

# **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 Warehousing Services Private Limited**

#### **Report on the audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Standalone Financial Statements of Adani Warehousing Services Private Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> 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 31<sup>st</sup> March, 2019, the profit and total comprehensive income, 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.

#### **Other Information**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 standalone 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.

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### **Independent Auditor's Report**

#### **To the Members of Adani Warehousing Services Private Limited (Continue)**

#### **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.

#### **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.

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### **Independent Auditor's Report To the Members of Adani Warehousing Services Private Limited**

- 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.

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 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 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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';

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### **Independent Auditor's Report To the Members of Adani Warehousing Services Private Limited**

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.

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

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, reporting under section 197(16) of the Act is not applicable.

Place: Ahmedabad  
Date: April 26, 2019

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

**Anuj Jain**  
Partner  
Membership No. 119140

# DHARMESH PARIKH & CO.

## CHARTERED ACCOUNTANTS

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### **Annexure - A to the Independent Auditor's Report**

#### **RE: Adani Warehousing Services Private 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 31<sup>st</sup> March, 2019, we report that:

- (i) The company does not have any Fixed Assets. Accordingly, the provisions of paragraph 3(i) (a) to (c) of the Order are not applicable.
- (ii) The Company being in the service industry does not carry any inventory. Accordingly the provisions of paragraph 3(ii) (a) & (b) of the Order are not applicable.
- (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) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly the provisions of paragraph 3(iv) of the Order are not applicable.
- (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) As informed to us, the maintenance of cost records as prescribed by the Central Government under section 148(1) of the Act are not applicable to the company for the year under review.
- (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, sales tax, goods and service tax (GST), service tax, duty of customs, value added tax, cess 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 provident fund, employees' state insurance, entry tax and duty of excise.

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 31<sup>st</sup> March, 2019 for a period of more than six months from the date they became payable.

- (b) According to the records of the Company and representations made by the Management, there are no statutory dues as mentioned in paragraph 3(vii)(a) which have not been deposited on account of any dispute.
- (viii) The Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures. Accordingly the provisions of paragraph 3(viii) of the Order are not applicable.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised money by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

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### **Annexure - A to the Independent Auditor's Report** **RE: Adani Warehousing Services Private Limited (Continue)**

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

- (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.
- (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.
- (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: April 26, 2019

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

**Anuj Jain**  
Partner  
Membership No. 119140

# **DHARMESH PARIKH & CO.**

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### **Annexure – B to the Independent Auditor's Report**

#### **RE: Adani Warehousing Services Private Limited**

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(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).**

#### **Opinion**

We have audited the internal financial controls over financial reporting of the company as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

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 31<sup>st</sup> 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.

#### **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.

# **DHARMESH PARIKH & CO.**

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### **Annexure – B to the Independent Auditor's Report**

#### **RE: Adani Warehousing Services Private Limited (continue)**

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

#### **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 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.

Place: Ahmedabad  
Date: April 26, 2019

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

**Anuj Jain**  
Partner  
Membership No. 119140

**Adani Warehousing Services Private Limited**  
**Balance Sheet as at March 31, 2019**

Particulars	Notes	Amount in ₹	
		As at March 31, 2019	As at March 31, 2018
<b>Assets</b>			
<b>Non-Current Assets</b>			
Financial Assets			
(i) Other Financial Assets	4	25,240	-
Other Non-Current Assets	5	27,83,769	-
<b>Total Non-Current Assets</b>		<b>28,09,009</b>	<b>-</b>
<b>Current Assets</b>			
Financial Assets			
(i) Trade Receivables	3	54,96,894	3,09,38,087
(ii) Cash and Cash Equivalents	6	26,93,150	83,17,828
(iii) Bank Balances other than (ii) above	6	4,73,71,251	3,51,205
(iv) Other Financial Assets	4	7,92,908	6,062
Other Current Assets	5	491	587
<b>Total Current Assets</b>		<b>5,63,54,694</b>	<b>3,96,13,769</b>
<b>Total Assets</b>		<b>5,91,63,703</b>	<b>3,96,13,769</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	7	5,00,000	5,00,000
Other Equity	8	5,26,90,048	2,09,51,645
<b>Total Equity</b>		<b>5,31,90,048</b>	<b>2,14,51,645</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	9	-	49,21,000
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>49,21,000</b>
<b>Current Liabilities</b>			
Financial Liabilities			
(i) Trade Payables			
(A) Total Outstanding dues of micro and small enterprises	10	-	-
(B) Total Outstanding dues of creditors other than micro and small enterprises	10	43,47,706	93,163
(ii) Other Financial Liabilities	11	-	1,09,677
Other Current Liabilities	12	16,25,949	1,02,51,272
Liabilities for current tax (net)		-	27,87,012
<b>Total Current Liabilities</b>		<b>59,73,655</b>	<b>1,32,41,124</b>
<b>Total Liabilities</b>		<b>59,73,655</b>	<b>1,81,62,124</b>
<b>Total Equity and Liabilities</b>		<b>5,91,63,703</b>	<b>3,96,13,769</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date.  
**For DHARMESH PARIKH & CO.**  
Chartered Accountants  
ICAI Firm Registration No.: 112054W

