

INDEPENDENT AUDITOR'S REPORT

To the Members of Adani Warehousing Services Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Adani Warehousing Services Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity 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 of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS 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 of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the

Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 2017, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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 2" to this report;

- (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 which would impact its financial position;
 - 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.
 - iv. As per books of accounts of the Company and as represented by the management of the Company, the Company did not have cash balance as on November 8, 2016 and December 30, 2016 and has no cash dealings during this period.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per
Santosh Aggarwal

Partner
Membership Number: 93669

Place of Signature: Ahmedabad
Date: May 1, 2017

Annexure 1 referred to in paragraph on Report on Other Legal and Regulatory Requirements of our report of even date

- (i) The Company does not have property, plant and equipment as on the reporting date. Accordingly, the provisions of clause 3(i) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company's presently, does not have any business activities involving procurement of inventories; accordingly the provisions of clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148 (1) of the Companies Act, 2013, for the services rendered by the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, service tax, cess and other material statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, sales tax, custom duty, excise duty, valued added tax are not applicable to the Company.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us, there are no dues of income tax, service tax and cess which have not been deposited on account of any dispute.

- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year; accordingly the provisions of clause 3(viii) of the Order are not applicable to the Company and hence not commented upon.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the Company has not paid any managerial remuneration during the period and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, 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 hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Santosh Aggarwal
Partner
Membership Number: 93669

Place of Signature: Ahmedabad
Date: May 1, 2017

Annexure 2 to the Independent Auditor's Report of Even Date on the Financial Statements of Adani Warehousing Services Private Limited

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

To the Members of Adani Warehousing Services Private Limited

We have audited the internal financial controls over financial reporting of Adani Warehousing Services Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the 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. 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 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.

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Santosh Aggarwal
Partner
Membership Number: 93669

Place of Signature: Ahmedabad
Date: May 1, 2017

Adani Warehousing Services Private Limited
Balance Sheet as at March 31, 2017

Particulars	Notes	Amount in `		
		As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Assets				
Non-Current Assets				
Other Non-Current Assets	5	69,771	29,154	14,613
		69,771	29,154	14,613
Current Assets				
Financial Assets				
(i) Trade Receivables	3	8,96,336	-	-
(ii) Cash and Cash Equivalents	6	726	14,969	5,59,001
(iii) Bank Balances other than (ii) above	6	3,31,514	3,10,829	-
(iv) Other Financial Assets	4	5,420	5,723	-
Other Current Assets	5	1,48,932	-	-
		13,82,928	3,31,521	5,59,001
Total Assets		14,52,699	3,60,675	5,73,614
Equity and Liabilities				
Equity				
Equity Share Capital	7	5,00,000	5,00,000	5,00,000
Other Equity	8	(7,27,827)	(2,03,825)	(4,476)
Total Equity attributable to Equity Holders of the Company		(2,27,827)	2,96,175	4,95,524
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings	9	1,21,000	-	-
		1,21,000	-	-
Current Liabilities				
Financial Liabilities				
(i) Trade and Other Payables	10	13,42,813	54,000	73,090
(ii) Other Financial Liabilities	11	2,02,255	-	-
Other Current Liabilities	12	14,458	10,500	5,000
		15,59,526	64,500	78,090
Total Liabilities		16,80,526	64,500	78,090
Total Equity and Liabilities		14,52,699	3,60,675	5,73,614

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For S R B C & CO LLP

ICAI Firm Registration No.: 324982E / E300003

Chartered Accountants

For and on behalf of Board of Directors

per Santosh Aggarwal

Partner

Membership No. 93669

Ennarasu Karunesan

Director

DIN: 00200432

Mukesh Saxena

Director

DIN: 07337179

Place: Ahmedabad

Date: May 01, 2017

Place: Ahmedabad

Date: May 01, 2017

Adani Warehousing Services Private Limited
Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Notes	Amount in `	
		For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from Operations	13	10,45,268	-
Other Income	14	22,697	18,448
Total Income		10,67,965	18,448
Expenses			
Operating Expenses	15	11,53,772	-
Finance Costs	16	2,506	-
Other Expenses	17	4,35,689	2,17,797
Total expense		15,91,967	2,17,797
(Loss) before tax		(5,24,002)	(1,99,349)
Income tax expense		-	-
(Loss) for the year		(5,24,002)	(1,99,349)
Other comprehensive income		-	-
Total Comprehensive Income for the year		(5,24,002)	(1,99,349)
Earnings per Share - (Face value of ` 10 each)			
Basic and Diluted (in `)	22	(10.48)	(3.99)

