

DHARMESH PARIKH & CO.

CHARTERED ACCOUNTANTS

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

Independent Auditor's Report **To the Members of ADANI BUNKERING PRIVATE LIMITED**

Report on the audit of the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of Adani Bunkering Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, the profit and total comprehensive profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 42 of the standalone financial results, as regards the management's evaluation of COVID-19 impact on the future performance of the Company.

Our opinion is not modified in respect of this matter.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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Independent Auditor's Report To the Members of Adani Bunkering Private Limited (Continued)

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

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

Auditor's Responsibility

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

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

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

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Independent Auditor's Report To the Members of Adani Bunkering Private Limited (Continued)

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss, the Statement Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) on the basis of the written representations received from the directors as on 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 B';
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements, Refer Note 39 to the Ind AS financial statements;
 - ii. The Company has made provision as at 31st March, 2020, as required the applicable law or indian accounting standard for material foreseeable losses, if any. On long term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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Independent Auditor's Report
To the Members of Adani Bunkering Private Limited (Continued)

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly, reporting under section 197(16) of the Act is not applicable.

Place: Ahmedabad
Date: 1st May, 2020

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

CHIRAG SHAH
Partner
Membership No. 122510.
UDIN: 20122510AAAAGX9928

DHARMESH PARIKH & CO.

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Annexure – B to the Independent Auditor's Report RE: Adani Bunkering Private Limited

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

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 (the act).

We have audited the internal financial controls over financial reporting of the company as of 31st March, 2020 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

Management's Responsibilities for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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Annexure – B to the Independent Auditor's Report **RE: Adani Bunkering Private Limited (Continue)**

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 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.

Place : Ahmedabad
Date : 1st May, 2020

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

CHIRAG SHAH
Partner
Membership No. 122510.

ADANI BUNKERING PRIVATE LIMITED
Balance Sheet as at 31st March, 2020

(` In Crores)

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
I Non-Current Assets			
(a) Property, Plant & Equipment	4	0.14	0.18
(b) Financial Assets			
(i) Investments	5	0.00	0.00
(ii) Loans	6	466.24	471.66
(iii) Other Financial Assets	7	0.00	0.00
(c) Income Tax Assets (Net)	8	2.12	11.71
(d) Deferred Tax Assets (Net)	9	19.40	21.68
(e) Other Non-Current Assets	10	-	0.15
Total Non-Current Assets		487.90	505.38
II Current Assets			
(a) Inventories	11	41.01	48.10
(b) Financial Assets			
(i) Trade Receivables	12	76.27	89.14
(ii) Cash & Cash Equivalents	13	36.34	4.40
(iii) Bank balance other than (ii) above	14	0.62	2.26
(iv) Loans	15	21.56	0.07
(v) Others financial Assets	16	0.36	0.45
(c) Other Current Assets	17	97.41	64.08
Total Current Assets		273.57	208.50
Total Assets		761.47	713.88
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	1.69	1.69
(b) Other Equity	19	155.81	128.47
Total Equity		157.50	130.16
LIABILITIES			
I Non-Current Liabilities			
(a) Provisions	20	0.58	0.45
Total Non-Current Liabilities		0.58	0.45
II Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	21		
i. Total outstanding dues of micro enterprises and small enterprises		0.03	-
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		131.26	153.82
(ii) Other Financial Liabilities	22	1.50	0.16
(b) Other Current Liabilities	23	470.51	429.24
(c) Provisions	24	0.09	0.05
Total Current Liabilities		603.39	583.27
Total Equity and Liabilities		761.47	713.88

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For Dharmesh Parikh & Co
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the Board of Directors of
Adani Bunkering Private Limited

Chirag Shah
Partner
Membership No. 122510

Pranav Adani
Director
DIN 00008457

Jatinkumar Jalundhwala
Director
DIN 00137888

Place : Ahmedabad
Date : 1st May, 2020

Place : Ahmedabad
Date : 1st May, 2020

ADANI BUNKERING PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31st March, 2020

(₹ In Crores)

Particulars	Notes	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue from Operations	25	669.32	752.83
Other Income	26	90.27	54.75
Total Income		759.59	807.58
Expenses			
Cost of Material	27	641.21	706.45
Changes in Inventories of Material, Finished Goods and Stock-in-Trade	28	7.09	(33.94)
Employee benefits expense	29	3.87	3.90
Finance costs	30	38.31	40.38
Depreciation and Amortization expense	4	0.04	0.06
Other Expenses	31	33.14	64.75
Total Expenses		723.66	781.60
Profit before tax		35.93	25.98
Tax Expense:	32		
Current tax		6.27	5.60
MAT Credit entitlement		2.33	(4.78)
Short Provision of Tax for earlier years		-	4.79
Net current tax		8.60	5.61
Deferred tax		(0.05)	0.04
Total tax expense		8.55	5.65
Profit after tax		27.38	20.33
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability/(asset)		(0.06)	(0.01)
Income Tax Impact on above		0.02	0.00
Other Comprehensive Income (after tax)		(0.04)	(0.01)
Total Comprehensive Income for the year		27.34	20.32
Earnings per Equity Share of Rs. 10/- each			
- Basic & Diluted	33	162.20	120.43

