

*G. K. Choksi & Co.*

*Chartered Accountants*

'Madhuban', Nr. Madalpur Underbridge, Ellisbridge, Ahmedabad – 380 006  
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## **Independent Auditor's Report**

**To the Members of Adani Agri Logistics (Dewas) Limited**

**Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of **Adani Agri Logistics (Dewas) Limited (“the Company”)** which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and the loss, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the*

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*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 for audit of financial statement under the provisions of the Act and Rules made thereunder, we have fulfilled our ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **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 obtained at the date of this auditor's report is information included in the Directors' Report including the Annexures to the 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 on the other information that we obtained prior to the date of this auditor's report, 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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

The Board of Directors are 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls..
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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, 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 books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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”.
  - 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 year.

- 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31st March 2020 on its financial position in its financial statements - Refer note 33 of the financial statement.
  - 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 of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

Place : Ahmedabad  
Date : 17<sup>th</sup> April, 2020  
UDIN: 20040727AAAAFC9596

**SANDIP PARIKH**  
*Partner*  
Mem. No. 040727

## **Annexure -A to the Independent Auditors' 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 Agri Logistics (Dewas) Limited** ("the Company") as on 31<sup>st</sup> March, 2020 in conjunction with our audit of financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company 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") 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 judgment, including 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 authorizations 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.



## **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 and 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 31<sup>st</sup> March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR G. K. CHOKSI & CO.**

[Firm Registration No.101895W]

*Chartered Accountants*

Place : Ahmedabad

Date : 17th April, 2020

UDIN: 20040727AAAAFC9596

**SANDIP PARIKH**

*Partner*

Mem. No. 040727

**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) In respect of Fixed Assets which have been derecognized pursuant to and recognized as financial asset and intangible asset:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and its situation.
  - b) Fixed assets have been physically verified by the management at reasonable intervals which in our opinion is reasonable having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds/ registered sale deed provided to us, we report that the title deeds of the immovable property are held in the name of the Company.
  
- (ii) As explained to us, the Management of the Company has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed on physical verification during the year.
  
- (iii) According to information and explanation given to us, 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 therefore the provision of Clause 3(iii) of the Order is not applicable to the Company.
  
- (iv) In our opinion and according to information and explanations given to us, the Company has not made any loan, investment, guarantees or security and therefore the provision of Clause 3(iv) of the Order is not applicable to the Company.

- (v) According to information and explanation given to us, the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provision of Clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013, for the business activities carried out by the Company and therefore, reporting under Clause 3(vi) of the Order is not applicable to the Company.
- (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 Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2020 on account of dispute are given below:

| <b>Name of the Statute</b>       | <b>Nature of Dues</b> | <b>Disputed Amount (Rs in hundreds)</b> | <b>Amount paid under protest (Rs in hundreds)</b> | <b>Period of Dues</b> | <b>Forum at which dispute is pending</b>    |
|----------------------------------|-----------------------|---|---|-----------------------|---|
| The Madhya Pradesh VAT Act, 2002 | Entry Tax             | 22,695.23                               | 6,354.67  | 2014-15               | Appellate Authority, Commercial Tax, Bhopal |
| The                              | Entry                 | 6,809.59                                | 3,845.19  | 2015-16               | Appellate                                   |

|                              |     |  |  |  |                                   |
|------------------------------|-----|--|--|--|-----------------------------------|
| Madhya Pradesh VAT Act, 2002 | Tax |  |  |  | Authority, Commercial Tax, Bhopal |
|------------------------------|-----|--|--|--|-----------------------------------|

- (viii) In our opinion and according to information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to financial institutions, banks, government or dues to debenture holders during the year.
- (ix) In our opinion and according to information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (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 course of our audit.
- (xi) In our opinion and according to the information and explanations give to us and based on our examination of the records of the Company, the Company has not provided any managerial remuneration. Accordingly reporting under clause 3(xi) of the Order is not applicable to the company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly reporting under clause 3(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 sections 177 and 188 of the Act where applicable for all transactions with related parties and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and therefore, the 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 year the Company has not entered into non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company as legally advised, is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the reporting under clause (xvi) of the Order is not applicable to the company.

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

Place : Ahmedabad  
Date : 17<sup>th</sup> April, 2020  
UDIN: 20040727AAAAFC9596

**SANDIP PARIKH**  
*Partner*  
Mem. No. 040727

| Particulars  | Note No. | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
|--|----------|-------------------------|-------------------------|
| <b>Assets</b>  |          |                         |                         |
| <b>Non-Current Assets</b>  |          |                         |                         |
| Other Intangible Assets  | 6        | 3,49,562.80             | 3,63,951.01             |
| <b>Financial assets</b>  |          |                         |                         |
| (i) SCA receivables  | 7        | 8,91,581.99             | 10,52,471.97            |
| (ii) Other financial assets  | 8        | 4,207.00                | 4,168.00                |
| Income Tax Assets (net)  | 10       | 6,644.24                | 11,501.19               |
| Other Non-Current Assets   | 11       | 50.00                   | 50.00                   |
| <b>Total non-current assets</b>  |          | <b>12,52,046.03</b>     | <b>14,32,142.17</b>     |
| <b>Current Assets</b>  |          |                         |                         |
| Inventories  | 12       | 2,229.64                | 1,322.08                |
| <b>Financial assets</b>  |          |                         |                         |
| (i) Trade Receivables  | 13       | 72,525.76               | 61,496.34               |
| (ii) Cash and Cash Equivalents   | 14       | 4,408.63                | 1,93,313.17             |
| (iii) Bank Balances other than (ii) above  | 15       | -                       | 2,41,000.00             |
| (iv) SCA receivables   | 7        | 2,90,669.37             | 2,93,605.42             |
| (v) Other Financial Assets   | 8        | 9,307.60                | 13,764.53               |
| Other Current Assets   | 11       | 7,509.33                | 5,751.39                |
| <b>Total current assets</b>  |          | <b>3,86,650.33</b>      | <b>8,10,252.93</b>      |
| <b>Total assets</b>  |          | <b>16,38,696.36</b>     | <b>22,42,395.10</b>     |
| <b>Equity And Liabilities</b>  |          |                         |                         |
| <b>Equity</b>  |          |                         |                         |
| Equity Share Capital   | 16       | 1,00,000.00             | 1,00,000.00             |
| Perpetual debt   | 16.1     | 4,95,572.67             | -                       |
| Other Equity   | 17       | (3,35,542.58)           | (3,01,311.15)           |
| <b>Total Equity attributable to Equity holders of the parent</b>                         |          | <b>2,60,030.09</b>      | <b>(2,01,311.15)</b>    |
| <b>LIABILITIES</b>   |          |                         |                         |
| <b>Non-Current Liabilities</b>   |          |                         |                         |
| <b>Financial Liabilities</b>   |          |                         |                         |
| (i) Borrowings   | 18       | 12,16,780.86            | 16,94,330.77            |
| (ii) Other Financial Liabilities   | 19       | -                       | -                       |
| Provisions   | 20       | 1,942.05                | 1,040.47                |
| Other Non-Current Liabilities  | 21       | 1,36,733.87             | 1,42,603.51             |
| <b>Total non-current liabilities</b>   |          | <b>13,55,456.78</b>     | <b>18,37,974.75</b>     |
| <b>Current Liabilities</b>   |          |                         |                         |
| <b>Financial Liabilities</b>   |          |                         |                         |
| (i) Borrowings   | 18       | -                       | 4,85,658.22             |
| (ii) Trade and other payables  |          |                         |                         |
| - Total outstanding dues of micro enterprises and small enterprises                      |          | -                       | -                       |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 22       | 14,275.05               | 11,625.04               |
| (iii) Other Financial Liabilities  | 19       | -                       | 1,01,125.46             |
| Provisions   | 20       | 237.27                  | 168.32                  |
| Other Current Liabilities  | 21       | 8,697.17                | 7,154.46                |
| <b>Total current liabilities</b>   |          | <b>23,209.49</b>        | <b>6,05,731.50</b>      |
| <b>Total Liabilities</b>   |          | <b>13,78,666.27</b>     | <b>24,43,706.25</b>     |
| <b>Total Equity and Liabilities</b>  |          | <b>16,38,696.36</b>     | <b>22,42,395.10</b>     |

Significant accounting policies & notes on accounts from note no. 1 to 40 form an integral part of financial statements.  
As per our report of even date

For G.K.Choksi & Co.  
(Firm Registration No : 101895W)  
Chartered Accountants

For and on behalf of the Board of Directors of  
Adani Agri Logistics (Dewas) Limited

Sandip A Parikh  
Partner  
Membership No.40727

Manoj Chanduka  
Director  
DIN : 08528238

Sandeep Mehta  
Director  
DIN : 06367909

Place : Ahmedabad  
Date : 17-April-2020

Place : Ahmedabad  
Date : 17-April-2020

Adani Agri Logistics (Dewas) Limited  
Statement of Profit and Loss for the year ended on March 31, 2020



