

## **INDEPENDENT AUDITOR'S REPORT**

### **To The Members of Adani NYK Auto Logistics Solutions Private Limited Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Adani NYK Auto Logistics Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period from September 17, 2018 to March 31, 2019, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2019, its loss, total comprehensive loss, the changes in equity and its cash flows for the period ended on that date.

#### **Basis for Opinion**

We conducted our audit of the 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 Responsibility for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures to Directors' Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid the remuneration to its directors during the period.
- h) 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, as amended 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval  
Partner  
(Membership No. 106189)

Place: Ahmedabad  
Date: April 25, 2019

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT  
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of Adani NYK Auto Logistics Solutions Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Financial Statements of the Company for the period from September 17, 2018 to March 31, 2019.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

## **Meaning of Internal Financial Controls Over Financial Reporting**

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

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No.117366W/W-100018)

Kartikeya Raval  
(Partner)  
(Membership No. 106189)

Place: Ahmedabad  
Date: April 25, 2019

## **ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

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

- (i) The Company does not have any fixed assets and hence reporting under clause (i) of the Order is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees under Section 185 of the Companies Act, 2013. Further, based on the information and explanations given to us, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the period from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, would apply. Accordingly, the provisions of Cause 3(v) of the Order are not applicable to the Company.
- (vi) Having regard to the nature of the Company's business/ activities, reporting under clause (vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Goods & Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. Dues of Provident Fund, Employees' State Insurance, Customs Duty, Excise Duty, Value Added Tax are not applicable to the Company.
  - (b) There were no undisputed amounts payable in respect of Income-tax, Goods & Service Tax, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable. Dues of Provident Fund, Employees' State Insurance, Customs Duty, Excise Duty, Value Added Tax are not applicable to the Company.
  - (c) There are no dues of Income Tax, Goods and Service Tax as on March 31, 2019 on account of disputes. Dues of Provident Fund, Employees' State Insurance, Customs Duty, Excise Duty, Value Added Tax are not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not taken any loans or borrowings from banks, financial institutions and the government or has not issued any debentures. Accordingly, reporting under clause (viii) of the Order is not applicable.

- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the period.
- (xi) According to the information and explanations given to us, the Company has not paid any managerial remuneration during the period and hence reporting under clause (xi) are not applicable and hence not commented upon.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3 (xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) During the period, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the period the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No.117366W/W-100018)

Kartikeya Raval  
(Partner)  
(Membership No. 106189)

Place: Ahmedabad  
Date: April 25, 2019



**Adani NYK Auto Logistics Solutions Private Limited**

Balance Sheet as at March 31, 2019

Amount in `

Particulars	Notes	As at March 31, 2019
<b>ASSETS</b>		
<b>Non-current assets</b>		
Other Non-current assets	3	30,000,000
		<b>30,000,000</b>
<b>Current assets</b>		
Financial Assets		
a) Cash and Cash Equivalents	4	2,646,153
b) Bank Balance other than (a) above	5	26,000,000
c) Other Financial Assets	6	282,723
Other Current Assets	7	11,402
		<b>28,940,278</b>
<b>Total Assets</b>		<b>58,940,278</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share capital	8	60,000,000
Other Equity	9	(1,241,483)
<b>Total Equity</b>		<b>58,758,517</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Financial Liabilities		
a) Trade Payables	10	-
-total outstanding dues of micro enterprises and small enterprises		-
-total outstanding dues of creditors other than micro enterprises and small enterprises		98,496
Liabilities for Current Tax (net)	11	72,682
Other Current Liabilities	12	10,583
<b>Total Liabilities</b>		<b>181,761</b>
<b>Total Equity And Liabilities</b>		<b>58,940,278</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants

For and on behalf of the Board of Directors

**Kartikeya Raval**  
Partner

**Capt. Sandeep Mehta**    **Sandeep Mehta**  
Director                      Director  
DIN : 00897409              DIN : 06367909

Place : Ahmedabad  
Date : April 25, 2019

Place : Mumbai  
Date : 25th April, 2019

Adani NYK Auto Logistics Solutions Private Limited  
Statement of Profit and Loss for the period September 17, 2018 to March 31, 2019