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S R B C & CO LLP
ICAI Firm Registration No.: 324982E / E300003
Chartered Accountants

For and on behalf of Board of Directors

per Santosh Aggarwal
Partner
Membership No. 93669

Ennarasu Karunesan Mukesh Saxena
Director Director
DIN: 00200432 DIN: 07337179

Place: Ahmedabad
Date: May 01, 2017

Place: Ahmedabad
Date: May 01, 2017

Adani Warehousing Services Private Limited
Statement of Changes in Equity for the year ended March 31, 2017

Particulars	Amount in `		
	Equity Share Capital	Reserves and Surplus Retained Earning	Total
Balance as at April 01, 2015	5,00,000	(4,476)	4,95,524
(Loss) for the year	-	(1,99,349)	(1,99,349)
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	-	(1,99,349)	(1,99,349)
Balance as at March 31, 2016	5,00,000	(2,03,825)	2,96,175
(Loss) for the year	-	(5,24,002)	(5,24,002)
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	-	(5,24,002)	(5,24,002)
Balance as at March 31, 2017	5,00,000	(7,27,827)	(2,27,827)

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For S R B C & CO LLP

ICAI Firm Registration No.: 324982E / E3000003

Chartered Accountants

For and on behalf of Board of Directors

per Santosh Aggarwal
 Partner

Membership No. 93669

Place: Ahmedabad

Date: May 01, 2017

Ennarasu Karunesan
 Director

DIN: 00200432

Place: Ahmedabad

Date: May 01, 2017

Mukesh Saxena
 Director

DIN: 07337179

Adani Warehousing Services Private Limited
Statement of Cash Flows for the year ended March 31, 2017

Particulars	Amount in `	
	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Cash Flow from Operating Activities		
(Loss) before tax	(5,24,002)	(1,99,349)
Adjustments for:		
Interest Income	(22,647)	(18,448)
Interest Expense	2,506	-
Operating (loss) before Working Capital Changes	(5,44,143)	(2,17,797)
Adjustments for :		
(Increase) in Trade Receivables	(8,96,336)	-
(Increase) in Other Assets	(1,89,124)	(14,667)
Increase/(Decrease) in Trade Payables	12,88,813	(19,090)
Increase in Financial Liabilities	2,00,000	-
Increase in Other Liabilities	3,958	5,500
Cash (used in) Operations	(1,36,832)	(2,46,054)
Direct Taxes paid (Net of Refunds)	(425)	126
Net Cash (outflow) from Operating Activities	(1,37,257)	(2,45,928)
B. Cash Flow from Investing Activities		
Interest Received	22,950	12,725
(Deposit in) Fixed Deposit with a maturity period of more than 90 days (Net)	(20,685)	(3,10,829)
Net Cash Inflow from / (used in) Investing Activities	2,265	(2,98,104)
C. Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	1,21,000	-
Interest Paid	(251)	-
Net Cash Inflow from Financing Activities	1,20,749	-
D. Net (Decrease) in Cash & Cash Equivalents (A+B+C)	(14,243)	(5,44,032)
E. Cash & cash equivalents at the beginning of the year (refer note 6)	14,969	5,59,001
F. Cash & cash equivalents at the end of the year (refer note 6)	726	14,969
Notes:		
Component of Cash and Cash equivalents		
Balances with scheduled bank		
On current accounts	726	14,969
Cash and Cash Equivalents at end of the year	726	14,969

Summary of significant accounting policies refer note 2.2

The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015, (as amended).

As per our report of even date

For S R B C & CO LLP
ICAI Firm Registration No.: 324982E / E300003
Chartered Accountants

For and on behalf of Board of Directors

per Santosh Aggarwal
Partner
Membership No. 93669

Ennarasu Karunesan Mukesh Saxena
Director Director
DIN: 00200432 DIN: 07337179

Place: Ahmedabad
Date: May 01, 2017

Place: Ahmedabad
Date: May 01, 2017

1 Corporate information

Adani Warehousing Service Private Limited ('AWSPL' or 'the Company') was incorporated on April 19, 2012 as a wholly owned subsidiary of Adani Ports and Special Economic Zone Limited ('APSEZL' or 'holding Company').