₹ in Hundreds

| Particulars  | Note No. | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
|--|----------|--------------------------------------|--------------------------------------|
| <b>Income</b>  |          |                                      |                                      |
| Revenue from Operations  | 23       | 98,839.87                            | 80,444.61                            |
| Other Income   | 24       | 1,61,154.98                          | 1,83,029.55                          |
| <b>Total Income</b>  |          | <b>2,59,994.85</b>                   | <b>2,63,474.16</b>                   |
| <b>Expenses</b>  |          |                                      |                                      |
| Operating Expenses   | 25       | 69,711.60                            | 62,157.16                            |
| Employee Benefits Expense  | 26       | 12,997.17                            | 17,354.81                            |
| Depreciation and Amortization Expense  | 6        | 14,388.21                            | 14,348.90                            |
| Finance Costs  | 27       | 1,55,078.66                          | 2,17,881.23                          |
| Other Expenses   | 28       | 41,876.85                            | 35,736.75                            |
| <b>Total Expenses</b>  |          | <b>2,94,052.49</b>                   | <b>3,47,478.85</b>                   |
| <b>(Loss) before exceptional items and tax</b>                               |          | <b>(34,057.64)</b>                   | <b>(84,004.69)</b>                   |
| Exceptional items  |          | -                                    | -                                    |
| <b>(Loss) before tax</b>   |          | <b>(34,057.64)</b>                   | <b>(84,004.69)</b>                   |
| <b>Tax expense:</b>  |          |                                      |                                      |
| Current tax  | 9        | -                                    | -                                    |
| Deferred tax   | 9        | -                                    | -                                    |
| <b>Total tax expense</b>   |          | <b>-</b>                             | <b>-</b>                             |
| <b>(Loss) for the year</b>   |          | <b>(34,057.64)</b>                   | <b>(84,004.69)</b>                   |
| <b>Other Comprehensive Income</b>  |          |                                      |                                      |
| <b>A. Items that will not be reclassified to profit or loss</b>              |          |                                      |                                      |
| -Remeasurements of defined benefit liability (asset)                         |          | (173.79)                             | (2.30)                               |
| -Income tax related to items that will not be reclassified to profit or loss |          | -                                    | -                                    |
| <b>B. Items that will be reclassified to profit or loss</b>                  |          |                                      |                                      |
| <b>Other comprehensive income</b>  |          | <b>(173.79)</b>                      | <b>(2.30)</b>                        |
| <b>Total comprehensive loss for the year</b>                                 |          | <b>(34,231.43)</b>                   | <b>(84,006.99)</b>                   |
| <b>Earnings Per Share</b>  |          |                                      |                                      |
| Basic  | 35       | (3.41)                               | (8.40)                               |
| Diluted  | 35       | (3.41)                               | (8.40)                               |

Significant accounting policies & notes on accounts from note no. 1 to 40 form an integral part of financial statements.  
As per our report of even date

For G.K.Choksi & Co.  
(Firm Registration No : 101895W)  
Chartered Accountants

For and on behalf of the Board of Directors of  
Adani Agri Logistics (Dewas) Limited

Sandip A Parikh  
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DIN : 06367909

Place : Ahmedabad  
Date : 17-April-2020

Place : Ahmedabad  
Date : 17-April-2020

**Adani Agri Logistics (Dewas) Limited**  
Cash flow statement for the year ended on March, 31 2020



₹ in Hundreds

| Particulars  | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| <b>Cash flow from operating activities</b>                       |                      |                      |
| Profit/(loss) before Tax   | (34,057.64)          | (84,004.69)          |
| <b>Adjustments:</b>  |                      |                      |
| Depreciation and amortisation                                    | 14,388.21            | 14,348.90            |
| Government grant amortised                                       | (5,869.65)           | (5,853.61)           |
| Interest expense   | 1,55,019.66          | 2,17,881.23          |
| Interest income  | (1,54,451.14)        | (1,77,175.94)        |
| <b>Operating profit/(loss) before working capital changes</b>    | <b>(24,970.56)</b>   | <b>(34,804.11)</b>   |
| <b>Movements in working capital :</b>                            |                      |                      |
| (Increase)/decrease in other financial assets                    | (39.00)              | (2,924.46)           |
| (Increase)/decrease in inventories                               | (907.55)             | 255.52               |
| (Increase)/decrease in trade receivables                         | (11,029.42)          | (33,242.66)          |
| (Increase)/decrease in other assets                              | (1,757.94)           | 268.89               |
| Increase/(decrease) in other financial liabilities               | -                    | -                    |
| Increase/(decrease) in provisions                                | 796.74               | (205.79)             |
| Increase/(decrease) in other liabilities                         | 1,542.71             | (161.14)             |
| Increase/(decrease) in trade payables                            | 2,650.01             | 1,402.29             |
| <b>Cash flow from/(used in) operating activities</b>             | <b>(33,715.01)</b>   | <b>(69,411.46)</b>   |
| Direct taxes paid (net of refunds)                               | 4,856.95             | (2,426.36)           |
| <b>Net cash flow (used in)/from operating activities (A)</b>     | <b>(28,858.06)</b>   | <b>(71,837.82)</b>   |
| <b>Cash flows from investing activities</b>                      |                      |                      |
| (Increase)/decrease in financial and intangible asset under SCA  | 2,97,988.00          | 3,46,801.55          |
| (Increase)/decrease in other balances with bank                  | 2,41,000.00          | -                    |
| Interest received  | 24,746.11            | 24,689.31            |
| <b>Net cash flow (used in) from investing activities (B)</b>     | <b>5,63,734.11</b>   | <b>3,71,490.86</b>   |
| <b>Cash flows from financing activities</b>                      |                      |                      |
| Proceeds/(repayment) of Term Loan                                | (17,79,250.17)       | (3,985.79)           |
| Proceeds from ICD  | 17,58,382.87         | -                    |
| Repayment of ICD   | (5,95,217.91)        | -                    |
| ICD given  | (50,000.00)          | -                    |
| ICD received Back  | 50,000.00            | -                    |
| Interest paid(net)   | (1,07,695.37)        | (1,71,660.07)        |
| <b>Net cash flow (used in) from financing activities (C)</b>     | <b>(7,23,780.57)</b> | <b>(1,75,645.86)</b> |
| Net increase/(decrease) in cash and cash equivalents (A + B + C) | (1,88,904.53)        | 1,24,007.18          |
| Cash and cash equivalents at the beginning of the year           | 1,93,313.17          | 69,305.99            |
| <b>Cash and cash equivalents at the end of the year</b>          | <b>4,408.63</b>      | <b>1,93,313.17</b>   |
| <b>Components of cash and cash equivalents</b>                   |                      |                      |
| With banks-in current account                                    | 4,408.63             | 1,93,313.17          |
| <b>Total cash and cash equivalents</b>                           | <b>4,408.63</b>      | <b>1,93,313.17</b>   |

Significant accounting policies & notes on accounts from note no. 1 to 40 form an integral part of financial statements.

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

(2) The Company considers deposits of original maturity of less than 3 months as a part of cash and cash equivalents.  
As per our report of even date

**For G.K.Choksi & Co.**  
**(Firm Registration No : 101895W)**  
**Chartered Accountants**

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

**Sandip A Parikh**  
Partner  
Membership No.40727

**Manoj Chanduka**  
Director  
DIN : 08528238

**Sandeep Mehta**  
Director  
DIN : 06367909

Place : Ahmedabad  
Date : 17-April-2020

Place : Ahmedabad  
Date : 17-April-2020



Adani Agri Logistics (Dewas) Limited  
Statement of changes in equity for the year ended on March 31, 2020



**Part A : Share Capital**

| Particulars                          | ₹ in Hundreds   |
|--------------------------------------|-----------------|
| <b>As at 1st April 2018</b>          | <b>1,00,000</b> |
| Addition / reduction during the year | -               |
| <b>As at 31st March 2019</b>         | <b>1,00,000</b> |
| Addition / reduction during the year | -               |
| <b>As at 31st March 2020</b>         | <b>1,00,000</b> |

**Part B : Perpetual Debt**

| Particulars                          | ₹ in Hundreds   |
|--------------------------------------|-----------------|
| <b>As at 1st April 2018</b>          | -               |
| Addition / reduction during the year | -               |
| <b>As at 31st March 2019</b>         | -               |
| Addition / reduction during the year | <b>4,95,573</b> |
| <b>As at 31st March 2020</b>         | <b>4,95,573</b> |

**Part C : Other Equity**

| Particulars                             | ₹ in Hundreds        |                      |
|---|----------------------|----------------------|
|   | Reserves and surplus | Retained earnings    |
| <b>Balance at 1st April 2018</b>        |                      | <b>(2,17,304.11)</b> |
| Profit for the period                   |                      | (84,004.69)          |
| Other comprehensive income for the year |                      | (2.30)               |
| Increase/(decrease) during the year     |                      | -                    |
| <b>As at 31st March, 2019</b>           |                      | <b>(3,01,311.10)</b> |
| <b>Balance at 1st April 2019</b>        |                      | <b>(3,01,311.10)</b> |
| Profit for the period                   |                      | (34,057.64)          |
| Other comprehensive income for the year |                      | (173.79)             |
| Increase/(decrease) during the year     |                      | -                    |
| <b>As at March 31, 2020</b>             |                      | <b>(3,35,542.53)</b> |

Significant accounting policies & notes on accounts from note no. 1 to 40 form an integral part of financial statements.  
As per our report of even date

**For G.K.Choksi & Co.**  
(Firm Registration No : 101895W)  
Chartered Accountants

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

**Sandip A Parikh**  
Partner  
Membership No.40727

**Manoj Chanduka**  
Director  
DIN : 08528238

**Sandeep Mehta**  
Director  
DIN : 06367909

Place : Ahmedabad  
Date : 17-April-2020

Place : Ahmedabad  
Date : 17-April-2020

**1 Corporate information**

Adani Agri Logistics (Dewas) Limited ('the Company') is a wholly owned subsidiary of Adani Agri Logistics Limited (w.e.f. 30th March, 2017) (earlier wholly owned subsidiary of Adani Enterprises Limited up to 29th March 2017) and incorporated under the provisions of the Companies Act, 2013 on 29th May, 2014. The registered office of the company is situated at Adani House, 56, Shrimali Society Navrangpura, Ahmedabad, Gujarat, 380009. The company is engaged in the business of storage of food grains at Dewas in the state of Madhya Pradesh.