Amount in `

Particulars	Notes	For the period September 17, 2018 to March 31, 2019
<b>INCOME</b>		
Other Income	13	454,274
<b>Total Income</b>		<b>454,274</b>
<b>EXPENSES</b>		
Other expenses	14	636,646
<b>Total expenses</b>		<b>636,646</b>
<b>Loss before tax</b>		<b>(182,372)</b>
<b>Tax expense:</b>		
Current tax	11	118,111
<b>Total Tax Expense</b>		<b>118,111</b>
<b>Loss for the period</b>		<b>(300,483)</b>
<b>Other Comprehensive Income</b>		
Items that will not be reclassified to profit or loss in subsequent periods		-
Income tax relating to items that will not be reclassified to profit or loss in subsequent periods		-
<b>Total Other Comprehensive Income/(Loss) (net of tax)</b>		<b>-</b>
<b>Total Comprehensive Loss for the period</b>		<b>(300,483)</b>
Earnings per Share - (Face value of ` 10 each) Basic and Diluted (in `)	15	(0.05)

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**For and on behalf of the Board of Directors**

**Kartikeya Raval**  
Partner

**Capt. Sandeep Mehta**  
Director  
DIN : 00897409

**Sandeep Mehta**  
Director  
DIN : 06367909

Place : Ahmedabad  
Date : April 25, 2019

Place : Mumbai  
Date : 25th April, 2019

Adani NYK Auto Logistics Solutions Private Limited  
Statement of Changes in Equity for the period September 17, 2018 to March 31, 2019

Amount in `

Particulars	Equity Share Capital	Other Equity	Total
		Retained Earnings	
<b>Balance as at September 17, 2018</b>	-	-	-
Issue of Equity Share capital during the year	60,000,000	-	60,000,000
(Loss) for the period		(300,483)	(300,483)
Share issue expense adjustment		(941,000)	(941,000)
<b>Balance as at March 31, 2019</b>	<b>60,000,000</b>	<b>(1,241,483)</b>	<b>58,758,517</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**For and on behalf of the Board of Directors**

**Kartikeya Raval**  
Partner

**Capt. Sandeep Mehta**  
Director  
DIN : 00897409

**Sandeep Mehta**  
Director  
DIN : 06367909

Place : Ahmedabad  
Date : April 25, 2019

Place : Mumbai  
Date : 25th April, 2019

Adani NYK Auto Logistics Solutions Private Limited  
Statement of Cash flows for the period September 17, 2018 to March 31, 2019

Amount in `

Particulars	For the period September 17, 2018 to March 31, 2019
<b>Cash flow from operating activities</b>	
Net profit/(loss) before Tax	(182,372)
Adjustments for :	
Interest income	(454,274)
<b>Operating Profit/(Loss) before Working Capital Changes</b>	<b>(636,646)</b>
Adjustments for :	
(Increase) in Other Current Assets	(11,402)
Increase in Trade Payables	98,496
<b>Cash Generated from Operations</b>	<b>(549,552)</b>
Direct Taxes (paid) (Net of Refunds)	34,846
<b>Net cash used in operating activities ( A )</b>	<b>(584,398)</b>
<b>Cash flows from investing activities</b>	
Capital Expenditure of Property, Plant and Equipment ( including capital advance )	(30,000,000)
Interest Received	171,551
(Deposits in) Bank Deposits	(26,000,000)
<b>Net cash used in investing activities ( B )</b>	<b>(55,828,449)</b>
<b>Cash flows from financing activities</b>	
Proceeds from issue of Equity share capital	60,000,000
Share issue expense adjustment	(941,000)
<b>Net cash generated from financing activities ( C )</b>	<b>59,059,000</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>2,646,153</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the period (Refer note 4)</b>	<b>2,646,153</b>
<b>Components of Cash &amp; Cash Equivalents (Refer note 4)</b>	
Balances with Scheduled Banks	
- In Current Accounts	2,646,153
<b>Cash and Cash Equivalents at the end of the period</b>	<b>2,646,153</b>

Summary of significant accounting policies refer note 2.2 (b)

- 1 The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- 2 Disclosure under para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) Rules, 2017 (as amended) require 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). Since there are no such transactions during the period, disclosure is not applicable.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**For and on behalf of the Board of Directors**

**Kartikeya Raval**  
Partner

**Capt. Sandeep Mehta**    **Sandeep Mehta**  
Director                      Director  
DIN : 00897409              DIN : 06367909

Place : Ahmedabad  
Date : April 25, 2019

Place : Mumbai  
Date : 25th April, 2019

**Adani NYK Auto Logistics Solutions Private Limited**  
**Notes to the Standalone Financial Statements for the period September 17, 2018 to March 31, 2019**

**1 Corporate information**

Adani NYK Auto Logistics Solutions Private Limited ("the Company"), a Joint Venture of Adani Logistics Limited ("ALL") and NYK Auto Logistics (India) Private Limited has been incorporated on September 17, 2018, operates and runs auto rakes for transportation of cars, two wheelers, automotive parts, goods and articles including finished vehicles. The registered office of the company is located at Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009.