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For Dharmesh Parikh & Co
 Chartered Accountants
 Firm Registration Number : 112054W

For and on behalf of the Board of Directors of
Adani Bunkering Private Limited

Chirag Shah
 Partner
 Membership No. 122510

Pranav Adani
 Director
 DIN 00008457

Jatinkumar Jalundhwala
 Director
 DIN 00137888

Place : Ahmedabad
 Date : 1st May, 2020

Place : Ahmedabad
 Date : 1st May, 2020

ADANI BUNKERING PRIVATE LIMITED
Cash flow statement for the year ended 31st March, 2020

(₹ In Crores)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A. Cash flow from operating activities		
Net profit before tax	35.93	25.98
Adjustment for :		
Unrealised exchange rate difference	(4.92)	2.91
Finance Cost	0.42	40.38
Depreciation and Amortization Expense	0.04	0.06
Interest Income	(52.00)	(46.82)
"Gain on Sale/Fair Value of Current Investments measured at FVTPL"	(1.48)	(1.94)
Liabilities no longer required written back	-	(0.00)
Operating profit before working capital changes	(22.01)	20.57
Adjustment for :		
(Increase) / Decrease in Assets :		
Trade Receivables	17.79	14.63
Inventories	7.08	(33.94)
Short Term Loan and Advances	-	(0.02)
Others Financial Assets	0.02	(0.11)
Other Current Assets	(33.34)	(40.87)
Other Non Current Assets	0.17	(0.15)
Increase / (Decrease) in Liabilities :		
Other Financial Liabilities - Current	1.35	0.13
Trade and other payables	(22.53)	115.48
Other Current Liabilities	41.27	(9.98)
Provisions	0.13	(0.07)
Cash generated from operations	(10.07)	65.67
Income tax paid (net of refund)	3.31	(5.87)
Net Cash (used in) / from operating activities	(6.76)	59.79
B. Cash flow from investing activities		
Payment for Property, Plant & Equipment	-	(0.06)
Net (Purchase) / proceeds in / from Mutual Funds	1.49	1.94
Investment in Fixed Deposit (having maturity of more than 3 months)	1.65	1.60
Loan given to related parties	(21.50)	(580.57)
Loan received back from related parties	5.41	687.18
Interest received	52.07	46.45
Net cash flow from investing activities	39.12	156.54
C. Cash flow from financing activities		
Increase / (repayment) in borrowings	-	(225.13)
Interest paid	(0.42)	(7.26)
Net cash used in financing activities	(0.42)	(232.38)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	31.94	(16.05)
Cash and cash equivalents as at beginning of the year	4.40	20.45
Cash and cash equivalents as at the end of the year (Refer Note13)	36.34	4.40

Amendments to Ind AS 7 Statement of Cash Flows: Disclosure Initiative

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

Changes in liabilities arising from financing activities

Particulars	1st April, 2019	Cash Flows	Others	Exchange rate difference	31st March, 2020
Borrowings	-	-	-	-	-
Total	-	-	-	-	-

Particulars	1st April, 2018	Cash Flows	Others	Exchange rate difference	31st March, 2019
Borrowings	221.86	(225.13)	-	3.26	-
Total	221.86	(225.13)	-	3.26	-

(Transactions below ₹ 50,000 denoted as ₹ 0.00 Crores)

ADANI BUNKERING PRIVATE LIMITED

Cash flow statement for the year ended 31st March, 2020

Notes to Cash Flow Statement:

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

2 Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given as above.

3. Previous year's figures have been regrouped wherever necessary, to confirm to this year's classification.

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For Dharmesh Parikh & Co
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the board of directors of
Adani Bunkering Private Limited

Chirag Shah
Partner
Membership No. 122510

Pranav Adani
Director
DIN 00008457

Jatinkumar Jalundhwala
Director
DIN 00137888

Place : Ahmedabad
Date : 1st May, 2020

Place : Ahmedabad
Date : 1st May, 2020

ADANI BUNKERING PRIVATE LIMITED

Statement of changes in equity for the year ended 31st March, 2020

A. Equity Share Capital

Particulars	No. Shares	(` In Crores)
Balance as at 1st April, 2018	1,687,964	1.69
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2019	1,687,964	1.69
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2020	1,687,964	1.69

B. Other Equity

Particulars	Security Premium	Retained Earnings	(` In Crores) Total
Balance as at 1st April, 2018	23.49	84.66	108.15
Profit for the year	-	20.33	20.33
Other Comprehensive Income (Net of Tax)	-	(0.01)	(0.01)
Balance as at 31st March, 2019	23.49	104.98	128.47
Profit for the year	-	27.38	27.38
Other Comprehensive Income (Net of Tax)	-	(0.04)	(0.04)
Balance as at 31st March, 2020	23.49	132.32	155.81