The financial statements were authorised for issue in accordance with a resolution of the directors on April 17, 2020.

**2 Features of service concession agreement entered into with MPWLC**

The company has entered into service concession agreement ("SCA") with Madhya Pradesh Warehousing and Logistic Corporation (MPWLC), a public sector undertaking under the control of Government of Madhya Pradesh to construct and operate an integrated storage facility on Design, Built, Finance, Operate and Transfer (DBFOT) basis for storage of food grains comprising 4 silos with a designed storage capacity of 50,000 MT for a period of 30 (thirty) years.

**Scope of service:**

Under the service concession agreement, the company is required to (a) construct storage facility (b) operate and maintain storage facility (c) storage and preservation of food grains and fulfilment of all other obligations in accordance with terms of SCA.

The company is required to maintain the availability of at least 98% of storage capacity during any accounting year of concession period. ("Normative Availability")

**Storage and other charges income**

As per the terms of SCA, the company is entitled to base fixed charges as per the rates mentioned in SCA of normative availability. The company is also entitled to variable charges such as loading and unloading charges, bagging charges, stacking charges etc. as per the rates mentioned in SCA. The base fixed charges are reduced by 1% every year after year of commercial operation. Further the base fixed charges and variable charges are revised to reflect 75% of variation in wholesale price Index (WPI) occurring in between Reference Index Date for march of the year (31/03/2013) and reference index date for the month of March preceding the accounting year for which such revision is undertaken.

The company is required to maintain the availability of at least 98% of storage capacity during any accounting year of concession period. In case the availability is less than 98% of storage capacity, the fixed charges payable for the relevant period shall be proportionally reduced and in addition damages equal to 0.5 times of proportionate reduction of fixed charges during non-harvest season and 2 times of proportionate reduction during harvest season shall be payable.

**Reservation of capacity:**

As per the terms of the SCA, MPWLC has, at any time after 10th year from commercial operation date, right to release and dereserve one or more of the silos comprising storage capacity and thus the obligations of MPWLC to pay fixed storage charges and the obligation of company to provide storage capacity shall cease. The company has a right to let out the dereserved capacity to any third parties subject to sharing of 10% of revenue received from such let out.

**3 Basis of preparation**

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

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

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

**New and amended standards adopted by the Company**

The following standards and amendments became applicable for the first time for the annual reporting period commencing 1 April 2019:

- a) Ind AS 116 - Leases
- b) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment
- c) Amendment to Ind AS 12, Income Taxes
- d) Ind AS 19 – Plan Amendment, Curtailment or Settlement
- e) Ind AS 109 – Prepayment Features with Negative Compensation:

**Other Amendments:**

Apart from aforesaid amendments in various, below mentioned amendments in Ind AS which did not have any material impact to the financial statements.

- a) Ind AS 23 – Borrowing Costs
- b) Ind AS 28 – Long-term Interests in Associates and Joint Ventures
- c) Ind AS 103 – Business Combinations and Ind AS 111 - Joint Arrangements

Most of the amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### 4 Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in note 4.1. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.

##### 4.1 The significant estimates and judgements are listed below:

- (i) Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.
- (ii) The impairment provision for financial assets are based on the assumptions about risk of default and expected loss rates. The company uses judgements in making the assumptions and selecting the inputs to the impairment calculations, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
- (iii) Judgements by actuaries in respect of discount rates, future salary increments, mortality rates and inflation rate used for computation of defined benefit liability.
- (iv) Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.
- (v) Significant judgement is required to classify the balance with government authorities including tax assets into current and non-current assets.
- (vi) Significant judgement is required in assessing at each reporting date whether there is indication that an asset may be impaired.
- (vii) Significant judgement has been exercised by management for measuring fair value of financial assets under SCA considering the fact that MPWLC has right to dereserve the capacity at the end of 10th year from COD. Further this also requires judgement on the part of management to anticipate incremental borrowing rate of SCA to discount future cash flows of fixed storage charges to arrive at fair value of financial asset under SCA.
- (viii) Significant judgement has been exercised by the management in estimating the recoverability of amount to be received from the customers.

#### 5 Summary of significant accounting policies

##### (a) Current and non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

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

##### (b) Service concession agreement

###### Recognition and measurement:

The company has entered into service concession agreement with Madhya Pradesh Warehousing and Logistic Corporation (MPWLC) which is an arrangement between the "grantor" (a public sector entity/authority) and the "operator" (a private sector entity) to provide services that give the public access to major economic and social facilities utilizing private-sector funds and expertise.

With respect to SCA, revenue and costs are allocated between those relating to construction services and those relating to operation and maintenance services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the SCA.

When the amount of consideration under the arrangement for the provision of public services is substantially fixed by a contract, the company recognizes the consideration for construction services at its fair value as a financial asset and is classified as "financial asset under service concession arrangements"

When the demand risk is with company, then, to the extent that the company has a right to charge the user of infrastructure facility, the company recognizes the consideration for construction services at its fair value, as an intangible asset. The company accounts for such intangible asset in accordance with the provisions of Ind AS 38.

When the amount of consideration under the arrangement comprises -

- fixed charges based on Annual Guaranteed Tonnage and
- variable charges based on Actual Utilization Tonnage

then, the company recognizes the consideration for construction services at its fair value, as the "financial asset under service concession arrangement" to the extent present value of fixed payment to be received discounted at incremental borrowing rate and the residual portion is recognized as an intangible asset.

#### **Revenue recognition**

Once the infrastructure is in operation, the treatment of income is as follows:

Finance income over financial asset after consideration of fixed storage charges is recognized using effective interest method. Variable storage charges revenue is recognized in the period of storage of food grains. Revenues from other variable charges such as loading and unloading charges, bagging charges, stacking charges, etc. as per the rates mentioned in SCA are recognized in each period as and when services are rendered in accordance with "Ind AS 115".

#### **Amortization of intangible asset under SCAs**

The intangible rights relating to infrastructure assets, are amortized equally during the period of service concession arrangement (30 Years).

#### **(c) Fair value measurement**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**(d) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. It is broadly classified in Financial Assets, Financial Liabilities, Derivatives & Equity.

**Financial asset:**

Trade receivable, loans & advances given, security deposits given, investment in debt securities & other contractual receivables are covered under Financial Assets.

**Initial recognition:**

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

**Subsequent measurement:**

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

**Derecognition:**

A financial asset is derecognized only when

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

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

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

**Impairment of financial asset:**

The company assesses impairment based on expected credit losses(ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For recognition of impairment loss on financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

**Financial liability**

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

**Initial recognition:**

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

**Subsequent measurement:**

Above financial liabilities are subsequently measured at 'amortised cost' using effective interest rate (EIR) method at each reporting date. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition of debt instrument and fees or incidental charges that are an integral part of borrowing transaction. The EIR amortisation is included as 'finance costs' in the statement of profit and loss.

**Derecognition:**

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

**(e) Inventories**

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

**(f) Borrowing costs**

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

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

In case of concession arrangement, out of total borrowing cost attributable to construction of the infrastructure, borrowing cost attributable to financial asset (i.e. proportion of total value of financial asset to total fair value of construction services) are charged to statement of profit and loss in the period in which such costs are incurred and borrowing cost attributable to intangible asset (i.e. proportion of total value of intangible asset to total fair value of construction services) are capitalized in intangible asset in the period in which such costs are incurred.

**(g) Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

**(h) Revenue recognition**

IND AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IND AS 18 Revenue, IND AS 11 Construction Contracts and related interpretations. Under IND AS 115, revenue is recognised when a customer obtains control of the goods or services. Revenue is recognised to the extent that it is probable that the Company will collect the consideration to which it is entitled. Determining the timing of the transfer of control – at a point in time or over time – requires judgement.

