

DHARMESH PARIKH & CO.

CHARTERED ACCOUNTANTS

303/304, "Milestone", Nr. Drive-in-Cinema, Opp.T.VTower, Thaltej,
Ahmedabad-380 054. **Phone: 91-79-27474466 Fax: 91-79-27479955**

Independent Auditor's Report

To the Members of Adani Agri Logistics Limited

Report on the audit of the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of Adani Agri Logistics Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

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

Basis for Opinion

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

Management's Responsibility for the Standalone 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed 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 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss, the Statement Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) on the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in „Annexure B”;
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with 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.

Place: Ahmedabad
Date: 11.05.2019

For, **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. 112054W

CHIRAG SHAH
Partner
Membership No. 122510.

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Annexure - A to the Independent Auditor's Report

RE: Adani Agri Logistics Limited

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March, 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified by the management in a phased periodic manner over the period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stock and the book records were not material and have been appropriately dealt with in the books of accounts.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted 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 paragraph 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) In our opinion and according to the 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 the loans and investments made, and guarantees and security provided by it.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the products manufactured or services rendered by the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (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 income tax, Goods and Service Tax and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Sales tax, Goods and Service Tax, and other material statutory dues.

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Annexure - A to the Independent Auditor's Report

RE: Adani Agri Logistics Limited (Continue)

(Referred to in Paragraph 1 of our Report of even date)

According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues as referred above were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.

- (b) According to information and explanations given to us and records of the Company examined by us, the following due has not been deposited on account of dispute:

Name of the Statute	Nature of the Dues	Forum Where dispute is pending	Amount (Rs. In Lakhs) *	Amount Paid Under Protest (Rs. In Lakhs)	Period to which the amount Relates
Income Tax Act	Tax, Interest and Penalty	Commissioner	46.67	2.17	2010-11, 2011-12
Total			46.67	2.17	

(*Including Interest/ Penalty where the notice specifies the same.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers. The Company did not have any outstanding debentures or dues to any financial institutions or government during the year.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they are raised.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid/ provided. Accordingly the provisions of Clauses 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 and all the details have been disclosed in Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.

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- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

Place: Ahmedabad
Date: 11.05.2019

For, **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. 112054W

CHIRAG SHAH
Partner
Membership No. 122510

DHARMESH PARIKH & CO.

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Annexure – B to the Independent Auditor's Report

RE: Adani Agri Logistics Limited

(Referred to in Paragraph 2(f) of our Report of even date)

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 the company as of 31st March, 2019 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

Management's Responsibilities 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 Standalone 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

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

Inherent Limitations of Internal Financial Controls 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 2019, 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.

Place : Ahmedabad
Date : 11.05.2019

For, **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. 112054W

CHIRAG SHAH
Partner
Membership No. 122510.

ADANI AGRI LOGISTICS LIMITED
Balance Sheet as at March 31, 2019

Particulars	Note No.	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	5	37,924.20	40,978.76
(b) Capital work in progress		228.84	276.97
(c) Intangible assets	6	8.52	10.03
(d) Financial assets			
(i) Investments	7	1,610.00	1,600.00
(ii) Others	8	123.16	112.05
(e) Deferred tax assets	9	-	-
(f) Non-current tax assets (net)	10	102.74	80.55
(g) Other non-current assets	11	716.22	730.63
		40,713.68	43,788.99
2 Current assets			
(a) Inventories	12	33.82	41.29
(b) Financial assets			
(i) Trade receivables	13	9,729.97	2,156.43
(ii) Cash and cash equivalents	14	382.79	70.90
(iii) Bank balances other than (ii) above	15	2,584.71	2,405.65
(iv) Loans	16	15,102.90	9,987.65
(v) Others	17	92.60	93.10
(c) Other current assets	18	70.20	118.20
		27,996.99	14,873.22
		68,710.67	58,662.21
TOTAL ASSETS			
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	19.1	9,982.80	9,982.80
(b) Equity component of perpetual debt	19.2	30,935.00	-
(c) Other equity	20	(2,033.41)	(2,256.07)
Total equity		38,884.39	7,726.73
Liabilities			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Long term borrowings	21	25,722.23	29,042.82
(ii) Others	22	17.41	16.89
(b) Provisions	23	113.37	91.84
		25,853.01	29,151.55
3 Current liabilities			
(a) Financial liabilities			
(i) Short term borrowings	24	-	18,130.30
(ii) Trade payables	25		
1. Total outstanding dues of micro enterprises and small enterprises		-	-
2. Total outstanding dues of creditors other than micro enterprises and small enterprises		478.81	519.29
(iii) Others	26	3,373.65	3,052.58
(b) Provisions	27	16.72	14.63
(c) Other current liabilities	28	104.09	67.13
		3,973.27	21,783.93
Total liabilities		29,826.28	50,935.48
		68,710.67	58,662.21
TOTAL EQUITY AND LIABILITIES			

Notes on accounts from note no. 1 to 46 form an integral part of financial statements.

As per our report of even date
For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration No : 112054W

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

Chirag Shah
Partner
Membership No. 122510

Pranav V Adani
Managing Director
DIN : 00008457

Sandeep Mehta
Director
DIN : 06367909

Surendra Phophalia
Chief Financial Officer

Udit Sharma
Company Secretary

Place : Ahmedabad
Date : 11th May 2019

Place : Ahmedabad
Date : 11th May 2019

ADANI AGRI LOGISTICS LIMITED
Statement of Profit and Loss for the year ended on 31st March, 2019

Particulars	Note No.	For the year ended on 31st March, 2019	For the year ended on 31st March, 2018
		Rs. in Lakhs	Rs. in Lakhs
REVENUE			
I Revenue from operations	29	9,563.49	9,540.68
II Other income	30	1,394.75	965.97
III Total Revenue (I+II)		10,958.24	10,506.65
IV EXPENSES			
Operating expenses	31	857.72	896.95
Employee benefits expenses	32	885.89	742.50
Finance costs	33	5,130.17	4,699.52
Depreciation and amortisation expenses	5 & 6	3,126.00	2,811.95
Other expenses	34	664.63	925.80
Total expenses		10,664.41	10,076.72
V Profit / (Loss) for the year before Exceptional, Extraordinary Items & Taxation (III - IV)		293.83	429.93
VI Exceptional items & Extraordinary items		-	-
VII Profit / (Loss) for the year before Taxation (V - VI)		293.83	429.93
VIII Tax expense			
Current tax (MAT)	9	61.02	93.56
IX Profit / (Loss) for the year (VII - VIII)		232.81	336.37
X Other comprehensive income			
A. Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability/ (asset) (net of tax)		(10.15)	16.24
Total Other Comprehensive Income / (Loss)		(10.15)	16.24
Total Comprehensive Income for the year (IX + X)		222.66	352.61
Earnings per Equity Share of Rs. 10/- each			
Basic	43	0.23	0.34
Diluted	43	0.23	0.34

Notes on accounts from note no. 1 to 46 form an integral part of financial statements.

As per our report of even date
For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration No : 112054W

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

Chirag Shah
Partner
Membership No. 122510

Pranav V Adani
Managing Director
DIN : 00008457

Sandeep Mehta
Director
DIN : 06367909

Surendra Phophalia
Chief Financial Officer

Udit Sharma
Company Secretary

Place : Ahmedabad
Date : 11th May 2019

Place : Ahmedabad
Date : 11th May 2019

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

Part A : Equity

Particulars	Equity share capital Rs. in Lakhs
As on 31st March, 2017	9,982.80
Addition / reduction during FY 2017-18	-
As on 31st March, 2018	9,982.80
Addition / reduction during FY 2018-19	-
As on 31st March, 2019	9,982.80

Part B : Other equity

Particulars	Other equity			Total other equity Rs. in Lakhs
	Reserves and surplus	Other comprehensive income		
	Retained earnings	Remeasurements of defined benefit liability (asset)	Equity component of perpetual debt	
	Rs. in Lakhs	Rs. in Lakhs		
As on 31st March, 2017	(2,607.29)	(1.39)	-	(2,608.68)
Profit for FY 2017-18	336.37	-	-	336.37
Other comprehensive income for FY 2017-18	-	16.24	-	16.24
As on 31st March, 2018	(2,270.92)	14.85	-	(2,256.07)
Profit for FY 2018-19	232.81	-	-	232.81
Other comprehensive income for FY 2018-19	-	(10.15)	-	(10.15)
Increase/(decrease) during the year	-	-	30,935.00	30,935.00
As on 31st March, 2019	(2,038.11)	4.70	30,935.00	28,901.59

Notes on accounts from note no. 1 to 46 form an integral part of financial statements.