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For Dharmesh Parikh & Co
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the Board of Directors of
Adani Bunkering Private Limited

Chirag Shah
Partner
Membership No. 122510

Pranav Adani
Director
DIN 00008457

Jatinkumar Jalundhwala
Director
DIN 00137888

Place : Ahmedabad
Date : 1st May, 2020

Place : Ahmedabad
Date : 1st May, 2020

1 Corporate Information

Adani Bunkering Private Limited ('the Company') is a subsidiary of Adani Global PTE Limited. The Company is a private limited company incorporated and domiciled in India and has its registered office at Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad. Company is engaged in supply of fuel oil and marine Gas oil including export to foreign going vessels at different ports of India. Company is having world class infrastructure for bunker supplies at Mundra port from where it is also catering to bunker requirement of vessels at other nearby ports as well. Company also enjoys strong relationship with PSU's which helps to cater customers requirement at other Indian ports .

2 Summary of Significant Accounting Policies**a Statement of compliance**

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provision of the Act.

b Basis of Preparation and Presentation of Financial Statements

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Financial statements are presented in INR (` in Crores) and all values are rounded to the nearest Crores (Transactions below ` 50,000.00 denoted as ` 0.00), unless otherwise indicated..

c Use of Significant Judgments, Estimates and Assumptions

The preparation of financial statements in conformity with Ind AS requires management to make certain judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumptions are required in particular for:

i) Recognition of deferred tax assets:

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

ii) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

d Current versus non-current classification

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

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realized within twelve months after the reporting period, or
- iv) 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:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) 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 respectively.

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

e Cash & Cash Equivalents

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

f Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

g Property, plant and equipment (PPE)

(i) Tangible Fixed assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses, if any. The cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Depreciation On Fixed Assets

- Depreciation on fixed assets, is provided using the straight-line method. Estimated useful lives of assets are determined based on technical parameters/assessment. The aforesaid estimated useful lives for Computing depreciation is as per Schedule II to the Companies Act, 2013

- Depreciation on Assets acquired or disposed off during the year is provided on pro-rata basis with reference to the date of acquisition or disposal.

(ii) Intangible Fixed assets

Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses if any. Intangible assets are amortized over their estimated useful economic life. Computer Software cost is amortised over a period of three years using straight-line method.

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

h Valuation of Inventory

Inventories are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis and it includes cost of purchase and other cost incurred in bringing it to its present location / condition. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

i 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. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

For purposes of subsequent measurement, financial assets and liabilities are classified in various categories as under.

- > at amortised cost
- > fair value through other comprehensive income
- > fair value through profit and loss account

Financial instruments are subsequently measured and accounted based on their category. All financial instruments of the Company are covered under Amortised Cost. After initial measurement, such financial assets and liabilities are subsequently measured using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement

Impairment of Financial Assets

The Company applies simplified approach model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition.

Derecognition of Financial Liability

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

j Investment

- i) Investment that are readily realisable and intended to be held for not more than a year are classified as current investment. All other investment are classified as Non Current investment.
- ii) Long term investment are stated at cost. Provision for diminution in the value of Non Current investment is made only if such a decline is other than temporary in the opinion of the management.

k Foreign Currency Translation

- **Initial Recognition:**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency as on the date of the transaction.

- **Conversion:**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

- **Exchange Differences:**

Gains and losses arising on account of differences in foreign exchange rates on settlement / translation of monetary assets and liabilities are recognised in the statement of profit and loss account.

- **Forward Exchange Contracts:**

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

l Revenue Recognition

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

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. The company collects Sales Taxes/Value Added Taxes (VAT)/Goods and Service Tax (GST), wherever applicable, on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

Income from Services

Revenues from bunker hiring services are recognised immediately when the service is provided. The company collects Service Tax/Goods and Service Tax (GST) on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence it is excluded from revenue.

Interest

Revenue is recognised on a time proportion basis taking into account the outstanding amount and the applicable rate.

Dividends

Revenue is recognised when the shareholders' /mutual fund holders' right to receive payment is established by the balance sheet date.

Any advance received against supply of goods and services is recognised under the head current liabilities, sub head 'Other current liabilities'

Contract Balances**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract."

m Taxes on Income

Tax expense comprises of current income tax and deferred tax.

i) Current Taxation

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 amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

ii) Deferred Taxation

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent it is probable that these assets can be realised in future.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is reasonable certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

n Employee benefits**Defined benefit plans**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out by the Holding Company. The actuarial valuation is done as per the Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment.

Defined Contribution Plans

Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue.

Compensated Absences

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation carried out by the Holding Company. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

Short term employee benefits.