**For and on behalf of Board of Directors of  
Adani Warehousing Services Private Limited**

**Anuj Jain**  
Partner  
Membership No. 119140

**Jai Khurana**                      **Pranav Choudhary**  
Director                                      Director  
DIN: 05140233                      DIN: 08123475

**Place: Ahmedabad**  
**Date: April 26, 2019**

**Place: Ahmedabad**  
**Date: April 26, 2019**

**Adani Warehousing Services Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2019**

Particulars	Notes	Amount in ₹	
		For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Income</b>			
Revenue from Operations	13	12,83,94,095	4,50,86,365
Other Income	14	1,70,01,384	4,11,48,099
<b>Total Income</b>		<b>14,53,95,479</b>	<b>8,62,34,464</b>
<b>Expenses</b>			
Operating Expenses	15	9,89,52,626	15,71,511
Finance Costs	16	3,82,745	4,09,12,239
Foreign Exchange Loss (net)		54,040	55,482
Other Expenses	17	10,19,435	1,41,00,103
<b>Total expense</b>		<b>10,04,08,846</b>	<b>5,66,39,335</b>
<b>Profit before tax</b>		<b>4,49,86,633</b>	<b>2,95,95,129</b>
<b>Tax expense:</b>			
Current Tax	26	94,26,806	79,15,657
Adjustment of tax relating to earlier periods	26	38,21,424	-
<b>Total Tax Expenses</b>		<b>1,32,48,230</b>	<b>79,15,657</b>
<b>Profit for the year</b>		<b>3,17,38,403</b>	<b>2,16,79,472</b>
Other comprehensive income		-	-
<b>Total Comprehensive Income for the year</b>		<b>3,17,38,403</b>	<b>2,16,79,472</b>
<b>Earnings per Share - (Face value of ₹ 10 each)</b>			
<b>Basic and Diluted (in ₹)</b>	22	<b>634.77</b>	<b>433.59</b>

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

**For DHARMESH PARIKH & CO.**  
Chartered Accountants  
ICAI Firm Registration No.: 112054W

**For and on behalf of Board of Directors of**  
**Adani Warehousing Services Private Limited**

**Anuj Jain**  
Partner  
Membership No. 119140

**Jai Khurana**                      **Pranav Choudhary**  
Director                                      Director  
DIN: 05140233                      DIN: 08123475

**Place: Ahmedabad**  
**Date: April 26, 2019**

**Place: Ahmedabad**  
**Date: April 26, 2019**

**Adani Warehousing Services Private Limited**  
**Statement of Changes in Equity for the year ended March 31, 2019**

Amount in ₹

Particulars	Equity Share Capital	Reserves and Surplus Retained Earning	Total
<b>Balance as at April 01, 2017</b>	<b>5,00,000</b>	<b>(7,27,827)</b>	<b>(2,27,827)</b>
Profit for the year	-	2,16,79,472	2,16,79,472
Other Comprehensive Income	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>2,16,79,472</b>	<b>2,16,79,472</b>
<b>Balance as at March 31, 2018</b>	<b>5,00,000</b>	<b>2,09,51,645</b>	<b>2,14,51,645</b>
Profit for the year	-	3,17,38,403	3,17,38,403
Other Comprehensive Income	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>3,17,38,403</b>	<b>3,17,38,403</b>
<b>Balance as at March 31, 2019</b>	<b>5,00,000</b>	<b>5,26,90,048</b>	<b>5,31,90,048</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date.