The Company has an objective to develop, operate and maintain warehousing infrastructure and other activities being an integral part of material/goods warehousing services. The Company operate as Unit in Special Economic Zone (SEZ) as per approval MPSEZ/IUA-01/2012-13/710 dated January 15,2013 of Ministry of Commerce and Industry. Further, it also received letter of approval vide letter no. : KASEZ/P&C/Adani Warehousing /04/2017 Dated February 18,2016, from office of the Development Commissioner, Kandla Special Economic Zone to establish a service unit at SEZ notified area.

During the year, the Company has entered into leasing arrangement with APSEZL for warehouse storage area facilities in SEZ notified area at Mundra.As at year end, the warehouse facilities have been rented out on promotional basis.

The financial statement were authorised for issue in accordance with a resolution of the director on May 01, 2017.

2 Basis of preparation

2.1 The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

For all periods up to and including the year ended March 31, 2016, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first the Company has prepared in accordance with Ind AS. Refer note 21 for information on how the Company adopted Ind AS.

The Financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

In addition, the financial statements are presented in INR, except when otherwise indicated.

2.2 Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

c) Revenue Recognition

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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Warehousing services

Revenues from service activities is recognized as and when services are rendered in terms of the arrangement. The amount recognised as a revenue is exclusive of service tax and cess where applicable.

Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate. Interest income is included in other income in the statement of profit and loss.

d) Borrowing Costs

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

e) Segment Reporting

In accordance with the Ind-AS 108 -" Operating Segments" , The Company has determined its business segment as Warehousing services. Since there are no other business segments in which the Company operates, there are no other primary reportable segments.

f) Related Party Transactions

Disclosure of transactions with Related Parties, as required by Ind-AS 24 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under Ind-AS 24 have been identified on the basis of representations made by key managerial personnel and information available with the Company.

g) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

Operating lease payments for rental are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term. Where the rental are structured solely to increase in line with expected general inflation and to compensate for the lessor's expected inflationary cost increases, such increase are recognised in the year in which such benefit accrue.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

h) Earnings per share

The basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings 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.

i) Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred tax

Deferred tax is provided using the liability approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

j) Provisions

General

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

k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value.

Subsequent measurement

For purposes of subsequent measurement, Company's financial assets comprises Debt Instruments which are measured at amortised cost.

Debt Instruments at amortised cost

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

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Derecognition

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

- > The rights to receive cash flows from the asset have expired, or
- > The Company has transferred its rights to receive cash flows from the asset or has transferred risk and rewards of the asset including control thereof.

Impairment of financial assets

The Company has Financial assets in the nature of debt instruments, and are measured at amortised cost e.g. loans, deposits, trade receivables and bank balances.

For recognition of impairment loss on financial assets, the Company determines that whether there has been a significant increase in the credit risk since initial recognition, based on which impairment provision is made if the amount is not expected to be realised.

The impairment provision is reflected under the head "Other Expenses" in the statement of profit and loss.

Adani Warehousing Services Private Limited

Notes to Financials statements for the year ended March 31, 2017

Financial liabilities

Initial recognition and measurement

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

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at FVTPL.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2.3 Significant accounting estimates and assumptions

The preparation of the Company's Ind AS financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below as appropriate. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

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Adani Warehousing Services Private Limited
Notes to Financial statements for the year ended March 31, 2017

3 Trade Receivables

Current

Receivable from related parties (Refer Note 20)

	As at March 31, 2017 Amount in `	As at March 31, 2016 Amount in `	As at April 01, 2015 Amount in `
	8,96,336	-	-
	8,96,336	-	-

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

b) Trade receivable are non interest bearing and are generally on terms of 5 days.

