,500.00	32,500.00
(b) Issued, Subscribed and fully Paid-Up Share Capital		
325,000,000 (Previous Year 325,000,000) Equity Shares of Rs. 10 Each fully paid up	32,500.00	32,500.00
Total Issued, Subscribed and Paid-Up Share Capital	32,500.00	32,500.00

Note :

During the period of five financial years immediately preceding the Balance Sheet date, the company has not:

- (i) allotted any fully paid up equity shares by way of bonus shares;
- (ii) allotted any equity shares pursuant to any contract without payment being received in cash;
- (iii) brought back any equity shares

(c) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

In Lac

Particulars	Number of Equity Shares	
	31st March, 2016	31st March, 2015
Equity Shares at the beginning of the Year	3,250.00	3,250.00
Add:		
Shares issued for cash	-	-
Exercise of Share Option under ESOS / ESOP	-	-
Shares issued in Business Combination	-	-
	3,250.00	3,250.00
Less:		
Shares bought back / Redemption etc.	-	-
Equity Shares outstanding at the end of the Year	3,250.00	3,250.00

(d) Rights, Preferences and Restrictions

The authorised share capital of the Company has only one class of shares referred to as 'equity shares' having par value of 10/- each. The rights and privileges to equity shareholders are general in nature and defined under the Articles of Association of the Company and allowed under Companies Act, 2013.

The equity shareholders shall have:

- (i) right to vote in shareholder's meeting. Where voting is to be made on a show of hands, every member present in person and holder of equity share shall have one vote and in case of poll, the voting rights shall be in proportion to the shares in the paid up capital of the Company;
- (ii) right to receive dividend in proportion to the amount of capital paid up on the shares held.

The shareholders are not entitled to exercise any voting right either personally or proxy at any meeting of the Company in cases calls other sums payable have not been paid.

If the Company shall be wound up, the distribution of available assets/losses to the equity shareholders shall be in proportion to the paid up capital.



2 Notes to the Financial Statements for the year ended March 31,2016

(e) Details of Shareholding

Particulars	In Lac	
	As at 31st March, 2016	As at 31st March, 2015
Shares held by holding / ultimate holding company and/ or their subsidiaries/associates Adani Ports and Special Economic Zone Limited, the holding company 325,000,000 Equity shares (Previous Year 325,000,000) Equity Shares of Rs. 10/- Each Fully Paid	3,250.00	3,250.00
	<u>3,250.00</u>	<u>3,250.00</u>

(f) Detail of Shareholders holding more than 5% shares in the company

Particulars	Rs. in Lac:	
	As at 31st March, 2016	As at 31st March, 2015
Adani Ports and Special Economic Zone Limited, the holding company 325,000,000 Equity shares (Previous Year 325,000,000) Equity Shares of Rs. 10/- Each Fully Paid	32,500.00	32,500.00
	<u>32,500.00</u>	<u>32,500.00</u>

2.3 Reserves and Surplus

Particulars	Rs. in Lac:	
	As at 31st March, 2016	As at 31st March, 2015
(a) Capital Reserve		
Balance as per last Financial Statements	3.88	3.88
Add: Transferred from Profit and Loss statement	-	-
Closing Balance (a)	<u>3.88</u>	<u>3.88</u>
(b) Surplus/ (Deficit) Carried to Balance Sheet		
Balance as per previous Financial Statements	2,623.62	(2,113.84)
Add: Adjustment of depreciation pursuant to Schedule II of Companies Act, 2013	-	(40.21)
Add: Profit for the year	1,511.21	4,777.67
Balance Available for Appropriations	4,134.83	2,623.62
Less: Appropriations During the Year	-	-
Surplus/ (Deficit) carried to Balance Sheet (b)	<u>4,134.83</u>	<u>2,623.62</u>
(c) Foreign Currency Monetary Translation Reserve Account		
Balance at the beginning of the Year	(318.30)	(530.50)
Add: Additions During the year	-	-
Less: Amortized to the Statement of Profit and Loss	212.20	212.20
Balance at the end of the Year (c)	<u>(106.10)</u>	<u>(318.30)</u>
Total Reserve and Surplus (a) + (b) + (c)	<u>4,032.61</u>	<u>2,309.20</u>



2 Notes to the Financial Statements for the year ended March 31,2016

2.4 Long Term Borrowings

Particulars	Rs. in Lac			
	Non-Current Portion		Current Maturities	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Secured				
Term Loans From Banks				
Foreign Currency Loans				
State Bank of India (Refer Note 1 and 3 below)	-	4,546.87	4,820.05	3,250.00
Export Import Bank of India (Refer Note 1 and 4 below)	2,166.03	3,677.89	2,166.03	2,043.27
Bills under foreign currency letter of credit from banks (Unsecured)	-	-	119.88	106.83
	2,166.03	8,224.76	7,105.96	5,400.10
Unsecured				
Loan from Related Parties (Refer Note 2 below)	7,565.00	49,026.00	152,484.00	-
	7,565.00	49,026.00	152,484.00	-
Less:				
Amounts disclosed under the head "Other Current Liabilities" (Refer Note 2.9 below)	-	-	159,589.96	5,400.10
Total :	9,731.03	57,250.76	-	-

Note # 1: Term Loan from Banks are secured by equitable mortgage of immovable properties of the company and first charge by way of

hypothecation of all movable assets and intangible assets and assignment of book debt, Revenues and Receivable of the Company.