**For DHARMESH PARIKH & CO.**  
**Chartered Accountants**  
**ICAI Firm Registration No.: 112054W**

**For and on behalf of Board of Directors of**  
**Adani Warehousing Services Private Limited**

**Anuj Jain**  
**Partner**  
**Membership No. 119140**

**Place: Ahmedabad**  
**Date: April 26, 2019**

**Jai Khurana**  
**Director**  
**DIN: 05140233**

**Place: Ahmedabad**  
**Date: April 26, 2019**

**Pranav Choudhary**  
**Director**  
**DIN: 08123475**

**Adani Warehousing Services Private Limited**  
**Statement of Cash Flows for the year ended March 31, 2019**

Particulars	Amount in ₹	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit before tax</b>	4,49,86,633	2,95,95,129
Adjustments for:		
Interest Income	(29,01,448)	(4,11,48,099)
Interest Expense	14,325	4,08,96,862
Exchange Loss / (gain) difference on Trade Receivables	54,040	(2,836)
Bad Debts (recovered) / written off	(1,38,73,978)	1,38,73,978
<b>Operating profit before Working Capital Changes</b>	<b>2,82,79,572</b>	<b>4,32,15,034</b>
Adjustments for :		
Decrease / (Increase) in Trade Receivables	3,92,61,131	(4,39,12,893)
(Increase) in financial assets	(25,240)	-
Decrease in Other Assets	96	2,15,851
Increase / (Decrease) in Trade Payables	42,54,543	(12,49,650)
(Decrease) in Financial Liabilities	-	(2,00,000)
(Decrease) / Increase in Other Liabilities	(86,25,323)	1,02,36,814
<b>Cash Generated from Operations</b>	<b>6,31,44,779</b>	<b>83,05,156</b>
Direct Taxes paid (Net of Refunds)	(1,88,19,011)	(51,26,380)
<b>Net Cash Inflow from Operating Activities</b>	<b>4,43,25,768</b>	<b>31,78,776</b>
<b>B. Cash Flow from Investing Activities</b>		
Loans Given	-	(1,75,00,00,000)
Loans Received back	-	1,75,00,00,000
Interest Received	21,14,602	4,11,47,457
(Deposit in) Fixed Deposit with a maturity period of more than 90 days (Net)	(4,70,20,046)	(19,691)
<b>Net Cash (Outflow) / Inflow from Investing Activities</b>	<b>(4,49,05,444)</b>	<b>4,11,27,766</b>
<b>C. Cash Flow from Financing Activities</b>		
Repayment of Non-Current Borrowings	-	(1,75,03,00,000)
Proceeds from Non-Current Borrowings	-	1,75,51,00,000
Repayment of Intercompany Deposit	(49,21,000)	-
Interest Paid	(1,24,002)	(4,07,89,440)
<b>Net Cash (Outflow) from Financing Activities</b>	<b>(50,45,002)</b>	<b>(3,59,89,440)</b>
<b>D. Net (Decrease) / Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(56,24,678)</b>	<b>83,17,102</b>
<b>E. Cash &amp; cash equivalents at the beginning of the year (refer note 6)</b>	<b>83,17,828</b>	<b>726</b>
<b>F. Cash &amp; cash equivalents at the end of the year (refer note 6)</b>	<b>26,93,150</b>	<b>83,17,828</b>
<b>Notes:</b>		
Component of Cash and Cash equivalents		
Balances with scheduled bank		
On current accounts	26,93,150	83,17,828
<b>Cash and Cash Equivalents at end of the year</b>	<b>26,93,150</b>	<b>83,17,828</b>

Summary of significant accounting policies refer note 2.2

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

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) is given as per note 11 (a).

**As per our report of even date**

**For DHARMESH PARIKH & CO.**  
**Chartered Accountants**  
**ICAI Firm Registration No.: 112054W**

**For and on behalf of Board of Directors of**  
**Adani Warehousing Services Private Limited**

**Anuj Jain**  
Partner  
Membership No. 119140

**Jai Khurana**  
Director  
DIN: 05140233

**Pranav Choudhary**  
Director  
DIN: 08123475

**Place: Ahmedabad**  
**Date: April 26, 2019**

**Place: Ahmedabad**  
**Date: April 26, 2019**

**1 Corporate information**

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

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

The Company has entered into leasing arrangement with APSEZL for warehouse storage area facilities in SEZ notified area at Mundra. The financial statement were authorised for issue in accordance with a resolution of the director on April 26, 2019.

**2 Basis of preparation**

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

The Financial Statements have been prepared on the historical cost basis.

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

**2.2 Summary of significant accounting policies**

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

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current

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

**b) Cash and cash equivalents**

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

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

**c) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

**Warehousing services**

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

**Interest Income**

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

**d) Borrowing Costs**

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

**e) Segment Reporting**

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

**f) Related Party Transactions**

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

**g) Leases**

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

**Company as a lessee**

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

**Company as a lessor**

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

**h) Earnings per share**

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

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

**i) Taxes**

Tax expense comprises of current income tax and deferred tax.