They are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

o Segment Reporting

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

As per Ind AS 108 "Operating Segment" , if a single financial report contains both consolidated financial statements and separate financial statements of the parent, segment information need be presented only on the basis of consolidated financial statements of the Company.

p Related Party Transactions :

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party disclosures" has been set out in a separate note. Related Parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representation made by management and information available with the Company.

q Earnings Per Share

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year.

The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

r Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

s Impairment of Assets

- i) The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.
- ii) The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the Statement of Profit and Loss.
- iii) An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the Statement of Profit and Loss.

t Ind AS 116 – Leases

Effective from 1st April, 2019, the Company adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing as on 1st April, 2019 using the modified retrospective method on the date of initial application i.e. 1st April, 2019.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense in the statement of Profit and Loss on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease payments

Payments made under operating leases are generally recognised in profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

u Derivative Instruments**1) Financial Instruments Initial recognition and subsequent measurement**

The Company uses derivative financial instruments, such as forward currency contracts and options to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. 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.

Any gains or losses arising from changes in the fair value of derivative financial instrument are recognised in the statement of profit and loss and reported with foreign exchange gains / (loss) not within results from operating activities. Changes in fair value and gains / (losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance expense.

2) Commodity contracts**Initial recognition and subsequent measurement**

The company enters into purchase and sale contracts of commodities for own use as well as to hedge price variance risk. These contracts form part of the Company's overall business portfolio. The company has elected an irrevocable option to designate its own use contracts at FVTPL (in line with derivative contracts) to eliminate or significantly reduce accounting mismatch of business income.

Purchase and sale contracts are initially recognised at FVTPL on the date on which contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of commodity contracts are recognised profit and loss.

v Recent Pronouncements for Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

3 Critical accounting judgements and key sources of estimation uncertainty

The application of the Company's accounting policies as described in Note 2, in the preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

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

3.1 Property, plant and equipment¹

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

3.2 Taxation**Deferred tax assets²**

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

3.3 Fair value measurement of financial instruments²

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed

3.4 Defined benefit plans and other long-term employee benefits²

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

¹Critical accounting judgements

² Key sources of estimation uncertainties

ADANI BUNKERING PRIVATE LIMITED

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

4 Property, Plant and Equipment

(₹ In Crores)

Description of Assets	Tangible Assets							Intangible Assets		Grand Total
	Plant & Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Computer	Electrical Fittings	Total	Computer Software	Total	
I. Gross Carrying Amount										
Balance as at 1st April, 2018	0.16	0.09	0.01	0.05	0.08	0.02	0.41	0.09	0.09	0.50
Additions during the year	-	-	-	0.01	0.05	-	0.06	-	-	0.06
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	0.16	0.09	0.01	0.06	0.13	0.02	0.47	0.09	0.09	0.56
Additions during the year	-	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2020	0.16	0.09	0.01	0.06	0.13	0.02	0.47	0.09	0.09	0.56
II. Accumulated depreciation and impairment										
Balance as at 1st April, 2018	0.04	0.06	0.00	0.04	0.06	0.02	0.23	0.09	0.09	0.32
Depreciation expense Amortization expense	0.01	0.02	0.00	0.00	0.02	0.00	0.06	-	-	0.06
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	0.06	0.08	0.00	0.04	0.08	0.02	0.29	0.09	0.09	1.38
Depreciation expense Amortization expense	0.02	0.00	0.00	0.00	0.02	-	0.04	-	-	0.04
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2020	0.08	0.08	0.01	0.04	0.10	0.02	0.33	0.09	0.09	0.42

(₹ In Crores)

Description of Assets	Plant & Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Computer	Electrical Fittings	Total	Computer Software	Total	Grand Total
Carrying Amount :										
As at 31st March, 2019	0.11	0.01	0.00	0.02	0.05	-	0.18	-	-	0.18
As at 31st March, 2020	0.08	0.01	0.00	0.02	0.03	-	0.14	-	-	0.14

(Transactions below ₹ 50,000 denoted as ₹ 0.00 Crores)

ADANI BUNKERING PRIVATE LIMITED

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

5 NON CURRENT INVESTMENTS	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Investment in Government Securities - Unquoted (At cost)		
National Saving certificates	0.00	0.00
(Lodged with Government departments)		
Total	0.00	0.00
6 NON CURRENT LOANS	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
(Unsecured, Considered Good)		
Loans and advances to related parties (Refer note 40)	466.24	471.66
Total	466.24	471.66
7 OTHER FINANCIAL ASSETS		
Margin money	0.00	0.00
	0.00	0.00
8 INCOME TAX ASSETS (NET)	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Advance payment of income tax (net of provision)	2.12	11.71
Total	2.12	11.71
9 DEFERRED TAX ASSETS (NET)	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Deferred Tax Assets		
Depreciation	0.07	0.07
Provision for Bad-debts/advances	0.15	0.17
Leave Encashment & Gratuity	0.23	0.15
Ind AS - OCI	0.00	0.00
Net Deferred Tax Assets	0.45	0.39
MAT Credit Entitlement	18.95	21.29
Net Deferred Tax Assets	19.40	21.68
10 OTHER NON-CURRENT ASSETS (Unsecured, considered good)	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Balance with Govt. Authorities	-	0.15
Total	-	0.15
11 INVENTORIES (Valued at lower of cost and net realizable value)	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Finished Goods	25.22	41.10
Traded Goods	15.79	7.00
Total	41.01	48.10

Inventories are stated at the lower of cost and Net Realisable value. Based on Net Realisable Value as on 31.03.2020, Inventory has been marked down by Rs. 30.08 Crores (Previous year Rs. 0.33 Crores).