Note # 2: Unsecured loan worth Rs. 7565 Lacs (Previous Year Rs. 49026 Lacs) has been taken from Adani Ports and Special Econom Zone Limited (the Holding Company). The unsecured loan from Holding Company worth Rs. NIL (previous year Rs. 43536 Lacs) bears Interest @ 12% p.a. and remaining Loan is interest free. The entire loan is repayable on 30.09.2017.

Note # 3: The loan from SBI carries interest @ 6M Libor plus 325 basis point. The loan is repayable on quarterly basis with installments becoming payable on last date of each quarter. The tenure of loan is upto 30th September, 2016

Note # 4: The loan from EXIM Bank carries interest @ 6M Libor plus 325 basis point. The loan is repayable on quarterly basis and is being paid on 21st of last month of each quarter. The Tenure of loan is upto 21st June, 2018.

2.5 Deferred Tax Liabilities

Particulars	Rs. in Lac	
	As at 31st March, 2016	As at 31st March, 2015
Deferred tax liability on account of Fixed Assets: Impact of tax depreciation and depreciation / amortisation charged in the financial reporting	4,829.67	4,917.91
Gross deferred tax liabilities	4,829.67	4,917.91
Deferred tax Assets on account of		
(i) Expenditure disallowed U/s 43B of the Income Tax Act, 1961 - allowable on payment	57.77	44.7
(ii) Expenses disallowed - Unpaid Bonus	17.77	14.6
(iii) Unabsorbed Depreciation/ Business loss under the Income Tax Act, 1961	1,720.15	2,605.1
(iv) Provision for Bad and doubtful Debt	310.25	187.5
(v) Unrealized Foreign Exchange Block	731.71	864.6
(vi) Provision for Diminution in value of capital	27.68	135.4
Total	2,865.33	3,852.1
Net Deferred Tax Liability	1,964.34	1,065.7

Note: In accordance with "Accounting Standards 22 (AS 22)", the deferred tax liability of Rs 898.60 lacs (previous year Rs 697.87 lacs) has been recognised in the statement of profit and loss.

2 Notes to the Financial Statements for the year ended March 31,2016

2.6 Long Term Provisions

Particulars	Rs. in Lac	
	As at 31st March, 2016	As at 31st March, 2015
For Employee Benefits		
Gratuity (Refer note 2.29)	86.48	54.10
Privileged / Earned Leave	80.43	75.10
	<u>166.91</u>	<u>129.20</u>
Less :		
Amount disclosed under the head "Short Term Provisions"		
Gratuity	0.81	0.56
Privileged / Earned Leave	24.01	1.68
	<u>24.82</u>	<u>2.24</u>
Total :	<u>142.09</u>	<u>127.02</u>

2.7 Short Term Borrowings

Particulars	Rs. in Lac	
	As at 31st March, 2016	As at 31st March, 2015
Unsecured Loans from Related Parties	-	85,028.10
Total:	<u>-</u>	<u>85,028.10</u>

Note #: Unsecured loan worth Rs. Nil (Previous Year Rs 85028.10 lacs) has been taken from Adani Ports and Special Economic Zone Limited (the Holding Company). The unsecured loan from Holding Company worth Rs. Nil (Previous Year Rs. 63663 Lacs) bears interest at the rate of 12% p.a. and remaining Loan is interest free.

2.8 Trade Payables

Particulars	Rs. in Lac	
	As at 31st March, 2016	As at 31st March, 2015
For Goods and Services		
Related Parties	6,052.65	2,092.52
Others (Refer Note 2.32 for due to Micro and small Enterprises)	3,519.37	2,760.60
Accrual for Employees	51.36	42.32
Total:	<u>9,623.38</u>	<u>4,895.43</u>