The Company has adopted IND AS 115 using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognised at the date of initial application (i.e. April 01, 2018). Accordingly, the information presented for March 31, 2018 has not been restated. The Company's current practices for recognising revenue have shown to comply in all material aspects with the concepts and principles encompassed by the new standard including its Appendix. Therefore, IND AS 115 did not have a significant impact on the Company's accounting for revenue recognition.

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

**Revenue from rendering of service :** Revenue from rendering of service is recognised as per the terms of contract with customers based on the stage of completion when the outcome of the transactions involving rendering of service can be estimated reliably. Percentage completion method requires the company to estimate the service performed to date as a proportion of the total services to be performed.

Service concession arrangements revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date

Revenue from construction contracts is recognized on a percentage completion method, in proportion that the contract costs incurred for work performed up to the reporting date stand to the estimated total contract costs indicating the stage of completion of the project.

In accordance with Appendix A of Ind AS 11, The construction revenue and construction cost needs to be recognised in statement of profit and loss during the period of construction of storage facility. The construction cost represents actual expenditure incurred on construction and no margin is to be recognised to derive the construction revenue as in the management opinion fair value of construction revenue approximates the construction cost.

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

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

**(i) Employee benefits**

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

**Provident fund**

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

**Gratuity fund**

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

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

Interest is calculated by applying the discount rate to the net defined benefit liability.

The company recognises the following changes in the net defined benefit obligation under employee benefit expense in the statement of profit and loss:

- > Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- > Net interest expense or income

**Compensated absences**

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

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

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

**(j) 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 storage services. Since there are no other business segments in which the company operates, there are no reportable segments. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statement.

**(k) Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the tax are those that are enacted or substantially enacted, at the reporting date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

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

**(l) Earnings per share**

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

**(m) Cash and cash equivalent**

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

**(n) Provision, contingent liabilities and contingent assets****General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of the provisions to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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



**Contingent liabilities**

Contingent liabilities is disclosed in the case of :

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

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

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

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

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

**(o) Impairment of non-financial assets**

As at each balance sheet date, the company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined :

> In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and

> In the case of cash generating unit(a group of assets that generates identified, independent cash flows), at the higher of the cash generating units' fair value less cost to sell and the value in use.

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.

**(p) Lease**

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

Ind AS 116 supersedes Ind AS 17 Leases and appendix A to Ind AS 17 Operating Leases—Incentives, appendix B to Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease and appendix C to Ind AS 17 Determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption and applied the Standard to its leases on a prospective basis. The adoption of the standard did not have any material impact to the financial statements. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously

**1. Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities

**2. Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition,

**3. Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of property, plant and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value.

**4. Significant judgement in determining the lease term of contracts with renewal options**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

**Under Ind AS 17 ( For comparative period)****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

**Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

| 6 Intangible asset  |                      | <i>₹ in Hundreds</i> |  |
|---|----------------------|----------------------|--|
| Particulars   | As at March 31, 2020 | As at March 31, 2019 |  |
| <b>Gross intangible assets</b>                                      |                      |                      |  |
| Gross intangible assets under SCA at the beginning of the year      | 4,11,855.71          | 4,11,855.71          |  |
| Add: capitalised during the year                                    | -                    | -                    |  |
| Less: reduction during the year                                     | -                    | -                    |  |
| <b>Gross intangible assets under SCA at the end of the year (A)</b> | <b>4,11,855.71</b>   | <b>4,11,855.71</b>   |  |
| <b>Accumulated amortisation</b>                                     |                      |                      |  |
| Accumulated amortisation at the beginning of the year               | 47,904.70            | 33,555.80            |  |
| Add: amortisation for the year                                      | 14,388.21            | 14,348.90            |  |
| <b>Accumulated amortisation at the end of the year (B)</b>          | <b>62,292.91</b>     | <b>47,904.70</b>     |  |
| <b>Net intangible assets under SCA at the end of the year (A-B)</b> | <b>3,49,562.80</b>   | <b>3,63,951.01</b>   |  |

| 7 SCA receivables  |                      | <i>₹ in Hundreds</i> |  |
|--------------------|----------------------|----------------------|--|
| Particulars        | As at March 31, 2020 | As at March 31, 2019 |  |
| <b>Non current</b> |                      |                      |  |
| SCA receivables    | 8,91,581.99          | 10,52,471.97         |  |
|                    | <b>8,91,581.99</b>   | <b>10,52,471.97</b>  |  |
| <b>Current</b>     |                      |                      |  |
| SCA receivables    | 2,90,669.37          | 2,93,605.42          |  |
|                    | <b>2,90,669.37</b>   | <b>2,93,605.42</b>   |  |

| 8 Other financial assets                                 |                      | <i>₹ in Hundreds</i> |  |
|--|----------------------|----------------------|--|
| Particulars  | As at March 31, 2020 | As at March 31, 2019 |  |
| <b>Unsecured considered good unless stated otherwise</b> |                      |                      |  |
| <b>Non current</b>                                       |                      |                      |  |
| Security and other deposits                              | 4,207.00             | 4,168.00             |  |
|  | <b>4,207.00</b>      | <b>4,168.00</b>      |  |
| <b>Current</b>   |                      |                      |  |
| Security and other deposits                              | 9,279.12             | 9,279.12             |  |
| Interest accrued on deposits, loans and advances         | 28.48                | 4,485.41             |  |
|  | <b>9,307.60</b>      | <b>13,764.53</b>     |  |

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

|  |                      | <i>₹ in Hundreds</i> |  |
|--|----------------------|----------------------|--|
| Particulars  | As at March 31, 2020 | As at March 31, 2019 |  |
| <b>Statement of profit and loss / other comprehensive income</b> |                      |                      |  |
| <b>Current income tax</b>  |                      |                      |  |
| Current tax  | -                    | -                    |  |
| Deferred tax   | -                    | -                    |  |
|  | -                    | -                    |  |

| Reconciliation  |                      | <i>₹ in Hundreds</i> |  |
|---|----------------------|----------------------|--|
| Particulars   | As at March 31, 2020 | As at March 31, 2019 |  |
| Total comprehensive income (before income tax)                          | (34,057.64)          | (84,004.69)          |  |
| Applicable tax rate   | 26.00%               | 26.00%               |  |
| Tax on book profit as per applicable tax rate                           | (8,854.99)           | (21,841.22)          |  |
| <b>Tax adjustment due to</b>  |                      |                      |  |
| <b>Add:</b>   |                      |                      |  |
| Provision for gratuity, leave encashment & bonus not allowable u/s. 43B | 268.26               | (80.49)              |  |
| Amortisation of intangible asset under SCA                              | 3,740.94             | 3,730.71             |  |
| Fixed storage charges   | 84,442.15            | -                    |  |
| Remeasurements of defined benefit liability (asset)                     | (45.19)              | 85,295.10            |  |
| Provision for doubtful debts  | 454.41               | 757.20               |  |
| <b>Less:</b>  |                      |                      |  |
| Interest income on financial asset                                      | 34,882.11            | 39,485.97            |  |
| Remeasurements of defined benefit liability (asset)                     | -                    | 0.60                 |  |
| Deduction u/s. 35D  | 139.01               | 139.01               |  |
| Government grant amortised  | 1,526.11             | 1,521.94             |  |
| Brought forward business loss set off                                   | 43,458.37            | 26,713.80            |  |
| <b>Total tax expense (current + deferred tax)</b>                       | <b>-</b>             | <b>-</b>             |  |

Deferred tax expense is recognised as follows:

₹ in Hundreds

| Particulars   | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------|----------------------|
| <b>Deferred tax liabilities</b>   |                      |                      |
| SCA receivables   | 2,93,312.15          | 3,49,980.12          |
| Intangible asset under SCA  | 90,886.33            | 94,627.26            |
| <b>Gross deferred tax liabilities</b>   | <b>3,84,198.48</b>   | <b>4,44,607.39</b>   |
| <b>Deferred tax asset</b>   |                      |                      |
| Effect of expenditure debited to statement of profit and loss in the current period, but allowable for tax purposes in the following years: |                      |                      |
| a. Provision for gratuity, leave encashment and bonus not allowable u/s. 43B  | 708.46               | 440.20               |
| b. Preliminary expenditure u/s. 35D   | -                    | 139.01               |
| c. Unamortised government grant   | 37,076.91            | 38,603.02            |
| d. Unabsorbed depreciation/ business loss (refer note)  | 7,25,682.72          | 7,69,142.10          |
| e. Provision for doubtful debts   | 1,211.62             | 757.20               |
| <b>Gross deferred tax asset</b>   | <b>7,64,679.71</b>   | <b>8,09,081.53</b>   |
| <b>Limited to the value of Gross Deferred Tax Liability</b>   | <b>3,84,198.48</b>   | <b>4,44,607.39</b>   |
| <b>Net Deferred Tax Liability / Asset (Refer Note)</b>  | <b>-</b>             | <b>-</b>             |

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

10 **Income Tax Assets (net)**

₹ in Hundreds

| Particulars                               | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------|----------------------|
| Tax deducted at source (net of provision) | 6,644.24             | 11,501.19            |
|   | <b>6,644.24</b>      | <b>11,501.19</b>     |