(Transactions below `50,000 denoted as `0.00 Crores)

12 TRADE RECEIVABLES	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
- Unsecured , Considered Good	76.27	89.14
- Trade Receivables - credit impaired	0.44	0.44
	76.71	89.58
Less : Provision for doubtful Trade receivables	(0.44)	(0.44)
(Trade receivable includes receivable from related parties)	Total	89.14
	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
12.1 Ageing of receivables		
Within Credit Period	75.83	88.70
Above credit Period	0.44	0.44
	76.27	89.14
	Total	89.14
13 CASH AND CASH EQUIVALENTS	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Balances with banks:		
- In current accounts	36.34	4.40
	Total	4.40
14 BANK BALANCE OTHER THAN CASH & CASH EQUIVALENT	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Other Bank Balances:		
- Margin money deposits (lien against bank guarantee)	0.62	2.26
	Total	2.26
15 LOANS	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Loans to Related Parties (Refer Note 40)	21.51	-
Loans and Advances to Employees	0.05	0.07
	21.56	0.07
	Total	0.07
16 OTHER FINANCIAL ASSETS (Unsecured, Considered Good)	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Security deposits	0.36	0.37
Interest accrued but not due	0.00	0.08
	0.36	0.45
	Total	0.45
(Transactions below ` 50,000 denoted as ` 0.00 Crores)		

ADANI BUNKERING PRIVATE LIMITED
Notes to financial statements for the year ended 31st March, 2020

17 OTHER CURRENT ASSETS (Unsecured, Considered Good)	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Advance to suppliers	84.07	50.15
Balances with Government authorities (Includes Deposits against demand in disputes)	13.34	13.93
Total	97.41	64.08

20 PROVISIONS

	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Provision for Employee Benefits		
-Gratuity	0.33	0.22
-Leave Encashment	0.25	0.23
Total	0.58	0.45

21 TRADE PAYABLES

	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Trade payables		
Total outstanding dues of creditor micro enterprise and small enterprise	0.03	-
Total outstanding dues of creditor other than micro enterprise and small enterprise	131.15	153.70
Accrual for employees	0.11	0.12
(Trade payable includes payable to related parties)		
Total	131.29	153.82

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

21.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006
Particulars

	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.03	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

22 OTHER FINANCIAL LIABILITIES

	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Retention Money - Non Trade	0.05	0.03
Other Current Liabilities and Other Payables	1.45	0.13
Total	1.50	0.16

(Transactions below ` 50,000 denoted as ` 0.00 Crores)

ADANI BUNKERING PRIVATE LIMITED

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

23 OTHER CURRENT LIABILITIES	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Advance from customers	468.12	426.30
Statutory dues	2.39	2.94
Total	470.51	429.24

24 PROVISIONS	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
Provision for Employee Benefits		
-Leave Encashment	0.09	0.05
Total	0.09	0.05

(Transactions below ` 50,000 denoted as ` 0.00 Crores)

ADANI BUNKERING PRIVATE LIMITED

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

	For the year ended 31st March, 2020 (` In Crores)	For the year ended 31st March, 2019 (` In Crores)
25 REVENUE FROM OPERATIONS		
Sale of finished goods	539.05	582.85
Sale of traded goods	126.61	165.86
Revenue from rendering of services	3.60	4.08
Other operating revenue	0.06	0.04
Total	669.32	752.83
26 OTHER INCOME		
Interest Income		
- From banks	0.07	0.97
- From others	51.93	45.86
Gain on commodity hedging	28.71	-
Gain on sale of current investment	1.48	1.94
Liabilities no longer required written back	-	0.00
Net exchange rate difference	8.07	5.98
Other Miscellaneous income	0.01	-
Total	90.27	54.75
27 Cost of Material		
Cost of traded goods	95.04	137.49
Cost of Material Consumed	546.17	568.96
Total	641.21	706.45
28 CHANGES IN INVENTORIES OF MATERIAL, FINISHED GOODS, AND STOCK-IN-TRADE		
(i) Finished goods		
Opening stock	41.10	9.04
Closing stock	25.22	41.10
Net (Increase)/decrease in stock	15.88	(32.06)
(ii) Traded Goods		
Opening stock	7.00	5.12
Closing stock	15.79	7.00
Net (Increase)/decrease in stock	(8.79)	(1.88)
Total	7.09	(33.94)
29 EMPLOYEE BENEFIT EXPENSE		
Salaries & Bonus	3.51	3.53
Contributions to Provident & Other Funds	0.26	0.26
Staff Welfare Expenses	0.10	0.11
Total	3.87	3.90
30 FINANCE COST		
Interest on Borrowings	-	1.57
Interest on Inter Company Loan	0.00	0.89
Interest others	37.94	37.37
Bank charges and Commission	0.37	0.55
Total	38.31	40.38