2 Notes to the Financial Statements for the year ended March 31,2016

2.9 Other Current Liabilities

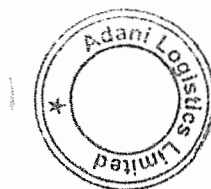
Particulars	Rs. in Lac	
	As at 31st March, 2016	As at 31st March, 2015
Current Maturities of Long Term Debt	7,105.96	5,400.10
Current Maturities of Unsecured Loans from Related Parties (Refer Note # 1)	152,484.00	-
Interest Accrued But not due (Refer Note # 2)	3,478.55	2,979.37
Advances from Customers	0.07	2.17
Interest Free Deposits from Customers & Others	70.20	34.39
Unearned Revenue	140.58	1,478.07
	163,279.36	9,894.06
Other Payables		
Statutory Dues Payable	580.00	365.96
Capital Creditors and other payables	615.69	891.17
Retention Money	51.56	58.20
	1,247.25	1,315.33
Total:	164,526.61	11,209.39

Note # 1 : Unsecured loan worth Rs. 1,52,484 Lacs (Previous Year Rs Nil) has been taken from Adani Ports and Special Economic Zone Limited (the Holding Company). The unsecured loan from Holding Company worth Rs. 1,29,444 Lacs (Previous Year Rs. Nil) bears interest at the rate of 12% p.a. and remaining Loan is interest free. The loan is repayable by 31st March, 2017.

Note # 2: Of the above, amount worth Rs.3,375.60 Lacs (Previous Year Rs. 2,825.61 Lacs) pertains to loan taken from Holding Company.

2.10 Short Term Provisions

Particulars	Rs. in Lac	
	As at 31st March, 2016	As at 31st March, 2015
Provision for Employee Benefits		
Privileged / Earned Leave	24.01	1.6
Gratuity	0.81	0.5
Mark to Market on Derivative Contract	29.10	-
	53.92	2.2
Total:	53.92	2.2



Adani Logistics Limited

Note 2.11: Tangible Assets

Description	Gross Block (At Cost)				Depreciation		Net Block		Rs. in Lacs
	Opening Balance as on 01.04.2015	Additions During the year	Other Adjustment (refer note 1 below)	Deletions /Adjustment during the year	As at 31.03.2016	For the Year	Deduction	As at 31.03.2016	
Freehold Land	22,473.58	491.75	-	-	22,965.33	-	-	22,965.33	22,473.56
Buildings	14,136.10	87.02	288.67	-	14,511.79	462.67	2,231.14	12,280.65	12,357.63
Plant and Equipments	7,402.71	281.09	1,677.3	0.05	7,851.48	542.97	2,103.94	5,747.54	5,841.73
Furniture & Fixtures	394.51	28.82	-	-	423.33	42.07	83.48	339.85	353.10
Vehicles	71.40	1.32	-	0.32	72.40	8.50	35.15	37.25	44.49
Office Equipments (Refer note 2 below)	1,66.61	37.63	-	7.24	197.00	35.15	57.03	129.97	127.77
Railway Wagons	9,039.42	5,172.83	184.59	-	14,396.84	834.96	3,816.61	10,580.23	6,057.77
Electrical Installations	815.94	5.25	16.66	-	837.85	121.54	390.40	439.45	539.08
Railway Siding	3,207.39	-	65.50	-	3,272.89	239.01	1,009.55	2,263.34	2,436.85
Computer Equipments (refer note 2 below)	635.11	18.15	12.97	0.44	665.79	115.98	508.99	156.80	241.96
Total	58,342.77	6,123.86	736.12	8.05	65,194.70	2,402.85	10,254.29	54,940.41	50,483.96
Previous Year	55,460.51	2,603.30	683.18	404.22	58,342.77	2,156.79	7,858.81	50,483.96	

* Other adjustments to fixed assets during the year include Rs 736.12 Lacs on account of foreign exchange fluctuations (Previous Year Rs. 683.18 Lacs)

2. Depreciation includes amount adjusted worth Rs Nil (Previous Year - Rs 20.96 Lacs) against balance of 'Retained Earnings' as required by Schedule II of the Companies Act, 2013



Adani Logistics Limited

Note 2.12 Intangible Assets

Description	Gross Block (At Cost)						Depreciation			Net Block	
	Opening Balance as on 01.04.2015	Additions During the year	Other Adjustment (refer note 1 below)	Deletions /Adjustment during the year	As at 31.03.2016	Opening Balance as on 01.04.2015	For the Year	Accumulated Depreciation Reversed	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016
Intangible Assets											
Railway Licence fee	5,000.00	-	-	-	5,000.00	1,875.34	250.00	-	2,125.34		2,874.66
Software (refer note 2 below)	516.73	8.18	10.55	-	535.46	350.44	44.15	0.38	394.97		140.49
Total	5,516.73	8.18	10.55	-	5,535.46	2,225.78	294.15	0.38	2,520.31		3,015.15
Previous Year	5,423.67	84.34	8.72	-	5,516.73	1,908.39	317.39	-	2,225.78		3,290.95
											3,515.28

1. Other adjustments to fixed assets during the year include Rs. 10.55 Lacs (Previous year Rs 8.72 Lacs) on account of foreign exchange fluctuations.