11 **Other assets**

₹ in Hundreds

| Particulars  | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| <b>Unsecured considered good unless stated otherwise</b> |                      |                      |
| <b>Non current</b>                                       |                      |                      |
| Capital advances   | -                    | -                    |
| Balances with government authorities                     | 50.00                | 50.00                |
|  | <b>50.00</b>         | <b>50.00</b>         |
| <b>Current</b>   |                      |                      |
| Other recoverables                                       | 1,755.35             | 361.39               |
| Advance to employees                                     | 830.00               | 300.00               |
| Prepaid expenses   | 4,923.98             | 5,090.00             |
|  | <b>7,509.33</b>      | <b>5,751.39</b>      |

12 **Inventories**

₹ in Hundreds

| Particulars                     | As at March 31, 2020 | As at March 31, 2019 |
|---------------------------------|----------------------|----------------------|
| Stores & spares and consumables | 2,229.64             | 1,322.09             |
|                                 | <b>2,229.64</b>      | <b>1,322.09</b>      |

13 **Trade receivables**

₹ in Hundreds

| Particulars  | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| <b>Unsecured considered good unless stated otherwise</b> |                      |                      |
| Trade Receivables  |                      |                      |
| - Considered Good  | 72,525.76            | 61,496.34            |
| - Considered Doubtful                                    | 4,660.06             | 2,912.32             |
|  | <b>77,185.82</b>     | <b>64,408.66</b>     |
| Less : Allowances for Doubtful debts                     | (4,660.06)           | (2,912.32)           |
|  | <b>72,525.76</b>     | <b>61,496.34</b>     |

14 **Cash and cash equivalents**

₹ in Hundreds

| Particulars   | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------|----------------------|
| Balance in current account                                | 4,408.63             | 67,313.18            |
| Deposits with original maturity of less than three months | -                    | 1,26,000.00          |
|   | <b>4,408.63</b>      | <b>1,93,313.18</b>   |

15 **Other balance with bank**

| Particulars   | As at March 31, 2020 | As at March 31, 2019 |
|---|----------------------|----------------------|
| <b>Current</b>  |                      |                      |
| Deposits with original maturity of more than 3 months but less than 12 months | -                    | 2,41,000.00          |
|   | <b>-</b>             | <b>2,41,000.00</b>   |

16 Share capital

₹ in Hundreds

| Particulars   | As at March 31, 2020  | As at March 31, 2019 |
|---|---|----------------------|
|   | <b>Authorised share capital</b><br>1,000,000 (As at 31.03.2019 - 1,000,000 shares) equity shares of Rs. 10/- each fully paid up | 1,00,000.00          |
| <b>Issued, subscribed and fully paid-up share capital</b><br>1,000,000 (As at 31.03.2019 - 1,000,000 Shares) equity shares of Rs. 10/- each fully paid up | 1,00,000.00   | 1,00,000.00          |
|   | 1,00,000.00   | 1,00,000.00          |

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

Equity shares

₹ in Hundreds

| Particulars                        | As at March 31, 2020 |          | As at March 31, 2019 |          |
|------------------------------------|----------------------|----------|----------------------|----------|
|                                    | Nos                  | Rupees   | Nos                  | Rupees   |
| At the beginning of the year       | 10,00,000            | 1,00,000 | 10,00,000            | 1,00,000 |
| Add : Issued during the year       | -                    | -        | -                    | -        |
| Outstanding at the end of the year | 10,00,000            | 1,00,000 | 10,00,000            | 1,00,000 |

(ii) Terms / Rights attached to equity shares

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

The equity shareholders have :

(i). Right to vote in shareholder's meeting. Where voting is to be made on a show of hands, every member present in person and holder of equity share, shall have one vote and in case of poll, the voting rights shall be in proportion to the shares in the paid up capital of the company.

(ii). Right to receive dividend in proportion to the amount of capital paid up on the shares held ;

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

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

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

₹ in Hundreds

| Particulars   | As at March 31, 2020 |             | As at March 31, 2019 |             |
|---|----------------------|-------------|----------------------|-------------|
|   | Nos                  | Rupees      | Nos                  | Rupees      |
| <b>The holding Company</b><br>Adani Agri Logistics Limited<br>(Along with its nominees) | 10,00,000            | 1,00,000    | 10,00,000            | 1,00,000    |
|   | 10,00,000            | 1,00,000.00 | 10,00,000            | 1,00,000.00 |

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

| Particulars   | As at March 31, 2020 |           | As at March 31, 2019 |           |
|---|----------------------|-----------|----------------------|-----------|
|   | Nos                  | % holding | Nos                  | % holding |
| Equity shares of Rs. 10 each fully paid up<br>Adani Agri Logistics Limited<br>(Along with its nominees) | 10,00,000            | 100%      | 10,00,000            | 100%      |
|   | 10,00,000            | 100%      | 10,00,000            | 100%      |

16.1 Perpetual Debt

| Particulars                    | As at March 31, 2020 | As at March 31, 2019 |
|--------------------------------|----------------------|----------------------|
| <b>Opening balance</b>         | -                    | -                    |
| Add : Addition during the year | 4,95,572.67          | -                    |
| <b>Closing balance</b>         | 4,95,572.67          | -                    |

Note:

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

| <b>17 Other equity</b>                       |                                 | <i>₹ in Hundreds</i>            |  |
|--|---------------------------------|---------------------------------|--|
| <b>Particulars</b>                           | <b>As at March 31,<br/>2020</b> | <b>As at March 31,<br/>2019</b> |  |
| <b>Retained earnings</b>                     |                                 |                                 |  |
| Opening balance                              | (3,01,485.71)                   | (2,17,481.02)                   |  |
| Add : Profit /(loss) for the year            | (34,057.64)                     | (84,004.69)                     |  |
| Balance available for appropriation          | (3,35,543.35)                   | (3,01,485.71)                   |  |
| Less : Appropriations                        | -                               | -                               |  |
| <b>Total retained earnings</b>               | <b>(3,35,543.35)</b>            | <b>(3,01,485.71)</b>            |  |
| <b>Other comprehensive income</b>            |                                 |                                 |  |
| Balance as per previous financial statements | 174.60                          | 176.90                          |  |
| Add/(Less):- Actuarial valuation of gratuity | (173.79)                        | (2.30)                          |  |
| <b>Total other comprehensive income</b>      | <b>0.81</b>                     | <b>174.60</b>                   |  |
|  |                                 |                                 |  |
| <b>Total other equity</b>                    | <b>(3,35,542.54)</b>            | <b>(3,01,311.11)</b>            |  |

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.

| <b>18 Borrowings</b>                |                                 | <i>₹ in Hundreds</i>            |  |
|-------------------------------------|---------------------------------|---------------------------------|--|
| <b>Particulars</b>                  | <b>As at March 31,<br/>2020</b> | <b>As at March 31,<br/>2019</b> |  |
| <b>Non current</b>                  |                                 |                                 |  |
| Long term loan from bank (secured)  | -                               | 16,94,330.77                    |  |
| Unsecured Loan from Holding company | 12,16,780.86                    | -                               |  |
|                                     | <b>12,16,780.86</b>             | <b>16,94,330.77</b>             |  |
| <b>Current</b>                      |                                 |                                 |  |
| Unsecured Loan from Holding company | -                               | 4,85,658.22                     |  |
|                                     | -                               | <b>4,85,658.22</b>              |  |

**Note :**

Note 18.1: Indian rupee loan taken by company has been repaid during the year (previous year Rs. 16.94 crore which carried floating rate of interest of Yes Bank's 1 year MCLR + 0.35% per annum payable monthly.)

Note 18.2: Loans availed from holding company carries Interest @ 7.70% p.a. repayable in FY 2023-24. During previous year, company has outstanding unsecured loan of Rs. 4,85,65,822.00 repayable on demand to Adani Agri Logistics Limited at interest rate of 10.50% p.a. During the year, the company has entered into shareholders loan agreement dated June 11, 2019 under which the repayment of loan and payment of interest is at discretion of the company. Therefore, entire loan along with the accrued interest till the date of shareholder loan agreement has been classified as perpetual debt.

| <b>19 Other financial liabilities</b>                |                                 | <b>-</b>                        |  |
|--|---------------------------------|---------------------------------|--|
| <b>Particulars</b>                                   | <b>As at March 31,<br/>2020</b> | <b>As at March 31,<br/>2019</b> |  |
| <b>Current</b>                                       |                                 |                                 |  |
| Interest accrued but not due on borrowings from bank | -                               | 16,206.06                       |  |
| Current maturities of long term borrowings           | -                               | 84,919.40                       |  |
|  | -                               | <b>1,01,125.46</b>              |  |

**Note 19.1 :** The interest accrued but not due includes the interest component that has accrued as on the last day of the reporting period but the same is not due for payment.