**Current income tax**

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

**Deferred tax**

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

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

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

**j) Provisions**

**General**

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

**k) Financial instruments**

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

**Financial assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value.

**Subsequent measurement**

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

**Debt Instruments at amortised cost**

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

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

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

**Derecognition**

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

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

**Impairment of financial assets**

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

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

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

**Financial liabilities**

**Initial recognition and measurement**

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

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

**Subsequent measurement**

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

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

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

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

**Loans and borrowings**

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

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

This category generally applies to borrowings.

**Derecognition**

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

**2.3 Significant accounting estimates and assumptions**

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

**Estimates and assumptions**

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

**Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used.

**Taxes**

Deferred tax (including MAT credits) assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment 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.

**Fair value measurement of financial instruments**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the 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. Judgments 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.

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**Adani Warehousing Services Private Limited**  
**Notes to Financial statements for the year ended March 31, 2019**

**3 Trade Receivables**

	As at March 31, 2019 Amount in ₹	As at March 31, 2018 Amount in ₹
<b>Current</b>		
<b>Unsecured</b>		
Considered good	54,96,894	3,09,38,087
Considered doubtful	4,75,371	-
	59,72,265	3,09,38,087
Less: Allowance for credit losses	(4,75,371)	-
<b>Total Trade Receivables</b>	<b>54,96,894</b>	<b>3,09,38,087</b>

Dues from related parties included in above (Refer Note 21)  
Trade Receivables

10,31,356                      20,16,081

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

b) Trade receivable are non interest bearing and are generally on terms of 5-30 days.

**4 Other Financial assets**

	As at March 31, 2019 Amount in ₹	As at March 31, 2018 Amount in ₹
<b>Non-current</b>		
Security and other deposits (Refer note 21)	25,240	-
	<b>25,240</b>	<b>-</b>

**Current**

Interest accrued but not due on deposits

7,92,908                      6,062

**7,92,908                      6,062**

**5 Other Assets**

	As at March 31, 2019 Amount in ₹	As at March 31, 2018 Amount in ₹
<b>Non Current</b>		
Taxes recoverable	27,83,769	-
	<b>27,83,769</b>	<b>-</b>

**Current**

**Others (Unsecured and considered good)**

Balances with statutory/ Government authorities

-                                      587

Advances recoverable in cash or in kind

491                                      -

**491                                      587**

**6 Cash and Bank Balances**

	As at March 31, 2019 Amount in ₹	As at March 31, 2018 Amount in ₹
<b>Cash and Cash Equivalents</b>		
<b>Balances with banks:</b>		
Balance in current account	26,93,150	83,17,828
	<b>26,93,150</b>	<b>83,17,828</b>

**Other bank balances**

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

4,73,71,251                      3,51,205

**4,73,71,251                      3,51,205**

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**Adani Warehousing Services Private Limited**  
**Notes to Financial statements for the year ended March 31, 2019**

**7 Share capital**

	As at March 31, 2019 Amount in ₹	As at March 31, 2018 Amount in ₹
<b>Authorised</b> 50,000 Equity Shares of ₹ 10 each ( 50,000 Equity Shares of ₹ 10 each as at March 31, 2018)	5,00,000	5,00,000
	<b>5,00,000</b>	<b>5,00,000</b>
<b>Issued, subscribed and fully paid up shares</b> 50,000 Equity Shares of ₹ 10 each ( 50,000 Equity Shares of ₹ 10 each as at March 31, 2018)	5,00,000	5,00,000
	<b>5,00,000</b>	<b>5,00,000</b>

**Notes:**

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

	As at March 31, 2019		As at March 31, 2018	
	No.	Amount in ₹	No.	Amount in ₹
At the beginning of the year	50,000	5,00,000	50,000	5,00,000
At the end of the year	<b>50,000</b>	<b>5,00,000</b>	<b>50,000</b>	<b>5,00,000</b>

**(b) Terms/rights attached to equity shares:**

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

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

**(c) Shares held by holding company**

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

	As at March 31, 2019 Amount in ₹	As at March 31, 2018 Amount in ₹
<b>Adani Ports and Special Economic Zone Limited, the holding company and its nominee</b> 50,000 equity shares (Previous year 50,000 ) of ₹ 10 each	5,00,000	5,00,000

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

Particulars	As at March 31, 2019		As at March 31, 2018	
	No	% Holding	No	% Holding
<b>Equity shares of ₹ 10 each fully paid</b>				
Adani Ports and Special Economic Zone Limited, the holding company and its nominee	50,000	100%	50,000	100%