2. Depreciation includes amount adjusted worth Rs. Nil (Previous year Rs 19.26 lacs) against balance of "Retained Earnings" as required by Schedule II of the Companies Act, 2013.



Adani Logistics Limited

2.13 Capital Work in Progress

Particulars	As on 1st April, 2015	Additions During the year	Other Adjustment	Capitalized During the year	Rs. in Lacs Balance as at 31st March, 2016
CWIP - Patli					
Equipment - Patli	8.44	-	-	-	8.44
Computer Hardware - Patli	-	6.05	-	-	6.05
Civil Works - Patli	8.83	0.38	-	-	9.21
Wagon Wheel Sets (Refer Note Below)	2,577.75	-	25.77	2,059.23	492.75
CWIP - Kishan Garh					
Civil Works - Kishan garh	8.06	-	-	-	8.06
CWIP - others					
Railway Siding - Patli	4.50	-	-	-	4.50
Civil Works -Taloja	62.67	-	-	-	62.67
Site Development-Kila Raipur	15.97	38.08	-	-	54.05
Total	2,686.22	44.51	25.77	2,059.23	645.73

Notes:

1. During the year, there has been diminution in value of Wheel Set Wagons Rs. 25.77 Lacs (Previous Year Rs. 135.67 Lacs). The loss on that account has been recognized in statement of Profit and Loss of the current year.



2 Notes to the Financial Statements for the year ended March 31,2016

2.14 Non Current Investments

Particulars	Rs. in Lac	
	As at 31st March, 2016	As at 31st March, 2015
Unquoted Investments		
In Equity Shares		
265,400 (Previous Year - 265,400) fully paid Equity Shares of Rs.10 each of Mundra SEZ Textile & Apparel Park Private Limited	26.54	26.54
Total :	26.54	26.54

2.15 Long Term Loans and Advances

(Unsecured, considered good unless otherwise stated)

Particulars	Rs. in Lac	
	As at 31st March, 2016	As at 31st March, 2015
Capital Advances (Refer Note # 1 below)	284.45	489.75
Inter Corporate Deposit (Unsecured)	6,083.97	5,638.97
Security Deposits	12.10	17.21
Advance Taxes (Net of Provision)	2,103.61	1,102.14
Mat Credit Entitlement	2,161.03	1,593.25
Total	10,645.16	8,841.32

Note # 1 Out of the total Capital Advances, Rs. 143.01 Lacs (Previous Year Rs. 108.01 Lacs) have been given by the Company as land advances. Out of these land advances, advances of Rs. 108.01 Lacs (Previous Year Rs. 108.01 Lacs) are under legal dispute where the court cases are pending for registration of the lands in the name of the Company. Pending registration of lands in the name of the Company with respect to all these land advances, the amounts paid has been classified under Capital Advances. As per the opinion of Company management, the corresponding lands will get registered in the name of Company or all the land advances are recoverable in nature. Hence no provision has been made for such land advances.

2.16 Other Non - Current Assets

Particulars	Rs. in Lac	
	As at 31st March, 2016	As at 31st March, 2015
Deposit Placed as Margin money deposit with maturity of more than 12 months (Refer Note # 1 below)	1.91	-
Total:	1.91	-

Note # 1: Margin Money and Fixed Deposit includes Rs 1.91 Lacs (Previous Year Rs Nil Lacs) pledged / lien against bank guarantees.

2.17 Inventories

Particulars	Rs. in Lac	
	As at 31st March, 2016	As at 31st March, 2015
Stores and Spares (Including Consumable Items)	516.38	513.31
Total:	516.38	513.31



Adani Logistics Limited

2 Notes to the Financial Statements for the year ended March 31,2016

2.18 Trade Receivables

Unsecured, considered good except to the extent stated below

Rs. in Lac:

Particulars	Rs. in Lac:	
	As at 31st March, 2016	As at 31st March, 2015
Outstanding for a period exceeding six months		
considered good	1,854.23	1,742.12
considered Doubtful	896.41	541.82
Less: Provision for Bad and Doubtful Debts	-896.41	-541.82
Total (A)	1,854.23	1,742.12
Other Receivables	12,978.34	9,855.81
Total (B)	12,978.34	9,855.81
Total (A + B)	14,832.57	11,597.93
From Related Parties		
considered good	6,186.26	3,003.10

2.19 Cash and Bank Balances

Particulars	Rs. in Lac:	
	As at 31st March, 2016	As at 31st March, 2015
Cash and cash equivalents		
Cash on hand	-	-
Balances with scheduled banks:		
In current accounts	623.38	1,018.04
	623.38	1,018.04
Other bank balances		
Fixed Deposits		
With maturity for more than 3 months but less than 12 months	-	2,240.73
Placed as Margin money deposit with maturity of more than 3 months but less than 12 months	146.45	132.77
Placed as Margin money deposit with maturity of more than 12 months	1.91	-
Less: Fixed Deposit with maturity more than 12 months classified into "Other Non - Current Assets"	-1.91	-
	146.45	2,373.50
Total:	769.83	3,391.54