As per our report of even date
For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration No : 112054W

**For and on behalf of the Board of Directors of
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Chirag Shah
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Surendra Phophalia
Chief Financial Officer

Udit Sharma
Company Secretary

Place : Ahmedabad
Date : 11th May 2019

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

Particulars	For the year ended on 31st March, 2019 Rs. in Lakhs	For the year ended on 31st March, 2018 Rs. in Lakhs
(A) Cash flow from operating activities		
Profit before tax	293.83	429.93
Adjustment for:		
Other interest	3.28	3.03
Amortization of ancillary borrowing cost	9.36	9.36
Profit on sale of fixed assets	-	(27.81)
Interest income	(1,379.35)	(937.44)
Depreciation and amortisation expenses	3,126.00	2,811.95
Finance costs	5,115.28	4,684.10
Operating profit before working capital changes	7,168.40	6,973.12
Changes in working capital:		
(Increase) / decrease in other non current assets	(5.73)	1.93
(Increase) / decrease in inventories	7.47	5.13
(Increase) / decrease in trade receivables	(7,573.55)	(1,116.52)
(Increase) / decrease in other non current financial assets	(4.02)	-
(Increase) / decrease in other current assets	48.02	110.06
(Increase) / decrease in other current financial assets	(8.30)	2.40
Increase / (decrease) in other non current financial liabilities	0.52	1.41
Increase / (decrease) in long term provisions	18.26	(1.55)
Increase / (decrease) in trade payables	(40.47)	29.20
Increase / (decrease) in other current financial liabilities	(1.00)	(334.22)
Increase / (decrease) in other current liabilities	36.96	22.41
Increase / (decrease) in short term provisions	(8.06)	(9.89)
	(7,529.91)	(1,289.64)
Cash generated from operations	(361.51)	5,683.48
Less : Direct Taxes refund/(paid)	(83.21)	(84.09)
Net cash flow from operating activities (A)	(444.72)	5,599.39
(B) Cash flow from investing activities		
Decrease/ (increase) in property, plant and equipment	(68.60)	(101.90)
Decrease/ (increase) in intangible assets	(1.33)	-
Decrease/ (increase) in capital work-in-progress	68.28	(2.09)
Decrease/ (increase) in investments	(10.00)	-
Decrease/ (increase) in bank balance other than cash and cash equivalents	(186.15)	37.31
Sale of fixed assets	-	30.52
Interest received	1,388.14	888.72
Net cash from / (used in) investing activities (B)	1,190.34	852.56
(C) Cash flow from financing activities		
(Repayment) of long term borrowings	(3,001.85)	(3,897.15)
Proceeds of short term borrowings	6,960.00	9,424.86
Proceeds from unsecured perpetual debt	30,935.00	-
(Repayment) of short term borrowings	(25,090.30)	(372.44)
Decrease in loans to related parties	-	2,608.54
(Increase) in loans to related parties	(5,115.28)	(9,583.39)
Finance costs paid	(5,121.30)	(4,688.81)
Net cash flow used in financing activities (C)	(433.73)	(6,508.39)
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	311.89	(56.44)
Cash and cash equivalents at the beginning of the year	70.90	127.34
Cash and cash equivalents at the end of the year	382.79	70.90
Notes to Cash flow Statement :		
1 Reconciliation of cash and cash equivalents with the balance sheet:		
Cash and cash equivalents as per balance sheet (Refer note 14)	382.79	70.90
	382.79	70.90

Notes on accounts from note no. 1 to 46 form an integral part of financial statements.

Notes to Cash Flow Statement:

- 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 Standards) Rules, 2015 (as amended).
- Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given as per note 43.
- Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

As per our report of even date

For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration No : 112054W

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

Chirag Shah
Partner
Membership No. 122510

Pranav V Adani
Managing Director
DIN : 00008457

Sandeep Mehta
Director
DIN : 06367909

Surendra Phophalia
Chief Financial Officer

Udit Sharma
Company Secretary

Place : Ahmedabad
Date: 11th May 2019

Place : Ahmedabad
Date: 11th May 2019

7 Investments

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Non current investments (Valued at cost)		
Unquoted Equity Instruments		
Investments in equity instruments of wholly owned subsidiaries		
1,000,000 equity shares of Adani Agri Logistics (Kotkapura) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Katihar) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (MP) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Dewas) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Harda) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Hoshangabad) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Satna) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Ujjain) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Kannauj) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Panipat) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Raman) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Nakotda) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Barnala) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Bathinda) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Mansa) Limited of Rs. 10/- each	100.00	100.00
1,000,000 equity shares of Adani Agri Logistics (Moga) Limited of Rs. 10/- each	100.00	100.00
50,000 equity shares of Adani Agri Logistics (Dhamora) Limited of Rs. 10/- each	5.00	-
50,000 equity shares of Adani Agri Logistics (Borivali) Limited of Rs. 10/- each	5.00	-
	1,610.00	1,600.00
Aggregate amount of unquoted investments	1,610.00	1,600.00

8 Other non current financial assets

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
(Unsecured, considered good unless otherwise stated)		
Security deposits	111.43	107.41
Margin money deposits (secured against term loan & BG)	11.73	4.51
Other deposits	-	0.13
	123.16	112.05

9 Taxation

Income tax related items charged or credited directly to profit and loss and other comprehensive income during the year is as follows :

Particulars	For the year ended on 31st March, 2019 Rs. in Lakhs	For the year ended on 31st March, 2018 Rs. in Lakhs
- Current tax	61.02	93.56
- Deferred tax	-	-
	61.02	93.56
Reconciliation		
Particulars	For the year ended on 31st March, 2019 Rs. in Lakhs	For the year ended on 31st March, 2018 Rs. in Lakhs
Profit before tax	293.83	429.93
Applicable tax rate	27.82%	30.90%
Tax on book profit as per applicable tax rate	81.74	132.85
Add:		
Depreciation as per companies act	869.65	868.89
Notional expense under Ind AS	3.51	3.83
Provisions for gratuity, leave encashment and bonus not allowable u/s 43 B	12.43	0.74
Interest on TDS	0.01	0.00
Remeasurement of defined benefit liability	-	5.02
	885.60	878.48
Less:		
Remeasurement of defined benefit liability	2.82	-
Profit on sale / retirement of asset	-	8.59
Depreciation as per income tax act	618.41	791.94
Interest on IT Refund	0.76	2.78
Gratuity, leave encashment and bonus of earlier years paid/ reversed in CY	6.22	9.70
Brought forward loss set off	339.12	198.32
	967.34	1,011.32
Tax payable as per income tax (A)	(A+B-C)	-
Tax payable under MAT (B)	61.02	93.56
Total tax expense (Higher of (A) or (B))	61.02	93.56

Deferred tax liability / deferred tax asset

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Deferred tax liabilities		
a. Fixed assets: impact of tax depreciation and depreciation / amortisation charged in the financial reporting	5,416.35	5,667.23
b. Unamortised ancillary cost on borrowing	15.60	18.21
c. ARO asset carrying amount	3.25	3.61
Gross deferred tax liabilities	5,435.20	5,689.04
Deferred tax asset		
Effect of expenditure debited to profit & loss statement in the current period, but allowable for tax purposes in the following years:		
a. Expenditure disallowed u/s 43B of the Income Tax Act, 1961 - allowable on payment	30.13	23.92
b. Unabsorbed depreciation/ business loss under the Income Tax Act, 1961	5,805.27	6,180.93
c. Provision for ARO (including interest accrued)	12.26	11.35
Gross deferred tax assets	5,847.66	6,216.20
Limited to the value of gross deferred tax liabilities	5,435.20	5,689.04
Net deferred tax liabilities / (asset) (refer note)	-	-

Note : In accordance with Ind AS 12 'Income Taxes', in absence of probable future taxable profit, deferred tax assets have been recognised to the extent of deferred tax liability.

10 Non-current tax assets (net)

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Tax deducted at source (net of provisions)	102.74	80.55
	102.74	80.55

11 Other non current assets

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
(Unsecured, considered good unless otherwise stated)		
Capital advance (refer note)	705.90	726.05
Prepaid expense	10.32	4.58
	716.22	730.63

Note: Capital advance includes advances for KIDB land outstanding as at 31st March, 2019 Rs. 515.74 lakhs, (as at 31st March, 2018 Rs. 515.74 lakhs)

12 Inventories

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
(Valued at lower of Cost or Net realisable value)		
Packing material	1.16	0.55
Chemicals	0.00	0.01
Stores and consumables	32.66	40.74
	33.82	41.29

13 Trade receivables

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
(i) Secured, considered good (Secured to the extent of Security Deposit & Bank Guarantees)	-	-
(ii) Unsecured, considered good	9,729.97	2,156.43
(iii) Significant increase in Credit Risk	-	-
(iv) Credit impaired	-	-
	9,729.97	2,156.43
Less: Allowances for doubtful trade receivables	-	-
	9,729.97	2,156.43

14 Cash and cash equivalents

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Bank balance in current account	382.79	70.90
	382.79	70.90

15 Bank balances (other than cash and cash equivalents)

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Margin money deposits (secured against term loan & BG)	2,449.25	2,278.15
Other deposits with original maturity over 3 months but less than 12 months	135.46	127.50
	2,584.71	2,405.65

16 Loans

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
(Unsecured, considered good unless otherwise stated)		
Loans to subsidiaries and group companies (refer note)	15,102.90	9,987.65
	15,102.90	9,987.65

Note : Loans given to subsidiaries and group companies carries interest @ 10.50% (for the year 2017-18 10.50%) p.a.