4 Other Financial assets

Current

Interest accrued but not due on deposits

	As at March 31, 2017 Amount in `	As at March 31, 2016 Amount in `	As at April 01, 2015 Amount in `
	5,420	5,723	-
	5,420	5,723	-

5 Other Assets

Non Current

Others (Unsecured)

Balance with Government authorities

Taxes recoverable

	As at March 31, 2017 Amount in `	As at March 31, 2016 Amount in `	As at April 01, 2015 Amount in `
	67,506	27,314	12,899
	2,265	1,840	1,714
	69,771	29,154	14,613

Current

Others (Unsecured)

Accrued revenue

	1,48,932	-	-
	1,48,932	-	-

6 Cash and Bank Balances

Cash and Cash Equivalents

Balances with banks:

Balance in current account

	As at March 31, 2017 Amount in `	As at March 31, 2016 Amount in `	As at April 01, 2015 Amount in `
	726	14,969	5,59,001
	726	14,969	5,59,001

Other bank balances

Deposits with original maturity over 3 months but less than 12 months

	3,31,514	3,10,829	-
	3,31,514	3,10,829	-

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Adani Warehousing Services Private Limited

Notes to Financials statements for the year ended March 31, 2017

7 Share capital

Authorised

50,000 Equity Shares of ₹ 10 each (50,000 and 50,000 Equity Shares of ₹ 10 each as at March 31, 2016 and April 01, 2015 respectively)

	As at March 31, 2017 Amount in ₹	As at March 31, 2016 Amount in ₹	As at April 01, 2015 Amount in ₹
	5,00,000	5,00,000	5,00,000
	5,00,000	5,00,000	5,00,000

Issued, subscribed and fully paid up shares

50,000 Equity Shares of ₹ 10 each (50,000 and 50,000 Equity Shares of ₹ 10 each as at March 31, 2016 and April 01, 2015 respectively)

	5,00,000	5,00,000	5,00,000
	5,00,000	5,00,000	5,00,000

Notes:

(a) Reconciliation of the number of the shares outstanding as the beginning and end of the year:

	As at March 31, 2017		As at March 31, 2016	
	No.	Amount in ₹	No.	Amount in ₹
At the beginning of the year	50,000	5,00,000	50,000	5,00,000
At the end of the year	50,000	5,00,000	50,000	5,00,000

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. 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

(c) Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company is as below

	As at March 31, 2017 Amount in ₹	As at March 31, 2016 Amount in ₹
Adani Ports and Special Economic Zone Limited, the holding company and its nominee 50,000 equity shares (Previous year 50,000) of ₹ 10 each	5,00,000	5,00,000

(d) Details of shareholder holding more than 5% shares in the Company

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Equity shares of ₹ 10 each fully paid			
Adani Ports and Special Economic Zone Limited, the holding company and its nominee	No 50,000	50,000	50,000
	% Holding 100%	100%	100%

8 Other Equity

Surplus in the statement of profit and loss

	As at March 31, 2017 Amount in ₹	As at March 31, 2016 Amount in ₹	As at April 01, 2015 Amount in ₹
Opening Balance	(2,03,825)	(4,476)	13,98,329
Add : (Loss) for the year	(5,24,002)	(1,99,349)	(14,02,805)
Total Other Equity	(7,27,827)	(2,03,825)	(4,476)

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Adani Warehousing Services Private Limited

Notes to Financials statements for the year ended March 31, 2017

9 Borrowings

	As at March 31, 2017 Amount in `	As at March 31, 2016 Amount in `	As at April 01, 2015 Amount in `
Non-Current			
Inter Corporate Deposit (refer note a) (Unsecured)	1,21,000	-	-
Total borrowings	1,21,000	-	-

Notes:

(a) Inter corporate deposit is received from Adani Ports and Special Economic Zone Ltd., the holding Company, are interest bearing at 9% Per annum. The outstanding loan balance as on March 31, 2017 will be repayable in single installment in the month of January, 2020.

10 Trade and other payables

	As at March 31, 2017 Amount in `	As at March 31, 2016 Amount in `	As at April 01, 2015 Amount in `
Payables to micro, small and medium enterprises (Refer note 25)	-	-	-
Trade and other payables	13,42,813	54,000	73,090
	13,42,813	54,000	73,090

Dues to related parties included in above (Refer Note 20)

Trade payables

11,18,608 - -

11 Other financial liabilities

	As at March 31, 2017 Amount in `	As at March 31, 2016 Amount in `	As at April 01, 2015 Amount in `
Current			
Interest accrued but not due on borrowings	2,255	-	-
Other payable	2,00,000	-	-
	2,02,255	-	-