(Transactions below ` 50,000 denoted as ` 0.00 Crores)

31 OTHER EXPENSES

	For the year ended 31st March, 2020 (` In Crores)	For the year ended 31st March, 2019 (` In Crores)
Rent & Infrastructure usage charges	0.17	0.21
Rates & Taxes	4.79	3.83
Communication expenses	0.05	0.08
Repairs to:		
Others	0.19	0.30
Electric Power Expenses	-	0.00
Insurance Expenses	0.45	0.15
Legal expenses, fees & Subscription	1.37	3.74
Loss on sale of commodity hedging	-	25.41
Miscellaneous Expenses	0.87	0.93
Payment to Auditors (refer note below)	0.07	0.06
Office Expenses	0.00	0.01
Manpower Services	0.04	0.03
Clearing & Forwarding Expenses	23.29	28.78
Stores, Spares & Packing material Consumed	0.18	0.03
Supervision & Testing Expenses	0.30	0.21
Selling and distribution expenses	0.42	0.18
Travelling & Conveyance Expenses	0.51	0.43
Provision for derivative Loss	0.00	0.01
Corporate Social Responsibility Expenses (Refer Note 39(b))	0.44	0.36
Total	33.14	64.75

Payment to Auditors

	(` In Crores)	
Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Auditor		
a. for statutory audit	0.06	0.05
b. for tax audit	0.01	0.01
Total	0.07	0.06

32 INCOME TAX EXPENSES**(a) The major components of Income Tax expenses**

	For the year ended 31st March, 2020 (` In Crores)	For the year ended 31st March, 2019 (` In Crores)
Current Income Tax Charge (Net of MAT Credit)	8.60	5.61
Deferred Tax	(0.05)	0.04
Total	8.55	5.65

(b) Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate for 31st March, 2020 and 31st March, 2019.

	For the year ended 31st March, 2020 (` In Crores)	For the year ended 31st March, 2019 (` In Crores)
Tax Rate	34.944%	33.384%
Accounting profit before tax	35.93	25.98
Income tax using the company's domestic tax rate	12.56	8.67
Tax Effect of :		
- Non deductible Expenses		
i) Depreciation allowable on assets (difference between Income tax act and Companies Act)	(0.01)	0.00
ii) Provisions disallowed	0.03	0.08
iii) Tax Impact of carry forward losses	(2.48)	(8.75)
iv) Non Deductible Expense	(1.49)	-
Total	8.60	-
Tax provisions :		
Current tax (Previous Year as per MAT)	8.60	5.61
Deferred Tax	(0.05)	0.04
Income tax recognised in statement of profit and loss at effective rate	8.55	5.65

Note :

On 20 September, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 01 April, 2019 subject to certain conditions. The Company is currently in the process of evaluating this option.

(Transactions below ` 50,000 denoted as ` 0.00 Crores)

18 EQUITY SHARE CAPITAL

	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
AUTHORISED		
50,00,000 (31st March 2019: 50,00,000)	5.00	5.00
Equity Shares of Rs. 10/- each		
	5.00	5.00
ISSUED, SUBSCRIBED & FULLY PAID-UP		
16,87,964 (31st March 2019: 16,87,964)	1.69	1.69
Equity Shares of Rs. 10/- each		
	1.69	1.69

(a) Reconciliation of the number of Shares Outstanding

Equity shares	As at 31st March, 2020		As at 31st March, 2019	
	Nos.	(` In Crores)	Nos.	(` In Crores)
At the beginning of the year	1,687,964	1.69	1,687,964	1.69
Add : Additional during the year	-	-	-	-
Outstanding at the end of the year	1,687,964	1.69	1,687,964	1.69

(b) Rights, preferences and restrictions attached to each class of shares

Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

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

Name of the shareholder	As at 31st March, 2020		As at 31st March, 2019	
	Nos	% Holding	Nos	% Holding
Adani Global PTE Limited (Along with its nominee)	1,687,964	100%	1,687,964	100%
	1,687,964	100%	1,687,964	100%

(d) As per records of the Company, including it's register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

19 OTHER EQUITY

	As at 31st March, 2020 (` In Crores)	As at 31st March, 2019 (` In Crores)
SECURITY PREMIUM ACCOUNT		
Securities Premium	23.49	23.49
Total (A)	23.49	23.49

Note:-

Security premium represents the premium received on issue of shares over and above the face value of Equity Shares. Such amount is available for utilisation in accordance of the Provisions of the Companies Act, 2013.