**8 Other Equity**

	As at March 31, 2019 Amount in ₹	As at March 31, 2018 Amount in ₹
<b>Surplus in the statement of profit and loss</b>		
Opening Balance	2,09,51,645	(7,27,827)
Add : Profit for the year	3,17,38,403	2,16,79,472
<b>Total Other Equity</b>	<b>5,26,90,048</b>	<b>2,09,51,645</b>

**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.

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**Adani Warehousing Services Private Limited**  
**Notes to Financial statements for the year ended March 31, 2019**

**9 Borrowings**

	As at March 31, 2019 Amount in ₹	As at March 31, 2018 Amount in ₹
<b>Non-Current</b>		
Inter Corporate Deposit (refer note 'a') (Unsecured) (refer note 21)	-	49,21,000
<b>Total borrowings</b>	<b>-</b>	<b>49,21,000</b>

**Notes:**

(a) Inter corporate deposit is received from Adani Ports and Special Economic Zone Ltd., the holding Company, are interest bearing at 6.25% Per annum. The loan has been repaid during the current year.

**10 Trade payables**

	As at March 31, 2019 Amount in ₹	As at March 31, 2018 Amount in ₹
Payables to micro, small and medium enterprises (Refer note 25)	-	-
Trade payables	43,47,706	93,163
	<b>43,47,706</b>	<b>93,163</b>

Dues to related parties included in above (Refer Note 21)  
Trade payables

41,40,150

-

**11 Other financial liabilities**

	As at March 31, 2019 Amount in ₹	As at March 31, 2018 Amount in ₹
<b>Current</b>		
Interest accrued but not due on borrowings (Refer Note 21)	-	1,09,677
	<b>-</b>	<b>1,09,677</b>

**Notes:**

**a) Disclosure with regards to Amendments to Ind AS 7 Statement of Cash Flows:**

The amendments 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). The Company has provided the information for current period.

**Changes in liabilities arising from financing activities**

Particulars	April 1, 2018	Cash Flow	Foreign Exchange Movement	Other Adjustment	March 31, 2019
Non-Current Borrowings	49,21,000	(49,21,000)	-	-	-
Interest accrued but not due	1,09,677	(1,24,002)	-	14,325	-
<b>Total</b>	<b>50,30,677</b>	<b>(50,45,002)</b>	<b>-</b>	<b>14,325</b>	<b>-</b>

**12 Other liabilities**

	As at March 31, 2019 Amount in ₹	As at March 31, 2018 Amount in ₹
<b>Current</b>		
Unearned revenue	11,06,967	1,01,66,598
Advance from customers	1,19,131	-
<b>Statutory liabilities</b>		
-TDS Payable	1,53,005	21,397
-GST Payable	2,46,846	63,277
	<b>16,25,949</b>	<b>1,02,51,272</b>

**Adani Warehousing Services Private Limited**  
**Notes to Financials statements for the year ended March 31, 2019**

**13 Revenue from Operations**

	For the year ended March 31, 2019 Amount in ₹	For the year ended March 31, 2018 Amount in ₹
Rent Income	12,83,94,095	4,50,86,365
	<b>12,83,94,095</b>	<b>4,50,86,365</b>

**14 Other Income**

	For the year ended March 31, 2019 Amount in ₹	For the year ended March 31, 2018 Amount in ₹
Bad Debts Recovered	1,38,73,978	-
Miscellaneous Income	2,25,958	-
Interest Income from		
Bank deposits	29,01,448	21,991
Others	-	4,11,25,000
Income Tax Refund	-	1,108
<b>Total Other income</b>	<b>1,70,01,384</b>	<b>4,11,48,099</b>

**15 Operating Expenses**

	For the year ended March 31, 2019 Amount in ₹	For the year ended March 31, 2018 Amount in ₹
Rent Expenses	13,40,964	12,19,053
Operation & Maintenance Expenses	6,78,01,673	-
Terminal Royalty Expenses	2,56,78,818	-
Other expenses including customs establishment charges	2,74,276	3,52,458
Electricity Expenses	38,56,895	-
	<b>9,89,52,626</b>	<b>15,71,511</b>

Assets taken under Operating Leases – Warehouse are generally obtained on operating leases. The lease rent terms are for five years. There are no sub-leases and leases are cancellable in nature. There are no restrictions imposed by the lease arrangements. There is no contingent rent in the lease agreements. Expenses of ₹ 13,40,964 (previous year ₹ 12,19,053 ) incurred under such leases have been expensed in the statement of profit & loss.