12 Other liabilities

	As at March 31, 2017 Amount in `	As at March 31, 2016 Amount in `	As at April 01, 2015 Amount in `
Current			
Statutory liabilities	14,458	10,500	5,000
	14,458	10,500	5,000

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Adani Warehousing Services Private Limited

Notes to Financial statements for the year ended March 31, 2017

13 Revenue from Operations

	For the year ended March 31, 2017 Amount in `	For the year ended March 31, 2016 Amount in `
Rent Income	10,45,268	-
	10,45,268	-

14 Other Income

	For the year ended March 31, 2017 Amount in `	For the year ended March 31, 2016 Amount in `
Interest Income from Bank deposits	22,647	18,448
Interest on Income tax Refund	50	-
Total Finance income	22,697	18,448

15 Operating Expenses

	For the year ended March 31, 2017 Amount in `	For the year ended March 31, 2016 Amount in `
Rent Expenses	11,53,772	-
	11,53,772	-

Assets taken under Operating Leases – Warehouse are generally obtained on operating leases. The lease rent terms are for five years. There are no sub-leases and leases are cancellable in nature. There are no restrictions imposed by the lease arrangements. There is no contingent rent in the lease agreements. Expenses of ` 11,53,772 (previous year ` Nil) incurred under such leases have been expensed in the statement of profit & loss.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	For the year ended March 31, 2017 Amount in `	For the year ended March 31, 2016 Amount in `
i) Not later than one year	12,19,053	-
ii) Later than one year and not later than five years	44,38,572	-
iii) Later than five years	-	-

16 Finance Costs

	For the year ended March 31, 2017 Amount in `	For the year ended March 31, 2016 Amount in `
Interest on Inter Corporate Deposit	2,506	-
	2,506	-

17 Other Expenses

	For the year ended March 31, 2017 Amount in `	For the year ended March 31, 2016 Amount in `
Rent	78,341	70,804
Rates and Taxes	30,000	10,000
Legal and Professional Expenses	2,11,830	23,609
Payment to Auditors (refer note 1 below)	1,06,519	1,12,811
Electricity Expenses	8,999	-
Miscellaneous Expenses	-	573
	4,35,689	2,17,797

a) Assets taken under Operating Leases – Office space and liquid cargo store facilities taken on operating leases. The lease rent terms are for five years and are renewable by mutual agreement. There are no sub-leases and leases are cancellable in nature. There are no restrictions imposed by the lease arrangements. There is no contingent rent in the lease agreements. Expenses of ` 78,341 (previous year ` 70,804) incurred under such leases have been expensed in the statement of profit & loss.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	For the year ended March 31, 2017 Amount in `	For the year ended March 31, 2016 Amount in `
i) Not later than one year	86,687	78,341
ii) Later than one year and not later than five years	-	86,687
iii) Later than five years	-	-

Note: 1

	For the year ended March 31, 2017 Amount in `	For the year ended March 31, 2016 Amount in `
Payment to Auditor		
As Auditor:		
Audit fee	60,000	60,000
Limited review	45,000	40,000
In other Capacity		
Certification Fees	-	10,000
Other Services	1,519	2,811
Reimbursement of expenses		
	1,06,519	1,12,811

18 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

18.1 Category-wise Classification of Financial Instruments:

a) The carrying value of financial instruments by categories as of March 31, 2017 is as follows :

Particulars	Refer Note	Amount in `			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
Financial Asset					
Trade receivables	3	-	-	8,96,336	8,96,336
Cash and Cash Equivalents	6	-	-	726	726
Other Bank balance	6	-	-	3,31,514	3,31,514
Other financial assets	4	-	-	5,420	5,420
		-	-	12,33,996	12,33,996
Financial Liabilities					
Borrowings	9	-	-	1,21,000	1,21,000
Trade and other payables	10	-	-	13,42,813	13,42,813
Other financial liabilities	11	-	-	2,02,255	2,02,255
		-	-	16,66,068	16,66,068

b) The carrying value of financial instruments by categories as of March 31, 2016 is as follows :

Particulars	Refer Note	Amount in `			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
Financial Asset					
Cash and Cash Equivalents	6	-	-	14,969	14,969
Other Bank balance	6	-	-	3,10,829	3,10,829
Others financial assets	4	-	-	5,723	5,723
		-	-	3,31,521	3,31,521
Financial Liabilities					
Trade and other payables	10	-	-	54,000	54,000
		-	-	54,000	54,000

c) The carrying value of financial instruments by categories as of April 01, 2015 is as follows :

Particulars	Refer Note	Amount in `			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
Financial Asset					
Cash and Cash Equivalents	6	-	-	5,59,001	5,59,001
		-	-	5,59,001	5,59,001
Financial Liabilities					
Trade and other payables	10	-	-	73,090	73,090
		-	-	73,090	73,090

18.2 Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

18.3 Financial Risk objective and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include loans/deposits and cash and cash equivalents.