| <b>20 Provisions</b>         |                             | <i>₹ in Hundreds</i>        |  |
|------------------------------|-----------------------------|-----------------------------|--|
| <b>Particulars</b>           | <b>As at March 31, 2020</b> | <b>As at March 31, 2019</b> |  |
| <b>Long Term Provisions:</b> |                             |                             |  |
| Provision for gratuity       | 948.90                      | 505.11                      |  |
| Provision for leave benefits | 993.15                      | 535.36                      |  |
|                              | <b>1,942.05</b>             | <b>1,040.47</b>             |  |
| <b>Short Term Provision</b>  |                             |                             |  |
| Provision for gratuity       | 28.37                       | 21.36                       |  |
| Provision for leave benefits | 208.90                      | 146.96                      |  |
|                              | <b>237.27</b>               | <b>168.32</b>               |  |

  

| <b>21 Other liabilities</b>  |                             | <i>₹ in Hundreds</i>        |  |
|------------------------------|-----------------------------|-----------------------------|--|
| <b>Particulars</b>           | <b>As at March 31, 2020</b> | <b>As at March 31, 2019</b> |  |
| <b>Non current</b>           |                             |                             |  |
| Unamortised government grant | 1,36,733.87                 | 1,42,603.51                 |  |
|                              | <b>1,36,733.87</b>          | <b>1,42,603.51</b>          |  |
| <b>Current</b>               |                             |                             |  |
| Unamortised government grant | 5,869.65                    | 5,869.65                    |  |
| Statutory liability          | 2,827.52                    | 1,284.81                    |  |
| Advances from Customers      | -                           | -                           |  |
|                              | <b>8,697.17</b>             | <b>7,154.46</b>             |  |

  

| <b>22 Trade payables</b>   |                             | <i>₹ in Hundreds</i>        |  |
|--|-----------------------------|-----------------------------|--|
| <b>Particulars</b>   | <b>As at March 31, 2020</b> | <b>As at March 31, 2019</b> |  |
| Trade Payables   |                             |                             |  |
| - Dues of micro enterprises & small enterprises (Refer note - 34)    | -                           | -                           |  |
| - Dues of creditors other than micro enterprises & small enterprises | 14,275.05                   | 11,625.04                   |  |
|  | <b>14,275.05</b>            | <b>11,625.04</b>            |  |

Adani Agri Logistics (Dewas) Limited  
Notes to financial statements for the year ended on March 31, 2020

| 23 Revenue from operations   |                         | <i>₹ in Hundreds</i>    |  |
|------------------------------|-------------------------|-------------------------|--|
| Particulars                  | As at March 31,<br>2020 | As at March 31,<br>2019 |  |
| Storage cum handling charges | 98,839.87               | 80,444.62               |  |
|                              | <b>98,839.87</b>        | <b>80,444.62</b>        |  |

| 24 Other income            |                         | <i>₹ in Hundreds</i>    |  |
|----------------------------|-------------------------|-------------------------|--|
| Particulars                | As at March 31,<br>2020 | As at March 31,<br>2019 |  |
| <b>Interest Income on</b>  |                         |                         |  |
| Bank Deposits              | 20,257.53               | 25,083.62               |  |
| Inter company Deposits     | 31.65                   | -                       |  |
| Financial Asset under SCA  | 1,34,161.96             | 1,52,092.32             |  |
| Income tax refund          | 638.40                  | -                       |  |
| Other                      | 195.79                  | -                       |  |
| Government grant amortised | 5,869.65                | 5,853.61                |  |
|                            | <b>1,61,154.98</b>      | <b>1,83,029.55</b>      |  |

Note:-

(i) Movement in Deferred Government Grant

| Particulars                        | As at March 31,<br>2020 | As at March 31,<br>2019 |
|------------------------------------|-------------------------|-------------------------|
| <b>Opening Balance</b>             | 1,48,473.16             | 1,54,326.77             |
| Add : Addition during the year     | -                       | -                       |
| Less: Amortisation during the year | 5,869.64                | 5,853.61                |
| <b>Closing Balance</b>             | <b>1,42,603.52</b>      | <b>1,48,473.16</b>      |
| Current                            | 5,869.65                | 5,869.65                |
| Non - Current                      | 1,36,733.87             | 1,42,603.51             |
|                                    | <b>1,42,603.52</b>      | <b>1,48,473.16</b>      |

| 25 Operating expenses                    |                         | <i>₹ in Hundreds</i>    |  |
|--|-------------------------|-------------------------|--|
| Particulars                              | As at March 31,<br>2020 | As at March 31,<br>2019 |  |
| Material handling cost                   | 51,825.39               | 43,952.36               |  |
| Power and fuel                           | 13,463.15               | 13,293.14               |  |
| Consumption of stores, spares & chemical | 4,423.06                | 4,911.66                |  |
|  | <b>69,711.60</b>        | <b>62,157.16</b>        |  |

| 26 Employee benefits expenses           |                         | <i>₹ in Hundreds</i>    |  |
|---|-------------------------|-------------------------|--|
| Particulars                             | As at March 31,<br>2020 | As at March 31,<br>2019 |  |
| Salary, wages & bonus                   | 10,819.98               | 14,610.03               |  |
| Contribution to provident & other funds | 702.39                  | 680.05                  |  |
| Staff welfare expenses                  | 1,197.79                | 1,830.23                |  |
| Gratuity expense                        | 277.01                  | 234.50                  |  |
|   | <b>12,997.17</b>        | <b>17,354.81</b>        |  |

| 27 Finance costs                    |                         | <i>₹ in Hundreds</i>    |  |
|-------------------------------------|-------------------------|-------------------------|--|
| Particulars                         | As at March 31,<br>2020 | As at March 31,<br>2019 |  |
| Interest on term loan               | 88,351.79               | 1,71,136.17             |  |
| Interest on inter corporate deposit | 66,667.87               | 46,379.32               |  |
| Interest Other                      | -                       | 304.97                  |  |
| Other bank charges                  | 59.00                   | 60.77                   |  |
|                                     | <b>1,55,078.66</b>      | <b>2,17,881.23</b>      |  |

Adani Agri Logistics (Dewas) Limited  
Notes to financial statements for the year ended on March 31, 2020

28 Administrative and other expenses

₹ in Hundreds

| Particulars                      | As at March 31,<br>2020 | As at March 31,<br>2019 |
|----------------------------------|-------------------------|-------------------------|
| Legal & professional fee         | 3,627.13                | 3,564.73                |
| Office expenses                  | 3,045.66                | 643.16                  |
| Travelling & conveyance expenses | 5,415.10                | 4,327.67                |
| Insurance                        | 6,837.94                | 6,174.61                |
| Security Expenses                | 14,979.29               | 12,781.96               |
| Printing & stationery            | 207.53                  | 109.98                  |
| Rates & taxes                    | -                       | 49.50                   |
| Repairs & maintenance            | 858.20                  | 1,978.86                |
| Allowances for doubtful debts    | 1,747.74                | 2,912.32                |
| Communication expenses           | 2,758.94                | 393.43                  |
| Miscellaneous expenses           | 452.32                  | 617.53                  |
| <b>Payment to auditors</b>       |                         |                         |
| For statutory audit              | 1,593.00                | 1,593.00                |
| For tax audit                    | 354.00                  | 590.00                  |
|                                  | <b>41,876.85</b>        | <b>35,736.75</b>        |



**29 The carrying value of financial instruments by categories as on March 31, 2020** *₹ in Hundreds*

| Particulars                  | Fair value through other comprehensive income | Fair value through profit or loss | Amortised cost      | Total               |
|------------------------------|---|-----------------------------------|---------------------|---------------------|
| <b>Financial assets</b>      |   |                                   |                     |                     |
| Cash and cash equivalents    | -   | -                                 | 4,408.63            | 4,408.63            |
| Other balance with bank      | -   | -                                 | -                   | -                   |
| SCA receivable               | -   | -                                 | 11,82,251.36        | 11,82,251.36        |
| Trade receivables            | -   | -                                 | 72,525.76           | 72,525.76           |
| Other financial assets       | -   | -                                 | 13,514.60           | 13,514.60           |
| <b>Total</b>                 | -   | -                                 | <b>12,72,700.35</b> | <b>12,72,700.35</b> |
| <b>Financial liabilities</b> |   |                                   |                     |                     |
| Borrowings                   | -   | -                                 | 12,16,780.86        | 12,16,780.86        |
| Trade payables               | -   | -                                 | 14,275.05           | 14,275.05           |
| Other financial liabilities  | -   | -                                 | -                   | -                   |
| <b>Total</b>                 | -   | -                                 | <b>12,31,055.91</b> | <b>12,31,055.91</b> |

**The carrying value of financial instruments by categories as on 31st March 2019:** *₹ in Hundreds*

| Particulars                  | Fair value through other comprehensive income | Fair value through profit or loss | Amortised cost      | Total               |
|------------------------------|---|-----------------------------------|---------------------|---------------------|
| <b>Financial assets</b>      |   |                                   |                     |                     |
| Cash and cash equivalents    | -   | -                                 | 1,93,313.17         | 1,93,313.17         |
| Other balance with bank      | -   | -                                 | 2,41,000.00         | 2,41,000.00         |
| SCA receivable               | -   | -                                 | 13,46,077.39        | 13,46,077.39        |
| Trade receivables            | -   | -                                 | 61,496.34           | 61,496.34           |
| Other financial assets       | -   | -                                 | 17,932.53           | 17,932.53           |
| <b>Total</b>                 | -   | -                                 | <b>18,59,819.43</b> | <b>18,59,819.43</b> |
| <b>Financial liabilities</b> |   |                                   |                     |                     |
| Borrowings                   | -   | -                                 | 21,79,988.99        | 21,79,988.99        |
| Trade payables               | -   | -                                 | 11,625.04           | 11,625.04           |
| Other financial liabilities  | -   | -                                 | 1,01,125.46         | 1,01,125.46         |
| <b>Total</b>                 | -   | -                                 | <b>22,92,739.49</b> | <b>22,92,739.49</b> |

**30 Financial risk objective and policies**

The company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations/projects. The Company's principal financial assets include loans, trade and other receivables, SCA receivables, cash and cash equivalents that derive directly from its operations.