2.20 Short Term Loans and Advances

(Considered good unless otherwise stated)

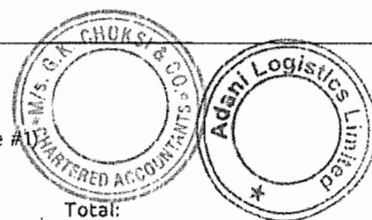
Particulars	Rs. in Lacs	
	As at 31st March, 2016	As at 31st March, 2015
Advances to Employees	32.62	30.23
Advances to Suppliers	272.64	353.86
Inter Corporate Deposits (Refer Note below)	1,16,885.00	1,06,885.00
Others		
Prepaid Expenses	37.21	11.72
Balances with Government Authorities	480.20	395.39
Deposit to Vendor	280.49	104.42
Total:	1,17,988.16	1,07,780.62

Note: The inter Corporate Deposits are given to Related Party which bears interest at the rate of 12.10% p.a.

2.21 Other Current Assets

Particulars	Rs. in Lacs	
	As at 31st March, 2016	As at 31st March, 2015
Interest accrued but not due		
On Fixed deposits and loans	8.29	48.66
On Inter Corporate Deposits (Refer Note #1)	18,822.98	4,702.96
Income accrued from Services	360.87	1,023.74
Total:	19,192.14	5,775.36

Note # 1: Of the above, amount worth Rs. 18,822.98 Lacs (Previous Year Rs. 4,702.96 lacs) pertains to loan given to Companies where management has significant influence.



2 Notes to the Financial Statements for the year ended March 31,2016

2.22 Income from Operations

Particulars	Rs. in Lakhs	
	For the year ended 31st March,2016	For the year ended 31st March,2015
Income from Operations	67,857.24	63,408.0
Total:	67,857.24	63,408.0

2.23 Other Income

Particulars	Rs. in Lakhs	
	For the year ended 31st March,2016	For the year ended 31st March,2015
Interest Income		
From Banks	132.39	306.0
Others (Inter Corporate Deposits)	14,152.00	12,222.1
Liability no longer required written back	14.59	63.8
Miscellaneous Income	5.17	18.1
Profit on sale of assets	-	232.2
Total:	14,304.15	12,842.4

2.24 Operating Expenses

Particulars	Rs. in Lakhs	
	For the year ended 31st March,2016	For the year ended 31st March,2015
Handling and Storage Expenses	30,899.25	29,294.6
Road Transportation Expenses	7,097.69	6,772.8
Rail Haulage Expenses	18,990.42	14,176.2
Power and Fuel	408.93	446.5
Store and Spares Consumed	323.75	358.7
Total:	57,720.04	51,048.9

2.25 Employee Benefit Expenses

Particulars	Rs. in Lakhs	
	For the year ended 31st March,2016	For the year ended 31st March,2015
Salary, Allowances, Wages and Bonus	1,543.01	1,386.1
Contribution to Provident and Other Funds	81.25	69.5
Gratuity (Refer note 2.29)	37.47	51.1
Workmen and Staff Welfare Expenses	81.74	145.1
Total:	1,743.47	1,651.9



2 Notes to the Financial Statements for the year ended March 31,2016

2.26 Administrative and Other Expenses

Particulars	Rs. in Lac	
	For the year ended 31st March,2016	For the year ended 31st March,2015
Rent Expenses	20.78	56.81
Rates and Taxes	7.41	7.95
Insurance Expenses	73.77	122.44
Advertisement and Publicity Expenses	9.25	14.29
Legal and Professional Expenses	314.75	931.04
Travelling and Conveyance Expenses	162.13	141.82
Directors Sitting Fee	1.17	1.35
Bad Debts Written Off	3.80	-
Provision for Bad and Doubtful debts	354.59	488.42
Donation (Refer Note #1 below)	66.63	27.80
Security Expenses	160.23	141.61
House Keeping Expenses	65.51	48.00
Loss on sale of asset	0.69	-
Communication Expenses	88.33	44.09
Auditor's Remuneration (Including service tax of Rs 2.03 lacs (previous year NIL)) (Refer Note # 2 below)	15.93	13.90
Repairs to Plant & Machinery	58.98	63.77
Repairs to Buildings	62.45	74.64
Other Repairs and Maintenance Expenses	52.72	59.70
Discount and Commission	557.45	416.30
Diminution in value of Capital Inventory	25.77	135.67
Foreign Exchange Fluctuations (Including Amortization of Foreign Currency Monetary Translation Difference Account (Refer note no 2.31)	212.20	212.20
Others Expenses	23.98	23.61
Total:	2,338.52	3,025.41

Note # 1: The Company has incurred Rs.65.00 Lacs (Previous Year Rs. 27.80 Lacs) towards payment of corporate social responsibility.