In the ordinary course of business, the Company is mainly exposed to risks resulting from interest rate movements (interest rate risk, credit risk and liquidity risk) due to investing and cash management activities.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of Adani Ports and Special Economic Zone Limited (APSEZL), the Holding Company under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Parent Company. The APSEZL's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

Adani Warehousing Services Private Limited

Notes to Financial statements for the year ended March 31, 2017

(i) Market risk

The Company has limited market risk as it is funded by the Holding Company.

ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets) and from its financing activities, including deposits with banks.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Presently, the Company does not have significant concentration of credit risk.

iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Currently the finances are taken care by APSEZL, the Holding Company.

The table below analysis the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

				Amount in `
Contractual maturities of financial liabilities as at March 31, 2017	On Demand & Less than 1 year	1 to 5 years	Over 5 year	Total
Borrowings (refer note 8)	-	1,21,000	-	1,21,000
Trade and other Payables (refer note 12)	13,42,813	-	-	13,42,813
Other Financial Liabilities (refer note 10)	2,02,255	-	-	2,02,255
Total	15,45,068	1,21,000	-	16,66,068
				Amount in `
Contractual maturities of financial liabilities as at March 31, 2016	On Demand & Less than 1 year	1 to 5 years	Over 5 year	Total
Trade and other Payables (refer note 12)	54,000	-	-	54,000
Total	54,000	-	-	54,000
				Amount in `
Contractual maturities of financial liabilities as at March 31, 2015	On Demand & Less than 1 year	1 to 5 years	Over 5 year	Total
Trade and other Payables (refer note 12)	73,090	-	-	73,090
Total	73,090	-	-	73,090

19 Capital management

For the purposes of the company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the company's capital management is to maximize shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is net debt (total debt less cash and cash equivalents) divided by total capital plus net debt.

Particulars	Refer note	March 31, 2017	March 31, 2016
Total borrowings	9	1,21,000	-
Less: Cash and bank balance	6	3,32,240	3,25,798
Net Debt (A)		(2,11,240)	(3,25,798)
Total Equity (B)	7 & 8	(2,27,827)	2,96,175
Total Equity and Net Debt (C = A + B)		(4,39,067)	(29,623)
Gearing ratio		48.11%	1099.83%

Adani Warehousing Services Private Limited
Notes to the financials Statements for the year ended March 31 , 2017

Note 20- Related Parties transactions

Particulars	Name of Company
Holding Company	Adani Ports and Special Economic Zone Ltd
Entities over which major shareholders of holding company are able to exercise Significant Influence through voting power	Mundra Solar PV Limited
Key Management Personnel	Mr. Ennarasu Karunesan, Director (w.e.f. November 9, 2015) Mr. Amit Uplenchwar, Director (w.e.f. May 13, 2014) Mr. Mukesh Saxena, Director (w.e.f. November 9, 2015)

Terms and conditions of transactions with related parties

Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2017, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes:

Aggregate of transactions for the year ended with these parties have been given below.

Transactions	Name of Related Party	Amount in `	
		March 31, 2017	March 31, 2016
Rent Income	Mundra Solar PV Limited	10,45,268	-
Director Deposit	Adani Ports and Special Economic Zone Ltd	2,00,000	-
Rent Expenses	Adani Ports and Special Economic Zone Ltd	12,32,113	70,804
Interest Expenses	Adani Ports and Special Economic Zone Ltd	2,506	-