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

- i) Not later than one year
- ii) Later than one year and not later than five years
- iii) Later than five years

	For the year ended March 31, 2019 Amount in ₹	For the year ended March 31, 2018 Amount in ₹
	14,75,054	13,40,964
	16,22,560	30,97,614
	-	-

**16 Finance Costs**

	For the year ended March 31, 2019 Amount in ₹	For the year ended March 31, 2018 Amount in ₹
<b>Interest on</b>		
Inter Corporate Deposit	14,325	4,08,96,862
Income Tax	3,28,533	-
Bank and other finance charges	39,887	15,377
	<b>3,82,745</b>	<b>4,09,12,239</b>

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**Adani Warehousing Services Private Limited**  
**Notes to Financials statements for the year ended March 31, 2019**  
**17 Other Expenses**

	For the year ended March 31, 2019 Amount in ₹	For the year ended March 31, 2018 Amount in ₹
Rent	95,979	86,680
Legal and Professional Expenses	1,38,126	48,133
Bad Debts written off	-	1,38,73,978
Payment to Auditors ( refer note 1 below)	1,02,172	86,000
Security Expenses	2,00,110	-
Electricity Expenses	7,677	5,309
Provision for Doubtful debts	4,75,371	-
Miscellaneous Expenses	-	3
	<b>10,19,435</b>	<b>1,41,00,103</b>

a) Assets taken under Operating Leases – Office space and liquid cargo store facilities taken on operating leases. The lease rent terms are for five years and are renewable by mutual agreement. There are no sub-leases and leases are cancellable in nature . There are no restrictions imposed by the lease arrangements. There is no contingent rent in the lease agreements . Expenses of ₹ 95,979 (previous year ₹ 86,680) incurred under such leases have been expensed in the statement of profit & loss.

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

	For the year ended March 31, 2019 Amount in ₹	For the year ended March 31, 2018 Amount in ₹
i) Not later than one year	1,06,421	-
ii) Later than one year and not later than five years	3,93,772	-
iii) Later than five years	-	-

**Note: 1**

**Payment to Auditor**

**As Auditor:**

Audit fee

**In other Capacity**

Certification Fees

Other Services

**Reimbursement of expenses**

	For the year ended March 31, 2019 Amount in ₹	For the year ended March 31, 2018 Amount in ₹
Audit fee	85,000	75,000
Certification Fees	2,500	-
Other Services	11,000	11,000
Reimbursement of expenses	3,672	-
	<b>1,02,172</b>	<b>86,000</b>

**18 Income Tax**

**(a) The major components of income tax expenses for the years ended March 31, 2019 and March 31, 2018**

**Statement of profit and loss**

**Current income tax:**

Current income tax charge

Adjustment in respect of income tax charge of previous year

**Income tax expenses reported in statement of profit and loss**

	For the year ended March 31, 2019 Amount in ₹	For the year ended March 31, 2018 Amount in ₹
Current income tax charge	94,26,806	79,15,657
Adjustment in respect of income tax charge of previous year	38,21,424	-
	<b>1,32,48,230</b>	<b>79,15,657</b>

**(b) Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate for March 31, 2019 and March 31, 2018**

	March 31, 2019		March 31, 2018	
	%	Amount in ₹	%	Amount in ₹
<b>Profit Before tax</b>		<b>4,49,86,633</b>		<b>2,95,95,129</b>
Tax using the Company's domestic rate	27.82%	1,25,15,281	27.55%	81,54,198
<b>Tax Effect of:</b>				
Non Deductible Expenses	0.20%	91,397	0.00%	-
Temporary Difference	-8.29%	(37,27,492)	0.00%	-
Impact of business loss utilised during the year	0.00%	-	-0.81%	(2,38,541)
Tax Expenses provided for the earlier period	8.49%	38,21,424	0.00%	-
Unrecognised MAT Credit	1.22%	5,47,620	0.00%	-
<b>Effective tax rate</b>	<b>29.45%</b>	<b>1,32,48,230</b>	<b>26.75%</b>	<b>79,15,657</b>
<b>Tax expenses as per Books</b>		<b>1,32,48,230</b>		<b>79,15,657</b>

## Adani Warehousing Services Private Limited

Notes to Financial statements for the year ended March 31, 2019

### 19 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

#### 19.1 Category-wise Classification of Financial Instruments:

a) The carrying value of financial instruments by categories as of March 31, 2019 is as follows :