Note # 2: Auditors' Remuneration is made up of

Particulars	Rs. in Lac:	
	For the year ended 31st March,2016	For the year ended 31st March,2015
Audit fees	10.31	9.00
Limited Review Fees	4.47	3.90
Tax audit fees	1.15	1.00
Auditor's Remuneration	15.93	13.90

2.27 Finance Costs

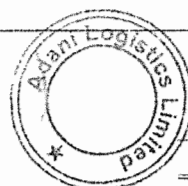
Particulars	Rs. in Lac:	
	For the year ended 31st March,2016	For the year ended 31st March,2015
Interest on:		
Foreign Currency Term Loan	524.49	845.07
Inter Corporate Deposits	14,630.14	12,158.23
Loss/(Gain) on Derivative Contracts (net)	89.85	-
Other Finance Costs	8.07	11.07
Total:	15,252.55	13,014.37

Note : Amount Paid/Payable to Related Party Rs. 14,630.14 Lacs (Previous Year Rs. 12,158.23 Lacs)

2.28 Earning Per Share (EPS)

Earning per Share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year

Particulars	Rs. in Lac:	
	For the year ended 31st March,2016	For the year ended 31st March,2015
Net profit for the year (Rs Lacs)	1,511.21	4,777.67
Weighted average number of equity shares (In Lacs)	3,250.00	3,250.00
Face value per Share	10.00	10.00
Basic and Diluted Earning per Share (in Rupees)	0.46	1.47

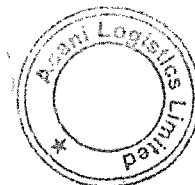


Note: 2.29 Employee Benefits

Disclosures for defined benefit plans based on actuarial reports as on 31st March, 2016

(Rs. In Lacs)

Particulars	Gratuity (Funded) 31 st March,2016	Gratuity (Funded) 31 st March,2015
(a) Changes in Present Value of Obligations		
Present Value of Obligation as at the beginning of the year	71.07	24.12
Interest Cost	5.69	1.93
Current Service Cost	29.43	24.92
Actuarial (gain) / Loss on obligations	3.40	25.08
Benefits paid	(5.08)	(4.98)
Present value of Obligation as at the end of the year	104.51	71.07
(b) Changes in fair value of plan assets		
Fair Value of Plan Assets at the beginning of the year	16.97	8.23
Expected Return on Plan Assets	0.99	0.74
Contributions	-	8.00
Actuarial Gain / (loss) on Plan Assets	0.07	-
Benefits paid	-	-
Fair Value of Plan Assets at the end of the year	18.03	16.97
(c) Amount recognized in balance sheet		
Present Value of Obligations as at the end of the year	104.51	71.07
Fair value of plan Assets as at the end of the year	18.03	16.97
Net Asset / (Liability) recognized in Balance sheet	86.48	54.10
(d) Expenses recognized in the Profit and loss account		
Interest Cost	5.70	1.93
Current Service Cost	29.43	24.92
Expected Return on Plan Assets	(0.99)	(0.74)
Net actuarial (gain) / loss recognized in the year	3.33	25.08
Expenses Recognized in the statement of Profit & Loss	37.47	51.19
(e) Assumptions		
Discount rate	7.90%	8.00%
Rate of increase in compensation levels	9.00%	8.50%
Rate of return on plan assets	8.00%	5.83%



Adani Logistics Limited

Note : 2.30 Related Party Disclosure

(a) List of Related Parties

Holding Company:

Adani Ports and Special Economic Zone Limited

Fellow Subsidiary Company:

Adani Hazira Port Private Limited
Adani Petronet (Dahej) Port Private Limited
Mundra SEZ Textile and Apparel Park Private Limited
Adani Murmugao Port Terminal Private Limited
Adani Vizag Coal Terminal Private Limited
Adani Kandla Bulk Terminal Private Limited
The Dhamra Port Company Ltd.

Entities where Management has significant influence

Adani Enterprise Limited
Adani Infra (India) Limited
Adani Wilmar Limited
Adani Foundation

Key Management Personal and their relatives:

Mr Anil Radhakrishnan
Mr Vivek Sharma (Manager) (up to 28th February, 2016)
Mr Anand Vijay (Chief Financial Officer)
Mr Yogesh Dalal(Company Secretary)