17 Other current financial assets

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
(Unsecured, considered good unless otherwise stated)		
Security deposits	52.65	44.35
Interest accrued on deposits, loans and advances	39.95	48.75
	92.60	93.10

18 Other current assets

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
(Unsecured, considered good unless otherwise stated)		
Balances with government authorities	0.89	1.05
Prepaid expenses	22.17	14.61
Advances to suppliers	36.92	97.75
Fair Value of planned assets (Net of Present value of gratuity obligation)	-	1.52
Imprest to employees	10.22	3.28
	70.20	118.20

20 Other equity

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Retained earnings		
Opening balance	(2,270.92)	(2,607.29)
Add : Profit for the period/year	232.81	336.37
Balance available for appropriations	(2,038.11)	(2,270.92)
Less: Appropriations	-	-
Total retained earnings	(2,038.11)	(2,270.92)
Other comprehensive income		
Balance as per previous financial statements	14.85	(1.39)
Add/(Less) : Actuarial valuation of gratuity	(10.15)	16.24
Total other comprehensive income	4.70	14.85
Total other equity	(2,033.41)	(2,256.07)

Note : The portion of profits not distributed among the shareholders are termed as retained earnings. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

21 Long term borrowings

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Secured		
From Bank		
Term Loan	25,722.23	29,042.82
	25,722.23	29,042.82

Note : The Loan from ICICI bank is secured by first exclusive charge on mortgage of immovable properties pertaining to the project, first exclusive charge by way of hypothecation of all movable assets, first exclusive charge on book debts, operating cash flows, receivables, commission, revenues of projects, first exclusive charge by way of hypothecation over Escrow Account and DSRA, first charge by way of assignment of project rights. The term loan will be repaid based on monthly instalments as per the loan repayment schedule agreed upon in the sanction letter.

- The Term Loan having sanctioned amount of Rs. 450 Cr carries interest rate ranging from 8.75% p.a. to 9.25% p.a.

- The Term Loan having sanctioned amount of Rs. 25 Cr carries interest rate ranging from 10.15% p.a. to 10.65% p.a.

- For Current maturities of Long term borrowing refer Note No - 22 "Other Current Liabilities"

22 Other non current financial liabilities

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Retention money	17.41	16.89
	17.41	16.89

23 Provisions

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Provision for Employee benefits		
(i) Compensated Absences (refer note)	50.52	51.04
(ii) Gratuity (refer note)	18.79	-
Provision for asset retirement obligation	44.06	40.80
	113.37	91.84

Note: Long term and short term classification of compensated absences & gratuity is done based on actuarial valuation certificate.

24 Short term borrowings

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Unsecured loan from holding company (refer note)	-	18,130.30
	-	18,130.30

Note: Loans availed from holding company carries interest @ 10.50% (for the year 2017-18 10.50% p.a.) p.a.

25 Trade payables

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Trade payables		
- Dues of micro enterprises & small enterprises	-	-
- Dues of creditors other than micro enterprises & small enterprises (refer note)	478.81	519.29
(Amount payable to related party Rs.30.05 lakhs(as at 31st March, 2018 Rs.47.20 lakhs))		
	478.81	519.29

Note: The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the standalone Financial Statements based on the information received and available with the company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts has been relied upon by the auditors.

26 Other current financial liabilities

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Current maturities of long term debt (refer note 17)	3,320.59	2,992.49
Interest accrued but not due on borrowings	37.57	43.59
Deposits from vendor	8.63	9.64
Customer claims	6.86	6.86
	3,373.65	3,052.58

27 Provisions

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Provision for Employee benefits		
(i) Compensated Absences (refer note)	16.72	14.63
	16.72	14.63

Note: Long term and short term classification of compensated absences & gratuity is done based on actuarial valuation certificate.

28 Other current liabilities

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Statutory liability (includes TDS, GST, PF etc.)	104.09	67.13
	104.09	67.13

ADANI AGRI LOGISTICS LIMITED

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

5 Property, plant and equipment

Description of assets	Land - freehold Rs. in Lakhs	Buildings Rs. in Lakhs	Railway siding Rs. in Lakhs	Wagons Rs. in Lakhs	Plant and machinery Rs. in Lakhs	Furniture and fixtures Rs. in Lakhs	Office equipments Rs. in Lakhs	Computers Rs. in Lakhs	Vehicles Rs. in Lakhs	Total Rs. in Lakhs
Year ended 31st March, 2018										
Gross carrying value as at 1st April, 2017	4,046.78	11,835.69	7,350.12	10,239.42	15,542.86	93.54	27.01	111.92	13.47	49,260.82
Additions during the year	-	-	78.66	-	21.90	-	1.12	0.23	-	101.90
Disposals during the year	2.65	-	-	-	-	-	0.05	0.01	-	2.71
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-	-	-
Gross carrying value as at 31st March, 2018	4,044.13	11,835.69	7,428.78	10,239.42	15,564.76	93.54	28.08	112.14	13.47	49,360.01
Accumulated depreciation and impairment as at 1st April, 2017	-	1,151.83	572.97	749.74	3,005.52	50.36	8.67	23.74	8.97	5,571.80
Depreciation expenses	-	577.84	295.79	374.87	1,514.58	23.27	4.60	17.85	0.64	2,809.45
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation and impairment as at 31st March, 2018	-	1,729.67	868.76	1,124.61	4,520.10	73.63	13.27	41.59	9.61	8,381.25
Net Carrying amount as at 31st March, 2018	4,044.13	10,106.02	6,560.02	9,114.81	11,044.66	19.91	14.81	70.55	3.86	40,978.76
Year ended 31st March, 2019										
Gross carrying value as at 1st April, 2018	4,044.13	11,835.69	7,428.78	10,239.42	15,564.76	93.54	28.08	112.14	13.47	49,360.01
Additions during the year	-	-	56.87	-	11.73	-	-	-	-	68.60
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-	-	-
Gross carrying value as at 31st March, 2019	4,044.13	11,835.69	7,485.65	10,239.42	15,576.49	93.54	28.08	112.14	13.47	49,428.61
Accumulated depreciation and impairment as at 1st April, 2018	-	1,729.67	868.76	1,124.61	4,520.10	73.63	13.27	41.59	9.61	8,381.25
Depreciation expenses	-	412.88	302.98	1,191.34	1,194.07	6.39	3.83	11.06	0.61	3,123.16
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation and impairment as at 31st March, 2019	-	2,142.55	1,171.74	2,315.95	5,714.17	80.02	17.10	52.65	10.22	11,504.41
Net Carrying amount as at 31st March, 2019	4,044.13	9,693.14	6,313.91	7,923.47	9,862.32	13.52	10.98	59.49	3.25	37,924.20

6 Intangible assets

Description of assets	Computer software Rs. in Lakhs	Total Rs. in Lakhs
Year ended 31st March, 2018		
Gross carrying value as at 1st April, 2017	12.54	12.54
Additions during the year	-	-
Disposals during the year	-	-
Gross carrying value as at 31st March, 2018	12.54	12.54
Accumulated amortisation and impairment as at 1st April, 2017	0.01	0.01
Amortisation expenses	2.50	2.50
Eliminated on disposal of assets	-	-
Accumulated depreciation and impairment as at 31st March, 2018	2.51	2.51
Net Carrying amount as at 31st March, 2018	10.03	10.03
Year ended 31st March, 2019		
Gross carrying value as at 1st April, 2018	12.54	12.54
Additions during the year	1.33	1.33
Disposals during the year	-	-
Gross carrying value as at 31st March, 2019	13.87	13.87
Accumulated amortisation and impairment as at 1st April, 2018	2.51	2.51
Amortisation expenses	2.84	2.84
Eliminated on disposal of assets	-	-
Accumulated depreciation and impairment as at 31st March, 2019	5.35	5.35
Net Carrying amount as at 31st March, 2019	8.52	8.52

1 Corporate information

Adani Agri Logistics Limited ('the Company' / 'AALL') is a wholly owned subsidiary of Adani Logistics Limited (w.e.f. 29th March, 2019) (Earlier wholly owned subsidiary of Adani Enterprise Limited up to 28th March 2019) and an entity incorporated under the provision of the Companies Act, 1956. The company has entered into an agreement with Food Corporation of India (FCI) on 28th June, 2005 to design, develop, construct, operate and maintain project facilities for warehousing and transportation of the food grains on Build, Own, and Operate (BOO) basis for a period of twenty years. Under the agreement, the company is eligible for revenues based on annual guaranteed tonnage irrespective of

2 Basis of preparation

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 by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments (including derivative instruments) which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial statements are presented in Indian rupees (INR) and all values are rounded to the nearest lakhs, except otherwise indicated.