Closing Balance	Name of Related Party	Amount in `		
		March 31, 2017	March 31, 2016	March 31, 2015
Trade receivables	Mundra Solar PV Limited	8,96,336	-	-
Accrued Revenue	Mundra Solar PV Limited	1,48,932	-	-
Inter Corporate Deposit	Adani Ports and Special Economic Zone Ltd	1,21,000	-	-
Other financial liabilities	Adani Ports and Special Economic Zone Ltd	2,255	-	-
Trade Payable	Adani Ports and Special Economic Zone Ltd	11,18,608	-	-
Other Payable	Adani Ports and Special Economic Zone Ltd	2,00,000	-	-

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21 First-time adoption of Ind-AS

These financial statements, for the year ended March 31, 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its annual financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for the year ending on March 31, 2017, together with the comparative period data as at and for the year ended March 31, 2016, as described in the summary of significant accounting policies. These note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements as at and for the year ended March 31, 2016.

21.1 Exemption availed on the first time adoption of Ind AS 101

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following Ind AS 101 exemptions from the transition date i.e. April 01, 2015 :

Estimates :

The estimates at April 01, 2015 and at March 31, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

21.2 The Company's management had previously issued its audited financial results for the year ended March 31, 2016 on April 26, 2016, that were all prepared in accordance with the recognition and measurement principles of the Companies (Accounting Standards) Rules, 2006 prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and other accounting principles generally accepted in India ('Previous GAAP'). The Company's management has now prepared the Ind AS Financial Statements for the year ended March 31, 2017 in accordance with the recognition and measurement principles laid down by the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Para 7 of the Companies (Accounts) Rule, 2015 as amended and other accounting principles generally accepted in India.

The Company has prepared a reconciliation of the amounts of net profit as reported under previous GAAP to those computed as per Ind AS and the same is given in note no 21.3 and 21.4.1 below. The Company has also prepared a reconciliation of the amount of total equity as reported under the Previous GAAP to those computed as per Ind AS and the same is given in note no. 21.3 and 21.4.2 below.

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21.3 Reconciliation of equity as at April 01, 2015 and March 31, 2016

	Foot- notes	March 31, 2016 (Last period presented under IGAAP)			April 01, 2015 (Date of transition)		
		IGAAP	Adjustments	Ind AS	IGAAP	Adjustments	Ind AS
ASSETS							
Non-current assets							
Other non financial assets		29,154	-	29,154	14,613	-	14,613
		29,154	-	29,154	14,613	-	14,613
Current assets							
Cash and Cash Equivalents		14,969	-	14,969	5,59,001	-	5,59,001
Bank balance other than cash and cash equivalents		3,10,829	-	3,10,829	-	-	-
Other financial assets		5,723	-	5,723	-	-	-
		3,31,521	-	3,31,521	5,59,001	-	5,59,001
Total Assets		3,60,675	-	3,60,675	5,73,614	-	5,73,614
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital		5,00,000	-	5,00,000	5,00,000	-	5,00,000
Other equity		(2,03,825)	-	(2,03,825)	(4,476)	-	(4,476)
Total Equity		2,96,175	-	2,96,175	4,95,524	-	4,95,524
LIABILITIES							
Current liabilities							
Financial liabilities							
Trade and other payables		54,000	-	54,000	73,090	-	73,090
Other current liabilities		10,500	-	10,500	5,000	-	5,000
		64,500	-	64,500	78,090	-	78,090
Total liabilities		64,500	-	64,500	78,090	-	78,090
Total Equity and Liabilities		3,60,675	-	3,60,675	5,73,614	-	5,73,614

Reconciliation of Statement of Profit and Loss for year ended March 31, 2016

	Amount in `		
	IGAAP	Adjustments	Ind AS
INCOME			
Other income	18,448	-	18,448
Total Income	18,448	-	18,448
EXPENSES			
Other expenses	2,17,797	-	2,17,797
Total Expense	2,17,797	-	2,17,797
Profit/(loss) before exceptional items and tax	(1,99,349)	-	(1,99,349)
Exceptional items			
Profit/(loss) before tax	(1,99,349)	-	(1,99,349)
Tax expense:			
Income tax expenses	-	-	-
Profit/(Loss) for the year	(1,99,349)	-	(1,99,349)
Other Comprehensive Income			
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Income for the year	(1,99,349)	-	(1,99,349)

21.4 Reconciliation of total comprehensive income between previously reported (referred to as "Previous GAAP") and Ind AS for the year ended March 31, 2016 is presented as under : -