SURPLUS IN STATEMENT OF PROFIT & LOSS

Opening Balance	104.97	84.64
Add : Profit for the year	27.38	20.33
Total (B)	132.35	104.97

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 by the Company.

Other Comprehensive Income

Opening balance	0.01	0.02
Add: remeasurement of defined employee benefit plans transferred to Other Comprehensive Income	(0.04)	(0.01)
Total (C)	(0.03)	0.01

Note: This reserve represents the cumulative gains and losses arising from Remeasurement of defined employee benefit plans transferred to Other Comprehensive Income.

Closing Balance (Total A+B+C)	155.81	128.47
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(Transactions below ` 50,000 denoted as ` 0.00 Crores)

33	Earnings per share (EPS)		For the year ended 31st March, 2020 (` In Crores)	For the year ended 31st March, 2019 (` In Crores)
	Profit after tax	`	27.38	20.33
	No of equity shares at the beginning of the year	No.	1,687,964	1,687,964
	Weighted average no of equity shares	No.	1,687,964	1,687,964
	Nominal value per share	`	10	10
	Basic and diluted earnings per share	`	162.20	120.43

34 The Company has made provision in the Accounts for Gratuity based on Actuarial valuation. The particulars under the Ind AS 19 'Employee Benefit' furnished below are those which are relevant and available to company for this year.

(a) Contributions to Defined Contribution Plan, recognised as expense for the year are as under:

	(` In Crores)	
Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Employer's Contribution to Provident Fund	0.13	0.13
Employer's Contribution to Pension Fund	0.04	0.04

(b) Contributions to Defined Benefit Plans are as under:

Gratuity		(` In Crores)	
Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	
i. Reconciliation of Opening and Closing Balances of defined benefit obligation			
Present Value of Defined Benefit Obligations at the beginning of the Year	0.46	0.47	
Service cost	0.07	0.07	
Interest cost	0.03	0.03	
Actuarial loss/(gain)	0.06	0.00	
Acquisition Adjustment	(0.04)	(0.05)	
Benefits paid	-	(0.06)	
Present Value of Defined Benefit Obligations at the end of the Year	0.58	0.46	
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets			
Fair Value of Plan assets at the beginning of the Year	0.24	0.23	
Expected return on plan assets	0.02	0.02	
Contributions	0.00	0.00	
Benefits paid	-	-	
Actuarial gain/(loss) on plan assets	(0.00)	(0.01)	
Fair Value of Plan assets at the end of the Year	0.25	0.24	
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets			
Present Value of Defined Benefit Obligations at the end of the year	0.58	0.46	
Fair Value of Plan assets at the end of the Year	0.25	0.24	
Net Asset / (Liability) recognized in balance sheet as at the end of the year	(0.33)	(0.22)	
iv. Gratuity Cost for the Year			
Current service cost	0.07	0.07	
Past Service Cost	-	-	
Interest cost	0.03	0.03	
Expected return on plan assets	(0.02)	(0.02)	
Actuarial Gain / (Loss)	-	-	
Net Gratuity cost recognised in the statement of Profit and Loss	0.09	0.08	
v. Other Comprehensive Income			
Actuarial (gains) / losses			
change in demographic assumptions	(0.01)	-	
change in financial assumptions	0.07	0.01	
experience variance (i.e. Actual experiences assumptions)	0.00	(0.01)	
Return on plan assets, excluding amount recognised in net interest expense	0.00	0.01	
Components of defined benefit costs recognised in other comprehensive income	0.06	0.01	
vi. Actuarial Assumptions			
Discount Rate	6.70%	7.60%	
Expected rate of return on Plan Assets	8.00%	8.00%	
Attrition Rate	1.00%	1.00%	
Mortality Rates as given under Indian Assured Lives Mortality (IALM)	100% of IALM 2012-14	100% of IALM 2006-08	

(Transactions below ` 50,000 denoted as ` 0.00 Crores)

vii. Sensitivity Analysis

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

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Defined benefit obligations (Base)	0.58		0.46	
Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	0.66	0.51	0.53	0.40
(% change compared to base due to sensitivity)	13.60%	-11.30%	15.50%	-12.70%
Salary Growth Rate (- / + 1%)	0.51	0.66	0.40	0.53
(% change compared to base due to sensitivity)	-11.30%	13.30%	-12.80%	15.20%
Attrition Rate (- / + 50%)	0.59	0.57	0.46	0.46
(% change compared to base due to sensitivity)	1.70%	-1.50%	0.40%	-0.40%
Mortality Rate (- / + 10%)	0.58	0.58	0.46	0.46
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

viii. Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

ix. Effect of Plan on Entity's Future Cash Flows**a) Funding arrangements and Funding Policy**

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is Rs. 0.39 Crores

c) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows) - 13 Years

Expected cash flows over the next (valued on undiscounted basis):	(` In Crores)
1 year	753,194
2 to 5 years	817,997
6 to 10 years	2,237,517
More than 10 years	12,048,051