3 Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in note 3.1. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.

3.1 The significant estimates and judgements are listed below:

- (i) Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the depreciation/ amortisation period or method, as appropriate, and are treated as changes in accounting estimates.
- (ii) The impairment provision for financial assets are based on the assumptions about risk of default and expected loss rates. The company uses judgements in making the assumptions and selecting the inputs to the impairment calculations, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- (iii) Judgements by actuaries in respect of discount rates, future salary increments, mortality rates and inflation rate used for computation of defined benefit liability.
- (iv) Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.
- (v) Significant judgement is required to classify the balance with government authorities including tax assets into current and non-current assets.
- (vi) Significant judgement is required in assessing at each reporting date whether there is indication that an item of property, plant and equipment has been impaired.
- (vii) Estimates are required in recognition and measurement of provisions for customer claims.
- (viii) Estimation of asset retirement obligation and discounting thereof requires judgements by the management.

4 Summary of significant accounting policies**(a) Current and non-current classification**

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

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

All other assets are classified as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(b) Fair value measurement

The Company measures financial instruments, such as, derivatives and certain investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- > In the principal market for the asset or liability, or
- > In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participants that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- > Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- > Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- > Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuers are involved for valuation of unquoted financial assets and financial liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the company's accounting policies. For this analysis, the company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The company, in conjunction with the company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on a yearly basis.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(c) 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. It is broadly classified in financial assets, financial liabilities, derivatives and equity.

Financial asset:

Trade receivable, loans and advances given, security deposits given, investment in debt securities and other contractual receivables are covered under financial assets.

Initial recognition:

Above financial assets are initially recognised at 'fair value' (i.e. fair value of consideration to be received).

Subsequent measurement:

Above financial assets are subsequently measured at 'amortised cost' using effective interest rate (EIR) method because these assets are held with a business model whose objective is to hold assets for collecting contractual cash flows and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Derecognition

A financial asset is derecognized only when

- The company has transferred the rights to receive cash flows from the financial asset or
- The company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred substantially all risks and reward of ownership the financial asset, the financial asset is derecognized. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Investment in associates, joint venture and subsidiaries

The company has accounted for its investment in subsidiaries and associates, joint venture at cost.

Financial liability

Trade payable, long term and short term borrowings, loans / advances taken, security deposits taken and any other contractual liability are covered under financial liability.

Initial recognition:

Above financial liabilities are initially recognised at 'fair value' (i.e. fair value of consideration to be paid).

Subsequent measurement:

Above financial liabilities are subsequently measured at 'amortised cost' using effective interest rate (EIR) method at each reporting date. 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 of debt instrument and fees or incidental charges that are an integral part of borrowing transaction. The EIR amortisation is included as 'finance costs' in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(d) Inventories

Inventories of stores and spares, chemicals, packing materials and fuels are valued at cost. Cost is determined based on moving weighted average method.

(e) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(f) Revenue recognition

Effective 1st April, 2018, the Company has adopted Ind AS 115 - Revenue from Contracts with Customers (Ind AS 115, the standard), using the cumulative effect method for transition. Accordingly, the Company applied Ind AS 115 to contracts that were not completed as of 1 April, 2018 but the comparative periods have not been adjusted. The adoption of the standard did not have any material impact to the financial statements.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers in its capacity as an agent. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the company and additional criteria are met as follows:

Revenue from rendering of service : Revenue from services is recognized on rendering of services as per the terms of the contract.

Interest : For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where applicable, to the net carrying amount of the financial asset. Interest income is included under the head 'Other income' in the statement of profit and loss.

Interest on delayed payment charges : Interest on delayed payment charges have been accounted as revenue when it is probable that the economic benefits associated with the transaction will flow to the entity and the amount of the revenue can be measured reliably.

(g) Employee benefits

All employee benefits payable within 12 months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, performance incentives, etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

Gratuity fund

The company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Past service cost is recognised in the statement of profit and loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognises the following changes in the net defined benefit obligation under employee benefit expense in the statement of profit and loss:

> Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

Net interest expense or income

Compensated absences

Provision for compensated absence is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date. Accumulated compensated absences, which are expected to be availed or encased beyond 12 months from the end of the year are treated as long term employee benefit.

Accumulated compensated absences, which are expected to be availed or encased within 12 months from the end of the year are treated as short term employee benefit. Short term compensated absences are recognized on an undiscounted basis for services rendered by the employees during an accounting period. Accumulated sick leaves are treated as short-term employee benefit, as the company does not have an unconditional right to defer its settlement for 12 months after the reporting date, and the company presents short-term leaves as a current liability in the balance sheet.

Termination benefits, if any, are recognised as an expense as and when incurred.

(h) Segment reporting

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

In accordance with the Ind-As 108 - " Operating Segments" , the company has determined its business segment as warehousing and transport services. Since there are no other business segments in which the company operates, there are no reportable segments. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statement.

(i) Taxes

Tax expense comprises of current and deferred 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 tax are those that are enacted or substantially enacted, at the reporting date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Current and deferred income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Current and deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(j) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(k) Cash and cash equivalent (for purpose of cash flow statement)

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, demand deposit and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(l) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(m) Provision, contingent liabilities and contingent assets

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. When the company expects some or all of the provisions to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities is disclosed in the case of :

A present obligation arising from past events, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

A present obligation arising from past events, when no reliable estimate can be made.

A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments includes the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date

(n) Impairment

Impairment for non financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment for financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss

allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

(o) Lease

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

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and a reduction in the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

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

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis.

(p) Property, plant and equipment (PPE)

Under the previous GAAP (Indian GAAP), fixed assets (including capital work in progress) are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprise purchase price, borrowing costs, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. The company has elected to regard previous GAAP carrying values of property, plant and equipment as deemed cost at the date of transition to Ind AS.

Property, plant and equipment (including capital work in progress) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the company derecognises replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for the provision are met.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for the assets mentioned below for which useful lives are estimated by the management. The Identified component of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The company has estimated the following useful life to provide depreciation on its certain fixed assets based on assessment made by expert and management estimate.

Nature of assets	Useful life	Life as per Schedule II
Railway Siding	30	15
Silo	30	15

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(q) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the assets can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable, if not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

A summary of the policies applied to the Company's intangible assets are as follows:

Intangible asset	Useful life	Amortization method used	Internally generated or acquired
Software	Finite (5 years)	Amortization at straight line basis over the period of software	Acquired

(r) Recent accounting pronouncements

New Standard / Amendments issued but not yet effective:

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules has notified the following new and amendments to existing standards. These amendments are effective for annual periods beginning from April 1, 2019. The Company will adopt these new standards and amendments to existing standards once it become effective & are applicable to it.

Ind AS 116 – Leases

Ind AS 116 'Leases' replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessee to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The accounting from Lessor perspective largely remain unchanged from the existing standard – i.e. lessor will continue to classify the leases as finance or operating leases.

Based on the preliminary assessment and current conditions, the Company does not expect any significant impacts on transition to Ind AS 116. The quantitative impacts would be finalized based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

Amendments to existing Ind AS:

The MCA has carried amendments to the following existing standards which will be effective from 1st April, 2019. The Company is not expecting any significant impact in the financial statements from these amendments. The quantitative impacts would be finalized based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

1. Ind AS 12 - Income Taxes
2. Ind AS 19 - Employee Benefits
3. Ind AS 23 - Borrowing Costs
4. Ind AS 28 - Investments in Associate and Joint Ventures
5. Ind AS 103 - Business Combinations
6. Ind AS 109 - Financial Instruments
7. Ind AS 111 - Joint Arrangements

(s) Critical accounting judgements and key sources of estimation uncertainty

The application of the Company's accounting policies as described in Note 4, in the preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(i) Property, plant and equipment

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

(ii) Taxation

Deferred tax assets

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(iii) Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

19.1 Share capital

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Authorised share capital		
100,000,000 (as at 31st March,2018 100,000,000) equity shares of Rs. 10/- each	10,000.00	10,000.00
Issued, subscribed and fully paid-up share capital		
9,98,28,000 (as at 31st March,2018 9,98,28,000)equity shares of Rs. 10/- each fully paid up	9,982.80	9,982.80
	9,982.80	9,982.80

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**Equity shares**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Nos	Rs. in Lakhs	Nos	Rs. in Lakhs
At the beginning of the year	99,828,000	9,982.80	99,828,000	9,982.80
Add : issued during the year	-	-	-	-
Outstanding at the end of the year	99,828,000	9,982.80	99,828,000	9,982.80

(ii) Terms / rights attached to equity shares

The authorised share capital of the company has only one class of equity shares having a par value of Rs. 10 per share. The rights and privileges to equity shareholders are general in nature and defined under the Articles of Association of the company as allowed under the Companies Act, 2013 to the extent applicable.