21.4.1 Reconciliation of total comprehensive income:-

Sr No	Nature of Adjustments	Year Ended March 31, 2016
	Net Profit as per previous GAAP	(1,99,349)
a)	Other	-
	Total	-
	Net profit before OCI as per Ind AS	(1,99,349)
	Other comprehensive Income (net of tax)	-
	Total comprehensive income as per Ind AS	(1,99,349)

21.4.2 Reconciliation of equity:-

Sr No	Nature of Adjustments	As at March 31, 2016	As at April 01, 2015
	Equity as per Previous GAAP	2,96,175	4,95,524
a)	Other adjustments	-	-
	Total adjustments	-	-
	Equity as per Ind AS	2,96,175	4,95,524

Explanatory Notes to the transition from previous GAAP to Ind AS :

- (a) Classification and fair value measurement of Financial Assets and Financial Liabilities: The Company has assessed the classification and fair valuation impact of financial assets and liabilities under Ind AS 32 / Ind AS 109 on the basis of the facts and circumstances at the transition date. The impact of fair value changes as on date of transition, is not material.
- (b) Statement of cash flows: The transition from Indian GAAP to Ind AS does not have material impact on the statement of cash flows.

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Adani Warehousing Services Private Limited
Notes to Financials statements for the year ended March 31, 2017

22 Earnings per share

(Loss) attributable to equity shareholders of the company
Weighted average number of equity shares
Basic and Diluted earning per share (in `)

	March 31, 2017	March 31, 2016
	Amount in `	Amount in `
	(5,24,002)	(1,99,349)
	50,000	50,000
	(10.48)	(3.99)

23 Capital commitments & other commitment

Based on the information available with the Company, there is no capital and other commitments as at the year ended March 31, 2017 (March 31, 2016 : Nil).

24 Contingent liabilities not provided for

Based on the information available with the Company, there is no contingent liability as at the year ended March 31, 2017 (March 31, 2016 : Nil).

25 Based on the information and supplier's profile available with the Company, the management believes that no creditor is covered under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosure if any, relating to amount unpaid as at the period end together with the interest paid/payable as required under the said Act is not applicable.

26 Personnel Cost

The Company does not have any employee. The operational management and administrative functions of the Company are being managed by the Holding Company, Adani Ports and Special Economic Zone Limited.

27 Disclosure on specified bank note

As per the amendment to Schedule III of the Companies Act, 2013 by MCA notification G.S.R 308(E) dated 30th March 2017, every company is required to disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016. Since the company did not hold or transact in cash during the entire year, the said disclosure is not applicable.

28 Going Concern

The company has accumulated losses of ` 727,827 (Previous year ` 203,825) as at the balance sheet date, which have resulted in erosion of the company's net worth. Additionally, as at the balance sheet date March 31, 2017, the financial statements disclose a net position of current liabilities of ` 176,598. The Company has no intention of curtailing the scale of its operation and has plan to develop, operate and maintain warehousing infrastructure and other activities being an integral part of material/ goods warehousing services at Mundra Port. Further, the Company has been able to meet its obligations in the ordinary course of the business of warehousing activities by the continuing financial support offered from Adani Ports and Special Economic Zone Limited (the Holding Company).The Company has received financial support letter from its holding Company as at March 31, 2017 as a commitment to support the Company's operations. Accordingly, these financial statements have been prepared assuming that the Company will continue as a going concern.

29 Standard issued but not effective:

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and has amended the following standard:

(a)Amendments to Ind AS 7, Statement of Cash Flows: The amendments to Ind AS 7 requires an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. On initial application of the amendment, entities are not required to provide comparative information for preceding periods. These amendments are effective for annual periods beginning on or after April 01, 2017. Application of this amendments will not have any recognition and measurement impact. However, it will require additional disclosure in the financial statements.

30 Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 04, 2017, there were no subsequent events to be recognized or reported that are not already disclosed.

For S R B C & CO LLP

ICAI Firm Registration No.: 324982E / E300003
Chartered Accountants

per Santosh Aggarwal
Partner
Membership No. 93669

Place: Ahmedabad
Date: May 01, 2017

For and on behalf of Board of Directors

Ennarasu Karunesan
Director
DIN: 00200432

Place: Ahmedabad
Date: May 01, 2017

Mukesh Saxena
Director
DIN: 07337179