The financial statements were authorised for issue in accordance with a resolution of the directors on April 25, 2019.

**2 Basis of preparation**

2.1 These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

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

The company has been incorporated on 17 September, 2018 and this being the first financial statements of the Company for the period September 17, 2018 to March 31, 2019 accordingly no comparative financial numbers are presented.

**2.2 Summary of significant accounting policies**

**a) Current versus non-current classification**

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
  - 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

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) Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

**c) Revenue Recognition**

**Interest Income**

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

**d) Functional currency, foreign currency transactions and balances**

The functional currency of the Company (i.e. the currency of the primary economic environment in which the Company operates) is Indian Rupee. All financial information is presented in Indian Rupee and is rounded off to the nearest rupee.

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities that are carried at historical cost in foreign currency are translated at the exchange rates at the dates of initial transaction. Forward exchange contracts to manage exchange currency exposures are marked to market and resulting gain or loss is recorded in the Statement of Profit and loss. Any profit or loss arising on cancellation or renewal of such forward exchange contract is recognised as income or expense in the period in which such cancellation or renewal is made.

**e) 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 logistics services. Since there are no other business segments in which the company operates, there are no other 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.

**f) Related party transactions**

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

**g) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference share dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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

**h) Taxes**

Tax expense comprises of current and deferred tax.

**a) Current income tax**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date. Current 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 tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**b) Deferred tax**

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

Deferred tax liabilities are recognized for all taxable temporary differences, except

> When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

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

> When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that The company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. Deferred tax include MAT Credit Entitlement.

**i) Impairment of 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 group 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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of The company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

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.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

**j) Provisions (other than employee benefits), Contingent liabilities and contingent assets**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current best estimate.

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

**k) Fair value measurement**

The Company measures financial instruments, such as, derivatives 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.

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.

**l) 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. The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the

**Financial assets**

**Initial recognition and measurement**

All financial assets, except investment in subsidiaries, associates and joint ventures are recognised initially at fair value.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- > Debt instruments at amortised cost
- > Debt instruments at fair value through other comprehensive income (FVTOCI)
- > Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- > Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### Debt instruments at amortised cost

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

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

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

#### Debt instrument at FVTOCI

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Debt instrument at FVTPL

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### Equity investments at FVTOCI

All equity instruments are subsequently measured at fair value in the balance sheet, with value changes recognised in statement of profit and loss, except for those equity instruments for which the company has elected to present value changes in " other comprehensive income". If an equity instrument is not held for trading, the company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income.

#### Derecognition

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

- > The rights to receive cash flows from the asset have expired, or
- > The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure ;

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances
- b) Financial assets that are debt instruments and are measured as at other comprehensive income (FVTOCI)
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- > Trade receivables or contract revenue receivables; and
- > All lease receivables resulting from transactions within the scope of Ind AS 17

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk said 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.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance ( or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss (P&L).



#### **Financial liabilities**

##### **Initial recognition and measurement**

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

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

##### **Subsequent measurement**

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

##### **Financial liabilities at fair value through profit or loss**

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

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

##### **Loans and borrowings**

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

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

##### **Derecognition**

A financial liability is derecognised 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 recognised in the statement of profit or loss.

#### **2.3 Significant accounting judgments, estimates and assumptions**

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. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### **Estimates and assumptions**

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

##### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Adani NYK Auto Logistics Solutions Private Limited

Notes to the Standalone Financial Statements for the period September 17, 2018 to March 31, 2019

Amount in `

<b>3. Other Non-Current Assets</b>	<b>As at March 31, 2019</b>
Capital Advances ( AFTO Licence )	30,000,000
	<u>30,000,000</u>
<b>4. Cash and Cash Equivalents</b>	<b>As at March 31, 2019</b>
<b>Balances with Banks</b>	
Balance in current account	2,646,153
	<u>2,646,153</u>
<b>5. Bank Balance other than cash and cash equivalents</b>	<b>As at March 31, 2019</b>
Deposits with maturity of over 3 months but less than 12 months	26,000,000
	<u>26,000,000</u>
<b>6. Others Financial Assests</b>	<b>As at March 31, 2019</b>
Interest accrued on fixed deposits	282,723
	<u>282,723</u>
<b>7. Other Current Assets</b>	<b>As at March 31, 2019</b>
Advance to suppliers	10,492
Balance with Government Authorities	910
	<u>11,402</u>
<b>8. Equity Share Capital</b>	<b>As at March 31, 2019</b>
<b>Authorised</b>	
10,000,000 Equity shares of 10/- each	100,000,000
<b>Issued, subscribed and fully paid-up share capital</b>	
60,00,000 Equity shares of 10/- each fully paid.	60,000,000
	<u>60,000,000</u>