Detail of Related Party Transactions			Rs in lacs	
Category	Name of Related Party	Relation	March 31,2016	March 31,2015
Sales/ Services rendered	Adani Ports and Special Economic Zone Limited	Holding Company	619.25	589.44
	Adani Enterprise Limited	Management having significant influence	7,740.40	6,677.59
	Adani Hazira Port Private Limited	Fellow subsidiary	511.01	411.36
	Adani Wilmar Limited	Management having significant influence	1,751.95	1,184.13
Sales /Services Availed	Adani Ports and Special Economic Zone Limited	Holding Company	1,935.85	5,708.43
	Adani Enterprise Limited	Management having significant influence	363.04	47.52
	Adani Kandla Bulk Terminal Private Limited	Fellow subsidiary	6,683.78	346.63
	The Dhamra Port Company Limited	Fellow subsidiary	1,993.12	3,867.57
	Adani Hazira Port Private Limited	Fellow subsidiary	4,189.90	6,215.29
	Adani Petronet (Dahej) Port Private Limited	Fellow subsidiary	2,234.60	4,945.75
	Adani Murmugao Port Terminal Private Limited	Fellow subsidiary	4,890.73	458.44
	Adani Vizag Coal Terminal Private Limited	Fellow subsidiary	1,462.16	379.99
Interest Paid	Adani Ports and Special Economic Zone Limited	Holding Company	14,630.14	12,158.23
Interest received	Adani Infra (India) Limited	Management having significant influence	14,152.00	12,222.19
Donation	Adani Foundation	Management having significant influence	61.07	27.80
	Adani Ports and Special Economic Zone Limited	Holding Company	1.63	-
Rent Expense	Adani Ports and Special Economic Zone Limited	Holding Company	2.16	2.37
Other Income	Adani Enterprise Limited	Management having significant influence	6.09	-
Fund Received	Adani Ports and Special Economic Zone Limited	Holding Company	129,005.00	36,113.21
Fund Repayment	Adani Ports and Special Economic Zone Limited	Holding Company	(103,010.10)	(16,773.71)
Fund Given	Adani Infra (India) Limited	Management having significant influence	10,000.00	27,930.68
Fund received	Adani Infra (India) Limited	Management having significant influence	-	(10,330.68)



Adani Logistics Limited

Detail of Related Party Transactions			Rs in lacs	
Category	Name of Related Party	Relation	March 31,2016	March 31,2015
Outstanding balance as at the end of the year				
Account Receivable	Adani Ports and Special Economic Zone Limited	Holding Company	(134.79)	(129.71)
Account Payable	Adani Ports and Special Economic Zone Limited	Holding Company	73.14	335.07
Borrowing of Loan	Adani Ports and Special Economic Zone Limited	Holding Company	160,049.00	134,054.10
Other Current Liability	Adani Ports and Special Economic Zone Limited	Holding Company	3,375.60	2,825.61
Other Current Liability	Adani Ports and Special Economic Zone Limited	Holding Company	15.11	74.32
Account Receivable	Adani Enterprise Limited	Management having significant influence	(5,760.10)	(2,830.81)
Account Payable	Adani Enterprise Limited	Management having significant influence	747.20	7.83
Account Payable	Adani Kandla Bulk Terminal Private Limited	Fellow subsidiary	3,320.31	332.76
Account Payable	The Dhamra Port Company Limited	Fellow subsidiary	283.47	575.49
Account Receivable	Adani Hazira Port Private Limited	Fellow subsidiary	(154.50)	(119.57)
Account Payable	Adani Hazira Port Private Limited	Fellow subsidiary	241.67	635.22
Other Current Liability	Adani Hazira Port Private Limited	Fellow subsidiary	89.37	334.41
Account Payable	Adani Petronet (Dahej) Port Private Limited	Fellow subsidiary	114.61	101.61
Other Current Liability	Adani Petronet (Dahej) Port Private Limited	Fellow subsidiary	65.78	348.95
Account Payable	Adani Vizag Coal Terminal Private Limited	Fellow subsidiary	214.57	103.72
Account Payable	Adani Murmugao Port Terminal Private Limited	Fellow subsidiary	1,057.68	-
Loans & Advances	Adani Infra (India) Limited	Management having significant influence	(116,885.00)	(106,885.00)
Other Current Assets	Adani Infra (India) Limited	Management having significant influence	(18,822.98)	(4,702.96)
Account Receivable	Adani Wilmar Limited	Management having significant influence	(136.86)	(172.30)
Loans & Advances	Adani Wilmar Limited	Management having significant influence	-	(0.41)
Account Payable	Adani Wilmar Limited	Management having significant influence	-	0.81
Director Salary	Mr Vivek Sharma	Key Managerial Personnel	69.8	70.8
	Mr Anil Radhakrishnan		246.8	200.3

The particulars given above have been identified on the basis of information available with the Company.