The equity shareholders 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 or other sums payable have not been paid.

(iii). 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.

(iii) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Nos	Rs. in Lakhs	Nos	Rs. in Lakhs
The holding company				
Adani Logistics Limited (Along with its nominees) (w.e.f. 29th March 2019)	99,828,000	9,982.80	99,828,000	9,982.80
Adani Enterprises Limited (Along with its nominees) (upto 28th March 2019)				
	99,828,000	9,982.80	99,828,000	9,982.80

(iv) Details of shareholders holding more than 5% shares in company.

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Nos	% holding	Nos	% holding
Equity shares of Rs. 10 each fully paid up				
Adani Logistics Limited (Along with its nominees) (w.e.f. 29th March 2019)	99,828,000	100%	99,828,000	100%
Adani Enterprises Limited (Along with its nominees) (upto 28th March 2019)				
	99,828,000	100%	99,828,000	100%

As per records of company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

19.2 Equity component of perpetual debt

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
As the beginning of the year	-	-
Add: New securities issued during the year	30,935.00	-
As the end of the year	30,935.00	-

During the year, the Company had taken shareholder loan from Adani Logistics Limited (the parent Company) of Rs.30,935.00 lakhs repayable on discretion of Company.As this loan is perpetual in nature and the company does not have any repayment obligation, these have been classified as Equity.

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

29 Revenue from operations		
Particulars	For the year ended on 31st March, 2019 Rs. in Lakhs	For the year ended on 31st March, 2018 Rs. in Lakhs
Storage cum handling charges (Operating lease income)	9,563.49	9,540.68
	9,563.49	9,540.68
30 Other income		
Particulars	For the year ended on 31st March, 2019 Rs. in Lakhs	For the year ended on 31st March, 2018 Rs. in Lakhs
Interest income on bank deposits	176.24	165.98
Interest income on loans and advances	1,197.60	756.06
Interest income - others	5.51	15.40
Income from sale of scrap	9.84	0.72
Misc Income	5.56	
Profit on sale of asset	-	27.81
	1,394.75	965.97
31 Operating expenses		
Particulars	For the year ended on 31st March, 2019 Rs. in Lakhs	For the year ended on 31st March, 2018 Rs. in Lakhs
Clearing and forwarding expenses	148.83	204.64
Contract labour	96.85	83.62
Consumption of stores, spares and chemicals	21.61	19.81
Pest management expenses	105.33	146.14
Power and fuel	227.43	242.90
Security expenses	179.51	162.14
Shunting charges	78.16	37.70
	857.72	896.95
32 Employee benefits expenses		
Particulars	For the year ended on 31st March, 2019 Rs. in Lakhs	For the year ended on 31st March, 2018 Rs. in Lakhs
Salary, wages and bonus	796.17	672.62
Contribution to provident and other funds	67.82	40.12
Staff welfare expenses	21.90	29.75
	885.89	742.50
33 Finance costs		
Particulars	For the year ended on 31st March, 2019 Rs. in Lakhs	For the year ended on 31st March, 2018 Rs. in Lakhs
Interest on term loan	2,879.96	3,203.11
Interest on inter corporate deposits	2,235.32	1,480.99
Other interest	3.28	3.03
Other bank charges	11.61	12.39
	5,130.17	4,699.52
34 Other expenses		
Particulars	For the year ended on 31st March, 2019 Rs. in Lakhs	For the year ended on 31st March, 2018 Rs. in Lakhs
Rates and taxes	16.22	13.88
Licence fees	85.89	315.98
Insurance expenses	80.51	73.35
Repairs and maintenance	69.21	121.56
Travelling and conveyance	83.98	87.18
Communication expenses	15.96	11.99
Printing and stationery	3.19	3.27
Legal, professional and subscription fees	266.48	222.18
Payment to auditors (Note: A)	8.23	8.20
Business promotion and advertisement	13.01	17.64
Miscellaneous expenses	21.95	50.57
	664.63	925.80
A: Payment to auditors		
(i) Audit fees	7.97	7.79
(iii) Certification fees	0.26	0.41
	8.23	8.20

35 The carrying value of financial instruments by categories as on 31st March, 2019 is as follows:

Particulars	Fair value through other comprehensive income	Fair value through profit or loss	Amortised cost	Total
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Financial assets				
Investments	-	-	1,610.00	1,610.00
Trade receivables	-	-	9,729.97	9,729.97
Cash and cash equivalents	-	-	382.79	382.79
Bank balances other than cash and cash equivalents	-	-	2,584.71	2,584.71
Loans to related parties	-	-	15,102.90	15,102.90
Other financial assets	-	-	215.76	215.76
Total	-	-	29,626.14	29,626.14
Financial liabilities				
Borrowings	-	-	25,722.23	25,722.23
Trade payables	-	-	478.81	478.81
Other financial liabilities	-	-	3,391.06	3,391.06
Total	-	-	29,592.10	29,592.10

The carrying value of financial instruments by categories as on 31st March, 2018 is as follows:

Particulars	Fair value through other comprehensive income	Fair value through profit or loss	Amortised cost	Total
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Financial assets				
Investments	-	-	1,600.00	1,600.00
Trade receivables	-	-	2,156.43	2,156.43
Cash and cash equivalents	-	-	70.90	70.90
Bank balances other than cash and cash equivalents	-	-	2,405.65	2,405.65
Loans to related parties	-	-	9,987.65	9,987.65
Other financial assets	-	-	205.15	205.15
Total	-	-	16,425.78	16,425.78
Financial liabilities				
Borrowings	-	-	47,173.12	47,173.12
Trade payables	-	-	519.29	519.29
Other financial liabilities	-	-	3,069.46	3,069.46
Total	-	-	50,761.87	50,761.87

36 Financial risk objective and policies

The company's principal financial liabilities comprise 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, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the company is mainly exposed to risks resulting from interest rate movements (interest rate risk) and other price risks such as business risk.

a Interest rate risk

The company is exposed to changes in market interest rates due to financing, investing and cash management activities. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long-term debt obligations with floating interest rates. The company manages its interest rate risk by regularly reviewing the debt market.

b 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 and financial institutions, foreign exchange transactions and other financial instruments.

Credit risk from balances with banks and financial institutions is managed by the company's treasury department in accordance with the company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the company's board of directors on an annual basis, and may be updated throughout the year subject to approval of the group's finance committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The company is dealing with only one customer i.e. FCI, a public sector undertaking under the control of Central Government. Since, the creditworthiness of Government backed organization is good, the management of the company believes that the credit risk is negligible.

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

For recognition of impairment loss on financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

Based on internal evaluation, the credit risk of all Financial Assets has not increased significantly after initial recognition. Therefore, allowance is measured using 12 months Expected Credit Loss (ECL) and full life time expected credit loss model is not used to measure the allowance for any Financial Asset.

Financial Assets for which loss allowance is measured using 12 months expected credit loss (ECL) is as follows:

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Investments	1,610.00	1,600.00
Other non current financial assets	123.16	112.05
Trade receivables	9,729.97	2,156.43
Cash and cash equivalents	382.79	70.90
Bank balances other than cash and cash equivalents	2,584.71	2,405.65
Loans to related parties	15,102.90	9,987.65
Other current financial assets	92.60	93.10
	29,626.14	16,425.78

The company has not recognised any loss allowance under 12 months expected credit loss (ECL) model.

c Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides detail of financial liabilities as of 31st March, 2018

Particulars	Less than 1 year	1-5 years	Over 5 years	Total
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Long term borrowings	-	15,866.99	13,175.83	29,042.82
Short term borrowings	18,130.30	-	-	18,130.30
Trade and other payables	519.29	-	-	519.29
Other NC/Current financial liabilities	3,052.58	16.89	-	3,069.46
	21,702.17	15,883.88	13,175.83	50,761.87

The table below provides detail of financial liabilities as of 31st March, 2019

Particulars	Less than 1 year	1-5 years	Over 5 years	Total
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Long term borrowings	-	17,601.08	8,121.15	25,722.23
Short term borrowings	-	-	-	-
Trade and other payables	478.81	-	-	478.81
Other NC/Current financial liabilities	3,373.65	17.41	-	3,391.06
	3,852.45	17,618.49	8,121.15	29,592.10

d 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	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Net debt (total debt less cash and cash equivalents)	26,075.32	47,689.06
Total capital	38,884.39	7,726.73
Total capital and net debt	64,959.71	55,415.79
Gearing ratio	40.14%	86.06%