Particulars	Refer Note	Amount in ₹			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
<b>Financial Asset</b>					
Trade receivables	3	-	-	54,96,894	54,96,894
Cash and Cash Equivalents	6	-	-	26,93,150	26,93,150
Other Bank balance	6	-	-	4,73,71,251	4,73,71,251
Other financial assets	4	-	-	8,18,148	8,18,148
		-	-	<b>5,63,79,443</b>	<b>5,63,79,443</b>
<b>Financial Liabilities</b>					
Trade payables	10	-	-	43,47,706	43,47,706
		-	-	<b>43,47,706</b>	<b>43,47,706</b>

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

Particulars	Refer Note	Amount in ₹			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
<b>Financial Asset</b>					
Trade receivables	3	-	-	3,09,38,087	3,09,38,087
Cash and Cash Equivalents	6	-	-	83,17,828	83,17,828
Other Bank balance	6	-	-	3,51,205	3,51,205
Others financial assets	4	-	-	6,062	6,062
		-	-	<b>3,96,13,182</b>	<b>3,96,13,182</b>
<b>Financial Liabilities</b>					
Borrowings	9	-	-	49,21,000	49,21,000
Trade payables	10	-	-	93,163	93,163
Other financial liabilities	11	-	-	1,09,677	1,09,677
		-	-	<b>51,23,840</b>	<b>51,23,840</b>

#### 19.2 Financial Instrument measured at Amortised Cost

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

#### 19.3 Financial Risk objective and policies

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

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

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

#### (i) Market risk

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

## Adani Warehousing Services Private Limited

### Notes to Financial statements for the year ended March 31, 2019

#### ii) Credit risk

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

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

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

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

#### iii) Liquidity Risk

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

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

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

Amount in ₹				
Contractual maturities of financial liabilities as at March 31, 2019	On Demand & Less than 1 year	1 to 5 years	Over 5 year	Total
Trade payables (refer note 10)	43,47,706	-	-	43,47,706
<b>Total</b>	<b>43,47,706</b>	<b>-</b>	<b>-</b>	<b>43,47,706</b>

  

Amount in ₹				
Contractual maturities of financial liabilities as at March 31, 2018	On Demand & Less than 1 year	1 to 5 years	Over 5 year	Total
Borrowings (refer note 9)	-	49,21,000	-	49,21,000
Trade payables (refer note 10)	93,163	-	-	93,163
Other Financial Liabilities (refer note 11)	1,09,677	-	-	1,09,677
<b>Total</b>	<b>2,02,840</b>	<b>49,21,000</b>	<b>-</b>	<b>51,23,840</b>

## 20 Capital management

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

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

Particulars	Refer note	March 31, 2019	March 31, 2018
Total borrowings	9	-	49,21,000
Less: Cash and bank balance	6	5,00,64,401	86,69,033
Net Debt (A)		<b>(5,00,64,401)</b>	<b>(37,48,033)</b>
Total Equity (B)	7 & 8	<b>5,31,90,048</b>	<b>2,14,51,645</b>
Total Equity and Net Debt (C = A + B)		<b>31,25,647</b>	<b>1,77,03,612</b>
Gearing ratio		-1601.73%	-21.17%

**Adani Warehousing Services Private Limited**  
**Notes to the financials Statements for the year ended March 31 , 2019**

**Note 21- Related Parties transactions**

Particulars	Name of Company
<b>Holding Company</b>	Adani Ports and Special Economic Zone Ltd
<b>Joint Venture of Holding Company</b>	Adani CMA Mundra Terminal Private Limited Adani International Container Terminal Private Limited
<b>Entities over which major shareholders of holding company are able to exercise Significant Influence through voting power</b>	Mundra Solar PV Limited Adani Wilmar Limited
<b>Key Management Personnel</b>	Mr. Jai Khurana, Director Mr. Pritpal Singh, Director (w.e.f. August 03, 2018) Mr. Pranav Choudhary, Director (w.e.f. May 02, 2018) Mr. Mukesh Saxena, Director (till August 04, 2018) Mr. Ennarasu Karunesan, Director (till May 03, 2018)