2 Notes to the Financial Statements for the year ended March 31,2016

2.31 The Ministry of Corporate Affairs (MCA) has issued amendment dated 29 December 2011 to AS 11 for the Effects of Changes in Foreign Exchange Rates, to allow deferral/capitalization of exchange differences arising on long-term foreign currency monetary items. In accordance with the amendment, the company has capitalized exchange loss, arising on long-term foreign currency loan, amounting to Rs. 730.12 Lacs (Previous year Rs 691.89 Lacs) to the cost of fixed assets. Under said guidelines, a sum of Rs. 212.20 Lacs (Previous Year Rs. 212.20 Lacs) was amortized to the Profit and Loss Statement under current year from the balance of "Foreign Currency Monetary Item Translation Difference Account".

2.32 Dues to Micro, Small and Medium Enterprises

S. No.	Particulars	2015 - 16	2014 - 15
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year. Principal Interest	-	-
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

2.33 Capital and other Commitments

Particulars	Rs. in Lac:	
	For the year ended 31st March,2016	For the year ended 31st March,2015
Estimated amount of contracts (Net of advances) remaining to be executed on capital account	2,630.01	4,303.65
Export Obligation under EPCG License	-	5,259.18
	<u>2,630.01</u>	<u>9,562.83</u>

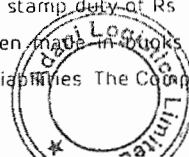
2.34 Contingent Liabilities (Not provided for in respect of:)

Particulars	Rs. in Lac:	
	For the year ended 31st March,2016	For the year ended 31st March,2015
A. Claims against the Company now acknowledged as debt (Refer Note Below)	280.72	280.72
	<u>280.72</u>	<u>280.72</u>

Note:

(a) During FY 2011-12, the Company has received a show cause notice from the Service Tax Department for reversal of Cenvat Credit on Construction services amounting to Rs.200.27 Lacs. Detailed reply has been filed by the company challenging the reversal of Cenva credit on construction services. The management is reasonably confident that no liability will arise on the Company and hence no liability has been recognised in the books of accounts.

(b) The Company has acquired land of 25.62 Acre at Kathuwas district, Rajasthan. The Company has paid stamp duty on acquisition of such land. The Collector of stamp duty has raised a demand for additional stamp duty of Rs 80.45 Lacs on the Company. The Company has filed an appeal against the said demand. The provision has not been made in books of account as the Company is hopeful of defending its claim before the authorities and disclosed under contingent liabilities. The Company has paid Rs 40.22 Lacs under protest.



2.35 The Company takes various types of derivative instruments to hedge its foreign currency term loan installments. The category-wise outstanding position of derivative instruments is as under:

Nature	Particulars of Derivatives (USD Lacs)		Purpose
	For the year ended 31st March, 2016	For the year ended 31st March, 2015	
Foreign Currency Option Contract	72.75	-	Hedging of foreign currency term loan installment liability of Rs. 5253.25 Lacs (Previous Year Nil)
Foreign Currency Forward Contract	6.54	-	
Total	79.29	-	

The details of foreign currency exposures those are not hedged by a derivative instrument or otherwise are as under:

Nature	For the year ended		For the year ended	
	Rs in Lacs	Foreign Currency (USD in Lacs)	Rs. In Lacs	Foreign Currency (USD in Lacs)
Foreign Currency Loan	3,898.86	58.85	13,518.04	216.29

Nature	For the year ended		For the year ended	
	Rs in Lacs	Foreign Currency (EURO in Lacs)	Rs. In Lacs	Foreign Currency (EURO in Lacs)
Bills under foreign currency LC from Bank	119.88	1.59	106.82	1.59

Closing rates as at March 31, 2016

INR / USD = Rs 66.255

INR / EUR = Rs 75.395

Closing rates as at March 31, 2015

INR / USD = Rs 62.500

INR / EUR = Rs 67.19

2.36 Additional Information:

A) Expenditure in Foreign Currency (On Accrual Basis)

Particulars	Rs. in Lacs	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Interest on Foreign Currency Term Loan	523.98	845.04
Interest on Buyer's Credit	0.51	0.03
Capital Expenditure	-	106.83
Payment for Technical Fees	-	89.96
Payment for Training and Seminar	0.60	1.66
Travel Expense	-	0.62
Total:	525.09	1,044.14

B) CIF Value of Imports:

Particulars	Rs. in Lacs	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Capital goods	-	106.83
Total:	-	106.83

2.37 Previous year figures have been regrouped, reclassified and reworked wherever necessary for comparative purpose.

FOR G. K. CHOKSI & CO.
(Firm Registration No: 101895W)
Chartered Accountants

Sandip A Parikh
Partner

Membership No.: 40727

For and on behalf of Board of Directors
Adani Logistics Limited

Capt. Umesh Abhyankar
Director

DIN: 03040812

Anand Vijay
Chief Financial Officer

Anil Radhakrishnan
Director

DIN: 05294517

Yogesh Dalal
Company Secretary

Place: Ahmedabad

Date: 25 APR 2016

Place: Ahmedabad

Date: 25 APR 2016