37 Disclosures as required by Ind AS 17 Lease**Operating lease commitments****i) Company as lessor**

The company has entered into an agreement with Food Corporation of India (FCI) on 28th June, 2005 to design, develop, construct, operate and maintain project facilities for warehousing and transportation of the food grains on Build, Own, and Operate (BOO) basis for a period of twenty years. Under the agreement, the company is eligible for revenues based on Annual Guaranteed Tonnage irrespective of the actual usage by FCI. The above agreement is classified as operating lease as per Ind AS 17. The lease has a term of twenty years. Future minimum rentals receivable under non-cancellable operating leases as at 31st March are as follows:

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Within one year	7,557.99	9,581.33
After one year but not more than five years	30,450.00	38,325.31
More than five years	24,740.63	40,508.64

ii) Company as lessee (Including siding lease rentals at all sites)

In order to construct silo and railway tracks so as to store and handle food grains pursuant to BOO agreement with Food Corporation of India, the Company acquires land on lease basis from railway authorities. For this purpose, the Company makes lease rent payment to concerned authorities, which is classified as "operating lease" under Ind AS "Leases". The disclosure total minimum lease payments for all locations under the non-cancellable operating leases as per Ind AS 17 "Leases" as at 31st March are as follows:

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Within one year	209.26	108.86
After one year but not more than five years	-	-
More than five years	-	-

38 Dispute with eastern railways at Hooghly depot

Pursuant to BOO agreement with Food Corporation of India (FCI), the Company developed a Field Depot at Bandel, District Hooghly in the state of West Bengal ("Hooghly depot") with storage capacity of 25,000 MT. For this purpose, the Company had entered into a lease agreement for land with Eastern Railways. The land was taken on lease from Eastern Railway for an initial period of Four (4) years with the anticipation that it would be renewed periodically. The Company constructed warehousing facility ('Silos') along with Railway Siding on this leasehold land and started movement and distribution of food grains on behalf of FCI at this location.

After completion of four (4) years of lease agreement, the Company approached Eastern Railways for renewal of lease period. In the meantime, Eastern Railway kept on giving permission to handle rakes and the operations in Bandel continued till 2014. However, Eastern Railways did not renew lease agreement by citing a cabinet note which barred permanent construction of a commercial establishment on railway land. Consequently, it stopped rake movement of the Company in March 2014. As the Company was unable to transport food grains at this depot, FCI stopped making payment of revenues for this depot. Considering the uncertainty involved in ultimate recovery, the company had not recognized revenues for the year ended 31st March, 2019. Similarly, such charges do not form part of any other disclosure of notes forming part of financial statements

In order to resolve the issue and get the lease agreement renewed, the company had filed a writ petition before Kolkata High Court on 15.12.2016. The High Court, vide its order dated 04.01.2017, had asked Eastern Railways to resolve the matter amicably. However, Eastern Railways did not renew lease period again and therefore, the company had filed second writ petition before Kolkata High Court on 24.04.2017.

While the matter was pending with Kolkata High Court, the Company approached Ministry of Consumer Affairs, Food & Public Distribution, GOI and requested them to take up the matter with Ministry of Railway, whereby Railway could lease out the land with structures/ assets to FCI as there is a policy in Railway that permits leasing out Railway land to a Govt entity/ PSU. Accordingly, Minister of Consumer Affairs, Food & Public Distribution took up the matter with the Minister of Railway, who got the matter examined in Railway Board and issued directions that the land can be given on lease to FCI on long term basis provided Adani clears all the dues towards Eastern Railway and FCI takes over the ownership of Bandel depot.

As a result of these directions and discussion with Railway, the Company had withdrawn the writ petition against Eastern Railway and cleared all dues towards them. The Company has also submitted its consent to transfer the ownership of Bandel depot to FCI so as to clear the way to resume the operations at Bandel.

Consequent to suspension of operations in Bandel (Hooghly), FCI had unilaterally decided to reduce the Guaranteed Tonnage in Kaithal (2 Lac MT) in proportion to Guarantee Tonnage of Hooghly (66700 MT). The Company is in discussion on the matter with FCI to resolve it amicably. In case no resolution is arrived at, the Company will seek remedy in the Arbitration on this particular matter.

The process of leasing out the land by Eastern Railway to FCI is in progress. FCI has communicated with Railway in this regard. Formal meetings have also taken place between FCI and Railway. The Company expects that the matter would be resolved as both FCI and Eastern Railway have agreed to the mutually arrived at solution for serving procurement, storage and distribution of food grains into Public Distribution System and other welfare schemes of the Govt. of India under National Food Security Act.

39 Dispute with regard to starting year as AGT will reduce to 75% from 11th year

The Company had entered into an Agreement with FCI on 28.06.2005 for a concession period of 20 years from "Operations Date", whereby it was supposed to develop Silo Terminals with Railway Sidings on BOO basis and procure specialized Rail wagons within 3 years. The Company installed and commissioned two largest units i.e., Moga (Punjab) and Kaithal (Haryana) having Silos of 200000 MT capacity each within a period of 2 years in 2007 i.e., much before the deadline of 3 years and put to the service of FCI. Subsequent units of Navi Mumbai, Hooghly, Chennai, Coimbatore and Bangalore were commissioned in 2008 & 2009. For the delay in execution of these units, the Company had duly paid liquidated damages to FCI as per the contract terms. One of the obligations to be fulfilled by the Company was to provide certain number of specialized wagons (i.e., Rakes) to facilitate the bulk movement of food grain stocks from producing areas of Moga and Kaithal to the consuming areas. Since this was a pilot project and specialized wagons were being introduced for the first time in India, number of rakes required for the project remained a debatable issue between RITES (the consultants) and Railway Board. The Company initially procured 260 wagons i.e., 5 rakes. However, FCI insisted for 364 wagons i.e., 7 rakes. Eventually, the Company procured 104 more wagons i.e., two more rakes to make total of 7 rakes on 28.09.2013. Meanwhile, the Company continued serving FCI to the full capacity during this period. As per contract, FCI was supposed to give Annual Guaranteed Tonnage (AGT) and WPI based escalation in service charges. Since FCI considered 28.09.2013 as the actual "Operations date" when the project was 100% complete, they did not give WPI escalation to the Company for the period from 2007 till 28.09.2013. FCI also did not give Guaranteed Tonnage for this period. FCI kept this period on Actual Utilization Basis (AUB). Also, FCI kept the 20 years' Concession Period from 2007 till 2027. As per Agreement terms, the AGT will be reduced from 100% to 75% from 11th year of operations. Since FCI considered 2007 as first year of operations, the AGT was reduced to 75% from 2017 i.e., 11th year of operations. After a series of deliberations and consultations with FCI, the matter was referred to Arbitration Tribunal, which is currently ongoing. AALL has prayed as follows:

- a) FCI should pay WPI based escalation from 2007 as AALL had been providing uninterrupted services to FCI since beginning. WPI is kept to absorb inflation irrespective of the fact that the unit was on AGT or AUB.
b) Alternatively, if FCI considers 28.09.2013 as "Operations Date", the 20 years' Concession Period should be fixed from 2013 till 2033.

Accordingly, the matter is being heard by the Arbitration Panel comprising of three Arbitrators. Arbitral Award is likely to be pronounced this year.

40 Gratuity

The company has a defined benefit gratuity plan. Under the gratuity plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the respective plans.

Statement of profit and loss

Net employee benefit expense (recognised)

Particulars	For the year ended	For the year ended
	on 31st March, 2019	on 31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Current service cost	12.98	11.41
Past service cost	-	-
Loss / (gain) on settlement	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	(0.12)	2.23
Net benefit expense	12.87	13.64

Other comprehensive income

Particulars	For the year ended	For the year ended
	on 31st March, 2019	on 31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Actuarial (gains) / losses		
change in demographic assumptions	(1.29)	0.15
change in financial assumptions	2.50	2.94
experience variance (i.e. actual experience vs. assumptions)	7.21	(1.71)
others	-	-
Return on plan assets, excluding amount recognised in net interest expense	1.73	(17.62)
Components of defined benefit costs recognised in other comprehensive income	10.15	(16.24)

Balance sheet

Details of provision for gratuity

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Defined benefit obligation	135.55	116.40
Fair value of assets at the end of the year	116.76	117.91
Net assets / (liability)	(18.79)	1.52

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

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Opening defined benefit obligation	116.40	103.12
Add: interest cost	9.07	7.83
Re-measurement (or actuarial) (gain) / loss arising from:		
-change in demographic assumptions	(1.29)	0.15
-change in financial assumptions	2.50	2.94
-experience variance (i.e. actual experiences assumptions)	7.21	(1.71)
Add: current service cost	12.98	11.41
Less: Benefits paid	(9.29)	(1.79)
Less: acquisition adjustment	(2.02)	(5.57)
Closing defined benefit obligation	135.55	116.40

Changes in the fair value of the plan assets are as follows:

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Fair value of assets at the beginning of the year	117.91	73.72
Add: expected return on plan assets	7.47	23.22
Add: contribution	-	22.76
Less: Benefits paid	(8.61)	(1.79)
Fair value of assets at the end of the year	116.76	117.91

The principal assumptions used in determining gratuity obligations are shown below:

Particulars	As at	As at
	31st March, 2019	31st March, 2018
Discount rate	7.60%	7.80%
Rate of increase in compensation	8.00%	8.00%

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

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Defined benefit obligation (base)	135.55	116.40

Particulars	As at		As at	
	31st March, 2019		31st March, 2018	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	145.57	126.61	127.89	106.41
Salary Growth Rate (- / + 1%)	126.56	145.43	106.34	127.76
Attrition Rate (- / + 50% of attrition rates)	136.56	134.82	116.65	116.18
Mortality Rate (- / + 10% of mortality rates)	135.56	135.55	116.40	116.39

Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cash flows)	7 years	9 years
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Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Expected cash flows over the next (valued on undiscounted basis)		
1 year	14.99	12.00
2 to 5 years	59.76	23.12
6 to 10 years	87.13	71.10
More than 10 years	93.56	172.53

41 Related party disclosures

The management has identified the following entities and individuals as related parties of the Company for the year ended March 31, 2019 for the purposes of reporting as per Ind AS 24 – Related Party Transactions, which are as under:

Ultimate Holding Company	Adani Ports and Special Economic Zone Limited (w.e.f. 29th March 2019)
Holding company	Adani Logistics Limited (w.e.f. 29th March 2019) Adani Enterprises Limited (upto 28th March 2019)
Associate company (Name of Related Parties and description of relationship with whom transactions were made during the year)	Adani Wilmar Limited
Subsidiary company (Name of Related Parties and description of relationship with whom transactions were made during the year)	Adani Agri Logistics (Hoshangabad) Limited Adani Agri Logistics (Satna) Limited Adani Agri Logistics (Barnala) Limited Adani Agri Logistics (Bathinda) Limited Adani Agri Logistics (Kannauj) Limited Adani Agri Logistics (Katihar) Limited Adani Agri Logistics (Kotkapura) Limited Adani Agri Logistics (Mansa) Limited Adani Agri Logistics (Moga) Limited Adani Agri Logistics (Nakodar) Limited Adani Agri Logistics (Panipat) Limited Adani Agri Logistics (Raman) Limited Adani Agri Logistics (Dewas) Limited Adani Agri Logistics (Harda) Limited Adani Agri Logistics (MP) Limited Adani Agri Logistics (Ujjain) Limited Adani Agri Logistics (Dhamora) Limited Adani Agri Logistics (Borivali) Limited
Fellow subsidiary company (Name of Related Parties and description of relationship with whom transactions were made during the year)	Mundra Solar PV Limited Adani Agri Logistics (Samastipur) Limited Adani Agri Logistics (Darbhanga) Limited
Key Management Personnel	Mr. Pranav Adani- Managing Director Mr. Surendra Phophalia- Chief Financial Officer Mr. Udit Sharma- Company Secretary
Directors	Mr. S. K. Tuteja (Independent Director) Mr. Vikram Nankani Mr. Atul Chaturvedi (upto 1st May 2019) Mr. Sandeep Mehta (w.e.f. 29th April 2019)

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.

Notes:

The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

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

Particulars	As at	As at
	31st March, 2019	31st March, 2018
	Rs. in Lakhs	Rs. in Lakhs
Services availed		
Adani Enterprises Limited	80.55	61.34
Interest paid		
Adani Agri Logistics (Dewas) Limited	-	1.89
Adani Agri Logistics (Ujjain) Limited	-	2.99
Adani Enterprises Limited	2,235.32	1,476.12
Employee liability transfer		
Adani Agri Logistics (Kannauj) Limited	-	6.01
Adani Agri Logistics (Bathinda) Limited	11.60	10.08
Adani Agri Logistics (Kotkapura) Limited	1.66	-
Adani Agri Logistics (Dewas) Limited	0.56	-
Adani Wilmar Limited	(5.60)	(6.78)

continue...

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Interest received		
Adani Agri Logistics (Hoshangabad) Limited	46.89	45.53
Adani Agri Logistics (Satna) Limited	45.11	50.10
Adani Agri Logistics (Kotkapura) Limited	34.02	53.66
Adani Agri Logistics (Dewas) Limited	46.38	37.72
Adani Agri Logistics (Harda) Limited	47.66	48.54
Adani Agri Logistics (MP) Limited	51.18	48.98
Adani Agri Logistics (Ujjain) Limited	45.53	33.07
Adani Agri Logistics (Barnala) Limited	88.32	53.07
Adani Agri Logistics (Bathinda) Limited	7.37	3.34
Adani Agri Logistics (Kannauj) Limited	208.95	109.55
Adani Agri Logistics (Katihar) Limited	77.59	0.88
Adani Agri Logistics (Mansa) Limited	41.17	26.12
Adani Agri Logistics (Moga) Limited	74.59	46.43
Adani Agri Logistics (Nakodar) Limited	66.08	40.85
Adani Agri Logistics (Panipat) Limited	249.71	130.89
Adani Agri Logistics (Raman) Limited	67.05	27.34
Reimbursement of expenditure on behalf of subsidiaries		
Adani Agri Logistics (Barnala) Limited	-	6.45
Adani Agri Logistics (Bathinda) Limited	0.00	1.69
Adani Agri Logistics (Mansa) Limited	-	3.46
Adani Agri Logistics (Moga) Limited	-	0.30
Adani Agri Logistics (Nakodar) Limited	1.64	7.18
Adani Agri Logistics (Raman) Limited	-	0.24
Adani Agri Logistics (Kannauj) Limited	0.01	1.09
Adani Agri Logistics (Panipat) Limited	0.01	33.04
Adani Agri Logistics (Hoshangabad) Limited	6.67	1.52
Adani Agri Logistics (Satna) Limited	4.98	2.85
Adani Agri Logistics (Kotkapura) Limited	3.85	8.06
Adani Agri Logistics (Dewas) Limited	6.22	1.47
Adani Agri Logistics (Harda) Limited	7.24	1.45
Adani Agri Logistics (MP) Limited	5.61	2.79
Adani Agri Logistics (Ujjain) Limited	7.37	1.98
Adani Agri Logistics (Samastipur) Limited	0.41	-
Adani Agri Logistics (Darbhanga) Limited	0.41	-
Adani Agri Logistics (Katihar) Limited	144.52	0.07
Fund given		
Adani Agri Logistics (Satna) Limited	-	92.66
Adani Agri Logistics (Kotkapura) Limited	10.00	250.00
Adani Agri Logistics (Dewas) Limited	-	70.00
Adani Agri Logistics (Ujjain) Limited	-	130.00
Adani Agri Logistics (Kannauj) Limited	1,195.00	1,871.16
Adani Agri Logistics (Katihar) Limited	2,051.49	35.00
Adani Agri Logistics (Mansa) Limited	275.00	300.00
Adani Agri Logistics (Moga) Limited	275.00	600.00
Adani Agri Logistics (Nakodar) Limited	311.64	500.00
Adani Agri Logistics (Panipat) Limited	840.00	2,873.50
Adani Agri Logistics (Bathinda) Limited	280.00	200.00
Adani Agri Logistics (Barnala) Limited	306.50	700.00
Adani Agri Logistics (Raman) Limited	490.00	474.00
Fund received back		
Adani Agri Logistics (Kotkapura) Limited	250.00	-
Adani Agri Logistics (Bathinda) Limited	-	200.00
Adani Agri Logistics (Harda) Limited	-	55.00
Adani Agri Logistics (Hoshangabad) Limited	-	30.00
Adani Agri Logistics (Kannauj) Limited	182.00	100.00
Adani Agri Logistics (MP) Limited	-	25.00
Adani Agri Logistics (Panipat) Limited	15.00	1,000.00
Adani Agri Logistics (Satna) Limited	-	182.66
Adani Agri Logistics (Ujjain) Limited	-	20.00
Adani Agri Logistics (Katihar) Limited	1,350.00	-
Adani Agri Logistics (Raman) Limited	251.00	-
Purchase of equity share		
Adani Agri Logistics (Darbhanga) Limited	5.00	-
Adani Agri Logistics (Samastipur) Limited	5.00	-
Adani Agri Logistics (Dhamora) Limited	5.00	-
Adani Agri Logistics (Borivali) Limited	5.00	-
Sale of equity share		
Adani Agri Logistics (Darbhanga) Limited	5.00	-
Adani Agri Logistics (Samastipur) Limited	5.00	-
Funds received		
Adani Enterprises Limited	6,960.00	7,910.16
Perpetual security loan taken		
Adani Logistics Limited	30,935.00	-
Funds paid back		
Adani Enterprises Limited	25,090.30	-

continue...