**Notes:**

a) Reconciliation of the number of shares outstanding

**Particulars**

At the beginning of the year

Shares Issued during the year

**Outstanding at the end of the year**

As at March 31, 2019 Number	As at March 31, 2019 Amount in `
-	-
6,000,000	60,000,000
<u>6,000,000</u>	<u>60,000,000</u>

b) Terms/rights attached to equity shares

(i) The Company has only one class of equity share having par value of ` 10 per share. Each holder of equity share is entitled to one vote per share.

(ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

Equity Shares of ` 10 each fully paid	As at March 31, 2019	
	No	% Holding in the Class
Adani Logistics Limited	3,060,000	51%
NYK Auto Logistics ( India ) Pvt Ltd	2,940,000	49%

Amount in `

<b>9. Other Equity</b>	<b>As at March 31, 2019</b>
<b>Retained Earnings</b>	
Opening balance	-
Add. Profit/(Loss) for the year	(300,483)
Share issue expense adjustment	(941,000)
Closing balance	(1,241,483)
<b>Total Other Equity</b>	<u>(1,241,483)</u>

Note: Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013. No dividends are distributed given the accumulated losses incurred by the Company.

Adani NYK Auto Logistics Solutions Private Limited

Notes to the Standalone Financial Statements for the period September 17, 2018 to March 31, 2019

<b>10. Trade Payables</b>	<b>As at</b>
	<b>March 31, 2019</b>
Total Outstanding dues of micro, small and medium enterprises (Refer note 23)	-
Total Outstanding dues of creditors other than micro, small and medium enterprises	98,496
	<u>98,496</u>
<b>11. Income Tax</b>	<b>As at</b>
	<b>March 31, 2019</b>
a) <b>The major components of the income tax expenses for the period ended 31/03/2019</b>	
Current Income tax	
Current tax charges	118,111
<b>Tax Expense reported in the Statement of Profit and Loss</b>	<u>118,111</u>
b) <b>Balance Sheet Section</b>	
Liabilities for Current Tax	118,111
Taxes Recoverable	45,429
<b>Net tax liability reported in Balance Sheet</b>	<u>72,682</u>
c) <b>Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2019</b>	
	<b>March 31, 2019</b>
	%
	Amount in `
Loss Before tax	<u>(182,372)</u>
Tax using the Company's domestic rate	26.00 (47,417)
<b>Tax Effect of:</b>	
Deferred tax assets not created on unabsorbed loss	91.00 165,528
Effective Tax Rate	-65.00 118,111
Income Tax Expense charged to Profit & Loss	118,111
<b>12. Other Current Liabilities</b>	<b>As at</b>
	<b>March 31, 2019</b>
Statutory dues	10,583
	<u>10,583</u>
<b>13. Other Income</b>	<b>For the period ended</b>
	<b>March 31, 2019</b>
Interest Income on Bank Deposits	454,274
	<u>454,274</u>
<b>14. Other expenses</b>	<b>For the period ended</b>
	<b>March 31, 2019</b>
Registration Expense	501,286
Miscellaneous Expenses	35,360
Legal & Professional Fees (Refer Note 1 below)	100,000
	<u>636,646</u>
<b>Note: 1</b>	
<b>Payment to auditor</b>	<b>For the period ended</b>
	<b>March 31, 2019</b>
<b>As auditor:</b>	
Audit fee	50,000
	<u>50,000</u>
	Amount in `
<b>15. Earnings Per Equity Share</b>	<b>For the period ended</b>
<b>Particulars</b>	<b>March 31, 2019</b>
	Amount in `
Loss after tax	(300,483)
Weighted average number of equity shares in calculating basic and diluted EPS	6,000,000
Face Value per share ` in 10	
Basic and Diluted Earnings/(Loss) per Share (in Rupees)	(0.05)

**Adani NYK Auto Logistics Solutions Private Limited**

Notes to the Standalone Financial Statements for the period September 17, 2018 to March 31, 2019

**16 Related Parties transactions**

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

Particulars	Name of Company
Joint Venturer	Adani Logistics Ltd NYK Auto Logistics ( India ) Private Limited
Parent company of Joint Venturer- Adani Logistics Limited	Adani Ports and Speical Economic Zone Limited
Parent company of Joint Venturer- NYK Auto Logistics ( India ) Private Limited	Nippon Yusen Kabushiki Kaisha, Japan
Key Management Personnel	Capt. Sandeep Mehta- Director Sandeep Mehta - Director Clint Shane Carmichael- Director Jeetendra Bhat- Director

**Notes:**

(i) 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.