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

**a Interest rate risk**

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

**b Credit risk**

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

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

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

**Adani Agri Logistics (Dewas) Limited**  
**Notes to financial statements for the year ended on March 31, 2020**

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

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

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

| Particulars                        | <i>₹ in Hundreds</i>    |                         |
|------------------------------------|-------------------------|-------------------------|
|                                    | As at March 31,<br>2020 | As at March 31,<br>2019 |
| Trade receivables                  | 72,525.76               | 61,496.34               |
| Cash and cash equivalents          | 4,408.63                | 1,93,313.17             |
| Other balance with bank            | -                       | 2,41,000.00             |
| SCA receivables - non-current      | 8,91,581.99             | 10,52,471.97            |
| SCA receivables - current          | 2,90,669.37             | 2,93,605.42             |
| Other balance with bank            | -                       | -                       |
| Other non-current financial assets | 4,207.00                | 4,168.00                |
| Other current financial assets     | 9,307.60                | 13,764.53               |
|                                    | <b>12,72,700.35</b>     | <b>18,59,819.43</b>     |

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

**c Liquidity risk**

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

**Maturity profile of financial liabilities:**

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

| <b>As at March 31, 2020</b>             |                 |                         |                         | <i>₹ in Hundreds</i> |
|---|-----------------|-------------------------|-------------------------|----------------------|
| Particulars                             | Due in 1st year | Due in 2nd and 3rd year | Due in 4th and 5th year | Due after 5th year   |
| Long term borrowings                    | -               | -                       | 12,16,780.86            | -                    |
| Short term borrowings                   | -               | -                       | -                       | -                    |
| Other non-current financial liabilities | -               | -                       | -                       | -                    |
| Other current financial liabilities     | -               | -                       | -                       | -                    |
| Trade payables                          | 14,275.05       | -                       | -                       | -                    |

| <b>As at March 31, 2019</b>             |                 |                         |                         | <i>₹ in Hundreds</i> |
|---|-----------------|-------------------------|-------------------------|----------------------|
| Particulars                             | Due in 1st year | Due in 2nd and 3rd year | Due in 4th and 5th year | Due after 5th year   |
| Long term borrowings                    | 84,919.40       | 2,27,088.48             | 2,95,493.06             | 11,71,749.23         |
| Short term borrowings                   | 4,85,658.22     | -                       | -                       | -                    |
| Other non-current financial liabilities | -               | -                       | -                       | -                    |
| Other current financial liabilities     | 1,01,125.46     | -                       | -                       | -                    |
| Trade payables                          | 11,625.04       | -                       | -                       | -                    |

**d Capital management**

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

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

| Particulars  | <i>₹ in Hundreds</i>    |                         |
|--|-------------------------|-------------------------|
|  | As at March 31,<br>2020 | As at March 31,<br>2019 |
| Net debt (total debt less cash and cash equivalents) | 12,12,372.23            | 17,45,675.82            |
| Total capital  | 2,60,030.09             | (2,01,311.15)           |
| Total capital and net debt                           | 14,72,402.32            | 15,44,364.67            |
| Gearing ratio  | 82.34%                  | 113.04%                 |

**31 Disclosures as required by Ind AS - 19 Employee Benefits**

a) The company has recognised, in the Statement of Profit and Loss for the current year, an amount of Rs. 65,897 (Previous Year Rs. 63,403) as expenses under the following defined contribution plan.

| <i>₹ in Hundreds</i> |                      |                      |
|----------------------|----------------------|----------------------|
| Contribution to      | As at March 31, 2020 | As at March 31, 2019 |
| Provident Fund       | 658.97               | 634.03               |
| <b>Total</b>         | <b>658.97</b>        | <b>634.03</b>        |

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

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

**Gratuity**

**Statement of profit and loss**

Net employee benefit expense (recognised)

| <i>₹ in Hundreds</i>                             |                      |                      |
|--|----------------------|----------------------|
| Particulars                                      | As at March 31, 2020 | As at March 31, 2019 |
| Current service cost                             | 236.92               | 211.93               |
| Add: Interest cost on benefit obligation         | 40.09                | 22.57                |
| Less: Expected return on plan assets             | -                    | -                    |
| Add: Net actuarial loss recognized in the period | -                    | -                    |
| Add: Past service cost                           | -                    | -                    |
| Less: Capitalized                                | -                    | -                    |
| <b>Net benefit expense</b>                       | <b>277.01</b>        | <b>234.50</b>        |

**Other comprehensive income**

| <i>₹ in Hundreds</i>   |                      |                      |
|--|----------------------|----------------------|
| Particulars  | As at March 31, 2020 | As at March 31, 2019 |
| <b>Actuarial (gains) / losses</b>  |                      |                      |
| Change in demographic assumptions  | 18.86                | (43.24)              |
| Change in financial assumptions  | 91.01                | 19.06                |
| Experience variance (i.e. Actual experience vs assumptions)                                    | 63.92                | 26.48                |
| Others   | -                    | -                    |
| Return on plan assets, excluding amount recognised in net interest expense                     | -                    | -                    |
| Re-measurement (or actuarial) (gain)/loss arising because of change in effect of asset ceiling | -                    | -                    |
| <b>Components of defined benefit costs recognised in other comprehensive income</b>            | <b>173.79</b>        | <b>2.30</b>          |

**Balance Sheet**

**Details of Provision for gratuity**

| <i>₹ in Hundreds</i>                        |                      |                      |
|---|----------------------|----------------------|
| Particulars                                 | As at March 31, 2020 | As at March 31, 2019 |
| Defined benefit obligation                  | 977.27               | 526.47               |
| Fair value of assets at the end of the year | -                    | -                    |
| <b>Net obligation/(assets)</b>              | <b>977.27</b>        | <b>526.47</b>        |

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

| <i>₹ in Hundreds</i>   |                      |                      |
|--|----------------------|----------------------|
| Particulars  | As at March 31, 2020 | As at March 31, 2019 |
| Opening defined benefit obligation                               | 526.47               | 600.28               |
| Add: Current service cost  | 236.92               | 211.93               |
| Add: Interest cost   | 40.09                | 22.57                |
| <b>Re-measurement (or Actuarial) (gain) / loss arising from:</b> |                      |                      |
| change in demographic assumptions                                | 18.86                | (43.24)              |
| change in financial assumptions                                  | 91.01                | 19.06                |
| experience variance  | 63.92                | 26.48                |
| others   | -                    | -                    |
| Add: Past service cost   | -                    | -                    |
| Less: Benefits paid  | -                    | (310.61)             |
| Add: Acquisition adjustment                                      | -                    | -                    |
| <b>Closing defined benefit obligation</b>                        | <b>977.27</b>        | <b>526.47</b>        |

Notes to financial statements for the year ended on March 31, 2020

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

₹ in Hundreds

| Particulars  | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| Fair value of assets at the beginning of the year  | -                    | -                    |
| Add: Acquisition adjustment                        | -                    | -                    |
| Add: Expected return on plan assets                | -                    | -                    |
| Add: Contribution                                  | -                    | -                    |
| Less: Benefits paid                                | -                    | -                    |
| Add: Actuarial gain / (loss) on plan assets        | -                    | -                    |
| <b>Fair value of assets at the end of the year</b> | <b>-</b>             | <b>-</b>             |

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

Financial assumptions

₹ in Hundreds

| Particulars                      | As at March 31, 2020 | As at March 31, 2019 |
|----------------------------------|----------------------|----------------------|
| Discount rate                    | 6.70%                | 7.60%                |
| Rate of increase in compensation | 8.00%                | 8.00%                |

Demographic assumptions

| Particulars                      | As at March 31, 2020 | As at March 31, 2019 |
|----------------------------------|----------------------|----------------------|
| Mortality rate (% of IALM 06-08) | 100%                 | 100%                 |
| Withdrawal rate (per annum)      | 6.71%                | 7.75%                |

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

Sensitivity analysis

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

₹ in Hundreds

| Particulars                       | As at March 31, 2020 | As at March 31, 2019 |
|-----------------------------------|----------------------|----------------------|
| Defined benefit obligation (base) | 977.27               | 526.47               |