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Sitting Fees to directors		
Mr. Ravi Kapoor	-	0.39
Mr. Krishna Kumar Mishra	-	0.20
Mr. S.K.Tuteja	1.04	0.78
Balance (payable) / receivable as at year end		
Adani Agri Logistics (Hoshangabad) Limited	-	0.33
Adani Agri Logistics (Satna) Limited	-	1.06
Adani Agri Logistics (Bathinda) Limited	11.60	3.00
Adani Agri Logistics (Kannauj) Limited	0.01	-
Adani Agri Logistics (Katihar) Limited	-	36.97
Adani Agri Logistics (Kotkapura) Limited	1.66	(20.00)
Adani Agri Logistics (Nakodar) Limited	-	10.00
Adani Agri Logistics (Dewas) Limited	0.26	0.24
Adani Agri Logistics (Harda) Limited	-	0.17
Adani Agri Logistics (MP) Limited	-	0.41
Adani Agri Logistics (Samastipur) Limited	0.41	-
Adani Agri Logistics (Darbhanga) Limited	0.41	-
Adani Agri Logistics (Ujjain) Limited	-	0.26
Adani Enterprises Limited	(20.76)	(21.52)
Adani Wilmar Limited	(5.60)	-
Mundra Solar PV Limited	(3.69)	(3.69)
Balance (payable) / receivable outstanding (loan) as at year end (including interest accrued thereon)		
Adani Agri Logistics (Hoshangabad) Limited	484.96	440.53
Adani Agri Logistics (Satna) Limited	472.39	429.64
Adani Agri Logistics (Kotkapura) Limited	461.04	668.27
Adani Agri Logistics (Dewas) Limited	485.66	441.71
Adani Agri Logistics (Harda) Limited	492.98	447.81
Adani Agri Logistics (MP) Limited	529.28	480.78
Adani Agri Logistics (Kannauj) Limited	3,080.08	1,869.75
Adani Agri Logistics (Barnala) Limited	1,137.59	747.76
Adani Agri Logistics (Katihar) Limited	807.46	35.79
Adani Agri Logistics (Mansa) Limited	637.18	323.51
Adani Agri Logistics (Moga) Limited	987.12	641.79
Adani Agri Logistics (Nakodar) Limited	910.67	536.76
Adani Agri Logistics (Panipat) Limited	3,051.91	1,991.30
Adani Agri Logistics (Raman) Limited	801.15	498.60
Adani Agri Logistics (Ujjain) Limited	476.80	433.65
Adani Agri Logistics (Bathinda) Limited	286.63	-
Adani Logistics Limited	(30,935.00)	-
Adani Enterprises Limited	-	(18,130.30)

42 Contingent liabilities and commitments on capital account

Particulars	As at 31st March, 2019 Rs. in Lakhs	As at 31st March, 2018 Rs. in Lakhs
Contingent liabilities		
(i)Guarantees	99.33	411.53
(ii)Estimated amount of income tax liability	44.50	44.50
Commitments on capital account		
Estimated amount of unexecuted capital contracts (net of capital advances)	8.55	15.45

43 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Basic and diluted		
Net Profit as per statement of profit and loss (A) (Rs. in Lakhs)	232.81	336.37
Calculation of weighted average number of equity shares :		
- Number of equity shares at the beginning of the year (B)	99,828,000	99,828,000
- Number of equity shares issued during the year (C)	-	-
- Number of equity shares at the end of the year (B+C)	99,828,000	99,828,000
- Weighted average number of equity shares (D)	99,828,000	99,828,000
Earning per share (basic and diluted) (A/D)	0.23	0.34

44 Ind AS 7 statement of cash flows : disclosure initiative

The entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for current period.

Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian accounting standards) rules, 2018.

Particulars	April 1, 2018	Cash flows	Others	March 31, 2019
	Rs. in Lakhs			Rs. in Lakhs
Long-term borrowings (including current maturities of long term debt)	32,100.76	(3,001.85)	-	29,098.91
Short-term borrowings	18,130.30	(18,130.30)	-	-
Interest accrued but not due on borrowings	43.59	(5,121.30)	5,115.28	37.57
TOTAL	50,274.65	(26,253.45)	5,115.28	29,136.48

45 Corporate Social Responsibility Expenses

a) Gross amount required to be spent by the company during the year : Rs. Nil

b) Actual spent during the year : Nil

c) Amount unspent (to be spent in subsequent year) : Rs. Nil

d) Amount spent during the year on : Nil

46 Previous year's figures have been re-grouped / re-classified wherever necessary.

For Dharmesh Parikh & Co.

Chartered Accountants

Firm Registration No : 112054W

Chirag Shah

Partner

Membership No. 122510

Place : Ahmedabad

Date : 11th May 2019

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

Pranav V Adani

Managing Director

DIN : 00008457

Surendra Phophalia

Chief Financial Officer

Place : Ahmedabad

Date : 11th May 2019

Sandeep Mehta

Director

DIN : 06367909

Udit Sharma

Company Secretary

ADANI AGRI LOGISTICS LIMITED

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associates companies/joint ventures

Part "A" Subsidiaries

Name of the Subsidiary	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Revenue	Profit Before Taxation	Provision for Taxation	Profit after taxation	Proposed Dividend	% of Shareholding
Adani Agri Logistics (Hoshangabad) Limited	INR	100.00	(433.37)	2,230.81	2,564.18	-	285.39	(61.74)	-	(61.74)	-	100%
Adani Agri Logistics (Katihar) Limited	INR	100.00	(70.02)	2,200.56	2,170.58	-	1,781.28	(69.37)	(0.15)	(69.21)	-	100%
Adani Agri Logistics (Kotkapura) Limited	INR	100.00	(232.84)	2,549.91	2,682.75	-	266.54	(134.76)	-	(134.76)	-	100%
Adani Agri Logistics (MP) Limited	INR	100.00	(525.77)	2,256.13	2,681.90	-	279.88	(113.52)	-	(113.52)	-	100%
Adani Agri Logistics (Dewas) Limited	INR	100.00	(301.31)	2,242.40	2,443.71	-	263.47	(84.00)	-	(84.00)	-	100%
Adani Agri Logistics (Harda) Limited	INR	100.00	(459.73)	2,238.28	2,598.00	-	278.61	(88.23)	-	(88.23)	-	100%
Adani Agri Logistics (Satna) Limited	INR	100.00	(468.98)	2,101.66	2,470.64	-	307.11	(51.40)	-	(51.40)	-	100%
Adani Agri Logistics (Ujjain) Limited	INR	100.00	(177.25)	2,198.27	2,275.52	-	288.82	(53.22)	0.02	(53.24)	-	100%
Adani Agri Logistics (Panipat) Limited	INR	100.00	(122.23)	3,041.84	3,064.07	-	-	(1.26)	(0.08)	(1.18)	-	100%
Adani Agri Logistics (Kannauj) Limited	INR	100.00	(183.40)	3,032.51	3,115.91	-	-	(84.52)	(0.07)	(84.44)	-	100%
Adani Agri Logistics (Moga) Limited	INR	100.00	(120.51)	1,017.59	1,038.10	-	-	(70.45)	(0.06)	(70.39)	-	100%
Adani Agri Logistics (Raman) Limited	INR	100.00	(88.27)	814.60	802.88	-	-	(58.35)	(0.06)	(58.29)	-	100%
Adani Agri Logistics (Mansa) Limited	INR	100.00	(67.86)	670.95	638.80	-	-	(38.15)	(0.07)	(38.08)	-	100%
Adani Agri Logistics (Nakodar) Limited	INR	100.00	(106.77)	906.86	913.64	-	-	(63.01)	(0.07)	(62.94)	-	100%
Adani Agri Logistics (Bathinda) Limited	INR	100.00	(10.40)	390.04	300.44	-	0.17	(4.20)	(0.07)	(4.14)	-	100%
Adani Agri Logistics (Barnala) Limited	INR	100.00	(138.88)	1,102.19	1,141.07	-	-	(82.34)	(0.08)	(82.26)	-	100%
Adani Agri Logistics (Dhamora) Limited	INR	5.00	(0.50)	4.80	0.30	-	-	(0.50)	-	(0.50)	-	100%
Adani Agri Logistics (Borivali) Limited	INR	5.00	(0.50)	4.80	0.30	-	-	(0.50)	-	(0.50)	-	100%

Note: A

Companies (Accounts) Amendment Rule 2014 provides exemption from preparation of consolidated financial statement by an intermediate wholly-owned subsidiary. Consolidated financial statement are prepared by Adani Ports and Special Economic Zone Limited i.e. 100% ultimate holding company of Adani Agri Logistics Limited.

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

Pranav V Adani
Managing Director
DIN : 00008457

Sandeep Mehta
Director
DIN : 06367909

Surendra Phophalia
Chief Financial Officer

Udit Sharma
Company Secretary

Place : Ahmedabad
Date : 11th May 2019