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

**Details of Related Party Transactions**

Category	Name of Related Party	From Sep,17, 2018 to 'March 31, 2019
Loan taken	Adani Logistics Ltd	3,000,000
Reimbursement of Expense	Adani Logistics Ltd	1,382,386
Loan repaid	Adani Logistics Ltd	3,000,000

**Outstanding balance as at the end of the year**

Category	Name of Related Party	As at March 31,2019
Loan Taken	Adani Logistics Ltd	-

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

**Terms and conditions of transactions with related parties**

There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2019, the Company has not recorded any impairment of receivables relating to amounts due from related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**17 Capital commitments & Other commitments**

Based on the information available with the company, there is no Capital commitments and Other commitment as at March 31, 2019.

**18 Contingent liabilities not provided for**

Based on the information available with the company, there is no contingent liability as at March 31, 2019.

**19 Exposure Drafts and Accounting****IndAS 116 Leases:**

On March 30,2019, Ministry of Corporate Affairs has notified IndAS 116, Leases. IndAS 116 will replace the existing leases Standard, IndAS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. IndAS 116 introduces a single lessee accounting model and require sales see to recognize assets and liabilities for all leases with a term Of more than twelve months,unless the underlying asset is of low value.Currently,operating lease expenses are charged to the statement of Profit&Loss.The Standard also contains enhanced disclosure requirements for lessees. The Company is evaluating the effect of adoption of Ind AS116 applicable from April 1, 2019.

**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

**Amendment to Ind AS 12 – Income taxes :**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**Amendment to Ind AS 19 – plan amendment, curtailment or settlement:**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

**20 MSME Reporting**

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**21 Segment information**

The Company is primarily engaged in the business segment, namely logistics services as determined by chief operational decision maker in accordance with Ind AS 108 "Operating Segment". Considering the inter relationship of various activities of the business, the chief operational decision maker monitors the operating results of its business segment on overall basis. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

## 22 Financial Instruments And Risk Review

## a. Category wise classifications of Financial statements

Particulars	Fair Value through other Comprehensive Income	Fair Value through Profit & Loss	Amortised Cost	Carrying Cost
<b>Financial asset</b>				
Cash and cash equivalents	-	-	2,646,153	2,646,153
Other bank balance	-	-	26,000,000	26,000,000
Others financial assets	-	-	282,723	282,723
	-	-	<b>28,928,876</b>	<b>28,928,876</b>
<b>Financial liabilities</b>				
Trade payables	-	-	98,496	98,496
Other financial liabilities	-	-	10,583	10,583
	-	-	<b>109,079</b>	<b>109,079</b>

## b. Financial Risk Objective and Policies

The Company's principal financial liabilities comprise borrowings, provisions, 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 cash and cash equivalents. In the ordinary course of business, the Company is mainly exposed to risks resulting from interest rate movements (interest rate risk), liquidity risk and credit risk.

**Interest Risk**

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates.

The Group's risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for interest rate risk. The Company's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

**Liquidity risk**

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

**Maturity profile of financial liabilities :**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

**As at March 31, 2019**

Particulars	within 1 year	Total
Trade payables	98,496	98,496

## 23 Fair Value hierarchy :

Since the Company does not have any financial asset or liability measured at fair value, disclosure of fair value hierarchy and disclosure of category-wise assets and liabilities is not relevant. All financial assets and liabilities of the Company have been valued at amortised cost and their values are not expected to be different than those presented in financial statements.

## 24 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.

## 25 Event occurred after the balance sheet date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of April 25, 2019, there were no subsequent events to be recognized or reported that are not already disclosed.

For and on behalf of Board of Directors

Capt. Sandeep Mehta  
Director

DIN : 00897409

Place : Mumbai

Date : 25th April, 2019

Sandeep Mehta  
Director

DIN : 06367909