₹ in Hundreds

| Particulars                                   | As at March 31, 2020 |          | As at March 31, 2019 |          |
|---|----------------------|----------|----------------------|----------|
|   | Decrease             | Increase | Decrease             | Increase |
| Discount rate (- / + 1%)                      | 133.34               | (111.15) | 65.06                | (54.76)  |
| Salary growth rate (- / + 1%)                 | (110.86)             | 130.26   | (55.04)              | 64.15    |
| Attrition rate (- / + 50% of attrition rates) | 77.47                | (53.96)  | 34.15                | (27.82)  |
| Mortality rate (- / + 10% of mortality rates) | 0.30                 | (0.29)   | 0.05                 | (0.04)   |

Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cashflows)

13 years

| Expected cash flows over the next (valued on undiscounted basis): | ₹ in Hundreds |
|---|---------------|
| 1 year  | 28.37         |
| 2 to 5 years  | 260.50        |
| 6 to 10 years   | 337.06        |
| More than 10 years  | 2038.75       |

**32 Related party disclosures**

|                                     |  |
|-------------------------------------|--|
| <b>Ultimate Holding Company</b>     | Adani Ports and Special Economic Zone Limited (w.e.f. 29th March 2019)<br>Adani Enterprises Limited (upto 28th March 2019)   |
| <b>Intermediate Holding Company</b> | Adani Logistics Limited (w.e.f. 29th March 2019)   |
| <b>Holding Company</b>              | Adani Agri Logistics Limited   |
| <b>Fellow Subsidiary</b>            | Adani Agri Logistics (Kotkapura) Limited   |
| <b>Directors</b>                    | Mr. Dhaval Shah<br>Mr. Kripakar Varshney (upto 1st May 2019)<br>Mr. Puneet Mehndiratta<br>Mr. Sandeep Mehta (w.e.f. 29th April 2019)<br>Mr. Manoj Chanduka (w.e.f. 3rd March 2020) |

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

Outstanding balances of related parties at the year-end are unsecured. Transactions entered into with related parties are made on terms equivalent to those that prevail in arm's length transactions.

| Particulars   | <i>₹ in Hundreds</i> |               |
|---|----------------------|---------------|
|   | 2019-20              | 2018-19       |
| <b>Payment made by holding company on behalf of subsidiary</b>                  |                      |               |
| Adani Agri Logistics Limited  | 3,197.79             | 6,224.66      |
| <b>Employee liability transfer</b>  |                      |               |
| Adani Agri Logistics Limited  | -                    | (562.00)      |
| <b>Interest paid</b>  |                      |               |
| Adani Agri Logistics Limited  | 66,667.87            | 46,379.32     |
| <b>Interest Received</b>  |                      |               |
| Adani Agri Logistics (Kotkapura) Limited  | 31.65                |               |
| <b>Funds received / (ICD Given)</b>   |                      |               |
| Adani Agri Logistics Limited  | 17,58,382.87         | -             |
| Adani Agri Logistics (Kotkapura) Limited  | (50,000.00)          |               |
| <b>ICD received back / (repayment of ICD) (net)</b>                             |                      |               |
| Adani Agri Logistics Limited  | 5,95,217.91          | -             |
| Adani Agri Logistics (Kotkapura) Limited  | 50,000.00            | -             |
| <b>Conversion of ICD to perpetual security loan</b>                             |                      |               |
| Adani Agri Logistics Limited  | 4,95,572.67          |               |
| <b>Balance (payable) / receivable as at year end</b>                            |                      |               |
| Adani Agri Logistics Limited  | -                    | (262.00)      |
| <b>Balance (payable) / receivable perpetual security loan as at period end</b>  |                      |               |
| Adani Agri Logistics Limited  | (4,95,572.67)        |               |
| <b>Balance (payable) / receivable outstanding (loan) as at year end</b>         |                      |               |
| Adani Agri Logistics Limited (net of TDS ) (Including interest accrued thereon) | (12,16,780.86)       | (4,85,658.22) |

**33 Contingent liabilities and commitments on capital account**

| Particulars          | <i>₹ in Hundreds</i> |           |
|----------------------|----------------------|-----------|
|                      | 2019-20              | 2018-19   |
| Indirect tax matters | 29,504.82            | 29,504.82 |

**34** Management represents that, based on the information available, the company has not been informed by any supplier of being covered under the Micro, Small and Medium Enterprises Development Act, 2006. As a result, no interest provision or payments have been made by the company to such suppliers, if any and no related disclosures are made in these accounts.

**35 Earnings per share (EPS)**

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

| Particulars  | <i>₹ in Hundreds</i> |                    |
|--|----------------------|--------------------|
|  | 2019-20              | 2018-19            |
| <b>Basic &amp; Diluted</b>                                 |                      |                    |
| Net Profit as per statement of profit and loss (A)         | <b>(34,057.64)</b>   | <b>(84,004.69)</b> |
| Calculation of weighted average number of equity shares :  |                      |                    |
| - Number of equity shares at the beginning of the year (B) | 10,00,000            | 10,00,000          |
| - Number of equity shares issued during the year (C)       | -                    | -                  |
| - Number of equity shares at the end of the year (B+C)     | 10,00,000            | 10,00,000          |
| - Weighted average number of equity shares (D)             | 10,00,000            | 10,00,000          |
| <b>Earning per share (basic and diluted) (A/D)</b>         | <b>(3.41)</b>        | <b>(8.40)</b>      |

Notes to financial statements for the year ended on March 31, 2020

**36 Ind AS 7 statement of cash flows : disclosure initiative**

Ind AS 7 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.

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

**Changes in liabilities arising from financing activities**

₹ in Hundreds

| Particulars  | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| <b>Short-term borrowings :</b>                       |                      |                      |
| <b>Opening Balance</b>                               | 4,85,658.22          | 4,41,707.78          |
| Net Cash flows                                       | -                    |                      |
| <b>Non-cash changes</b>                              |                      |                      |
| (A) Effects due to changes in foreign exchange rates | -                    |                      |
| (B) Others   |                      |                      |
| Interest expense                                     | 9,914.45             | 43,950.44            |
| Conversion into Perpetual Debt                       | (4,95,572.67)        |                      |
| <b>Closing Balance</b>                               | <b>-0.00</b>         | <b>4,85,658.22</b>   |

| Particulars  | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| <b>Long-term borrowings :</b>                        |                      |                      |
| <b>Opening Balance</b>                               | 17,79,250.17         | 17,83,235.96         |
| Net Cash flows                                       | (6,16,085.21)        | (3,985.79)           |
| <b>Non-cash changes</b>                              |                      |                      |
| (A) Effects due to changes in foreign exchange rates |                      |                      |
| (B) Others   |                      |                      |
| Interest expense                                     | 53,615.90            | -                    |
| <b>Closing Balance</b>                               | <b>12,16,780.86</b>  | <b>17,79,250.17</b>  |

| Particulars  | As at March 31, 2020 | As at March 31, 2019 |
|--|----------------------|----------------------|
| <b>Interest Accrued:</b>   |                      |                      |
| <b>Opening Balance</b>   | 16,206.06            | 13,857.94            |
| Net Cash flows   | (1,07,695.37)        | (1,71,582.67)        |
| <b>Non-cash changes</b>  |                      |                      |
| (A) Effects due to changes in foreign exchange rates   |                      |                      |
| (B) Others   |                      |                      |
| Interest expense debited to P&L  | 1,55,019.66          | 2,17,881.23          |
| Interest expense (Net of TDS on Interest) capitalised to ICD and not considered to be part of interest accrued | (63,530.35)          | (43,950.44)          |
| Conversion into Perpetual Debt   | -                    | -                    |
| <b>Closing Balance</b>   | <b>-</b>             | <b>16,206.06</b>     |

**37 Standards issued but not effective**

As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Company.

**38 Covid-19**

In the last week of March 2020, an outbreak situation arose in India on account of COVID-2019. The Company has considered such outbreak situation as subsequent event to the Balance Sheet date i.e., March 31, 2020 in terms of Ind AS 10 "Reporting on Event After Balance Sheet Date" and has assessed the operational and financial risk on going forward basis though operations at Company's location continued in the given situation.

In assessing the impact on the recoverability of financial and non-financial assets, the Company has considered internal and external information up to the date of approval of these financial statements including credit reports and economic forecasts whereby it expects to recover the carrying amounts of the assets. The Company has performed sensitivity analysis on the assumptions used on assessing the impact on the Company's operations. On overall basis, the management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due, and compliance with the debt covenants, as applicable.

The impact on the operations and earnings/ cashflows of the Company due to COVID- 2019 outbreak may be different from that estimated as at date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

**39 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 approval of condensed financial statements to determine the necessity for recognition and/or reporting of any of subsequent events and transactions in the financial statements. As of board meeting date, there were no subsequent events to be recognized or reported that are not already disclosed.

**40** Previous year figures are regrouped/reclassified wherever necessary.

**For G.K.Choksi & Co.**  
**(Firm Registration No : 101895W)**  
**Chartered Accountants**

**Sandip A Parikh**  
Partner  
Membership No.40727

Place : Ahmedabad  
Date : 17-April-2020

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

**Manoj Chanduka**  
Director  
DIN : 08528238

Place : Ahmedabad  
Date : 17-April-2020

**Sandeep Mehta**  
Director  
DIN : 06367909