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

Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Notes:**

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

Transactions	Name of Related Party	Amount in ₹	
		March 31, 2019	March 31, 2018
Rent Income	Adani Ports and Special Economic Zone Ltd	-	21,08,336
	Adani Wilmar Limited	9,46,158	3,00,000
	Adani CMA Mundra Terminal Private Limited	-	31,366
	Adani International Container Terminal Private Limited	-	1,62,660
Rent Deposit Given	Adani Ports and Special Economic Zone Ltd	15,240	-
Rent Expenses	Adani Ports and Special Economic Zone Ltd	14,36,943	13,05,733
Office Electricity Expenses	Adani Ports and Special Economic Zone Ltd	7,677	5,309
Operation & Maintenance Expenses	Adani Ports and Special Economic Zone Ltd	6,78,01,673	-
Terminal Royalty Expenses	Adani Ports and Special Economic Zone Ltd	2,56,78,818	-
Warehouse Electricity Expenses	Adani Ports and Special Economic Zone Ltd	38,56,895	-
Reimbursement of Security Expenses	Adani Ports and Special Economic Zone Ltd	1,32,961	-
Borrowings Taken	Adani Ports and Special Economic Zone Ltd	-	1,75,51,00,000
Borrowings Repaid	Adani Ports and Special Economic Zone Ltd	49,21,000	1,75,03,00,000
Interest Expenses	Adani Ports and Special Economic Zone Ltd	14,325	4,08,96,862

Closing Balance	Name of Related Party	Amount in ₹	
		March 31, 2019	March 31, 2018
Trade receivables	Mundra Solar PV Limited	10,31,356	10,31,356
	Adani Ports and Special Economic Zone Ltd	-	4,55,774
	Adani Wilmar Limited	-	3,00,000
	Adani CMA Mundra Terminal Private Limited	-	37,012
	Adani International Container Terminal Private Limited	-	1,91,939
Non Current Financial Assets	Adani Ports and Special Economic Zone Ltd	15,240	-
Inter Corporate Deposit	Adani Ports and Special Economic Zone Ltd	-	49,21,000
Other financial liabilities	Adani Ports and Special Economic Zone Ltd	-	1,09,677
Trade Payable	Adani Ports and Special Economic Zone Ltd	41,40,150	-

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**Adani Warehousing Services Private Limited**  
**Notes to Financials statements for the year ended March 31, 2019**

**22 Earnings per share**

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
	<b>Amount in ₹</b>	<b>Amount in ₹</b>
Profit attributable to equity shareholders of the company	3,17,38,403	2,16,79,472
Weighted average number of equity shares	50,000	50,000
Basic and Diluted earning per share (in ₹)	634.77	433.59

**23 Capital commitments & other commitment**

Based on the information available with the Company, there is no capital and other commitments as at the year ended March 31, 2019 (March 31, 2018 : Nil).

**24 Contingent liabilities not provided for**

Based on the information available with the Company, there is no contingent liability as at the year ended March 31, 2019 ( March 31, 2018 : Nil).

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

**26 Personnel Cost**

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

**27 Derivative instruments and unhedged foreign currency exposure**

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

Nature	As at March 31, 2019		As at March 31, 2018	
	Amount in ₹	Foreign Currency In USD	Amount in ₹	Foreign Currency In USD
Trade Receivables	26,23,277	37,933.30	-	-

**Closing rates as at March 31, 2019:**

INR / USD = 69.155

**Closing rates as at March 31, 2018:**

INR / USD = 65.175

**28 Standard issued but not effective:**

The amendments to standards and new standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs("MCA") has issued new standards / certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2018. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board(IASB) into Ind AS and has amended / issued the following standards:

1. Ind AS 116 - Lease
2. Ind AS 12 - Income Taxes
3. Ind AS 19 - Plan Amendment, Curtailment or Settlement

These amendments / new issued standards are effective for annual periods beginning on or after April 01, 2019. Application of these amendments / new issued standards will not have any recognition and measurement impact. However, it will require additional disclosure in the financial statements.

The Company is assessing the potential effect of the amendments / new issued standards on its financial statements. The Company will adopt these amendments, if applicable, from their applicability date.

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## **Adani Warehousing Services Private Limited**

**Notes to Financial statements for the year ended March 31, 2019**

### **29 Events occurring after the Balance sheet Date**

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of April 26, 2019, there were no subsequent events to be recognized or reported that are not already disclosed.

**The accompanying notes form an integral part of financials statements  
As per our report of even date**

**For DHARMESH PARIKH & CO.  
Chartered Accountants  
ICAI Firm Registration No.: 112054W**

**For and on behalf of Board of Directors of  
Adani Warehousing Services Private Limited**

**Anuj Jain**  
Partner  
Membership No. 119140

**Jai Khurana**  
Director  
DIN: 05140233

**Pranav Choudhary**  
Director  
DIN: 08123475

**Place: Ahmedabad  
Date: April 26, 2019**

**Place: Ahmedabad  
Date: April 26, 2019**