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2019-20

The actuarial liability for leave encashment and compensated absences (including Sick Leave) as at the year ended 31st March 2020 is Rs. 0.34 Crores (Transactions below ` 50,000 denoted as ` 0.00 Crores)

35 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 31st March, 2020 is as follows :

(` In Crores)				
Particulars	Fair Value through other Comprehensive	Fair Value through Profit or Loss	Amortised Cost	Total
Financial Assets				
Investments	-	-	0.00	0.00
Trade Receivables	-	-	76.27	76.27
Cash and Cash Equivalents	-	-	36.34	36.34
Bank balance other than Cash & Cash Equivalent	-	-	0.62	0.62
Loans	-	-	487.80	487.80
Other Financial Assets	-	-	0.36	0.36
Total	-	-	601.39	601.39
Financial Liabilities				
Trade Payables	-	-	131.29	131.29
Other Financial Liabilities	-	-	1.50	1.50
Total	-	-	132.79	132.79

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

(` In Crores)				
Particulars	Fair Value through other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total
Financial Assets				
Investments	-	-	0.00	0.00
Trade Receivables	-	-	89.14	89.14
Cash and Cash Equivalents	-	-	4.40	4.40
Bank balance other than Cash & Cash Equivalent	-	-	2.26	2.26
Loans	-	-	471.72	471.72
Other Financial Assets	-	-	0.45	0.45
Total	-	-	567.98	567.98
Financial Liabilities				
Trade Payables	-	-	153.82	153.82
Other Financial Liabilities	-	-	0.16	0.16
Total	-	-	153.98	153.98

(Transactions below ` 50,000 denoted as ` 0.00 Crores)

36 Financial Risk objective and policies:

The Company's activities expose it to a variety of financial risks viz., market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Market Risk :

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Company. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes can not be normally predicted with reasonable accuracy.

Interest Rate Risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has not borrowed any loan during current year, so it does not have any exposure to change in market interest rate

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 minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The details in respect of percentage of revenues generated from top customer and top 10 customers are as follows:

Particulars	(` In Crores)	
	As at 31st March, 2020	As at 31st March, 2019
Revenue from top customer	79.77	136.13
Revenue from top-10 customers	359.41	491.03

Commodity Price Risk :

The Company is exposed to the movement of Fuel Oil and Marine Gas Oil Prices. Company faces commodity price risk due to timing mismatch between pricing period for purchase and sales. Majority of sourcing of Fuel Oil and Marine Gas Oil is from Middle East region and is priced on Means of Platts Arab Gulf Index (MOPAG) whereas sales are done at the current prevailing market prices.

As much as possible, the Company tries to mitigate price risk through favourable contractual terms and the Company undertakes hedging activity in commodities wherever required. Hedging is used primarily as a risk management tool and the company enters into derivative financial instruments for the same.

Liquidity Risk :

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

ADANI BUNKERING PRIVATE LIMITED
Notes to financial statements for the year ended 31st March, 2020
Maturity profile of financial liabilities:

The table below provides details regarding contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

As at 31st March, 2020	Less than 1 year	1 to 5 year	More than 5 Years	(` In Crores)
				Total
Borrowings	-	-	-	-
Trade Payables	131.29	-	-	131.29
Other Current Financial Liabilities	1.50	-	-	1.50

As at 31st March, 2019	Less than 1 year	1 to 5 year	More than 5 Years	(` In Crores)
				Total
Borrowings	-	-	-	-
Trade Payables	153.82	-	-	153.82
Other Current Financial Liabilities	0.16	-	-	0.16

Foreign Currency Risk Exposure

(i) Foreign currency exposure not covered by derivative instruments or otherwise as at year end are as follows :

Particulars	Foreign Currency Denomination	Year Ended	Foreign Currency Amount	(` In Crores)
Trade receivables	USD	31st March, 2020	0.83	63.08
		31st March, 2019	1.14	78.51
	USD	31st March, 2020	0.68	51.65
		31st March, 2019	1.23	(84.83)
Trade Payables	AED	31st March, 2020	0.00	0.09
		31st March, 2019	0.00	0.08
	GBP	31st March, 2020	-	-
		31st March, 2019	0.00	0.00

(ii) Foreign currency sensitivity analysis:

Movement in the foreign currency impacts the revenue and cost of borrowings.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of unhedged currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%, which represents management's assessment of the reasonably possible change in foreign exchange rates.

The following table details the Company's sensitivity movement in the foreign currencies.

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Change in assumption by 1%		Change in assumption by 1%	
	Increase	Decrease	Increase	Decrease
USD	(0.00)	0.00	(0.00)	0.00
AED	(0.00)	0.00	(0.00)	0.00
GBP	-	-	(0.00)	0.00

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(Transactions below ` 50,000 denoted as ` 0.00 Crores)

37 Capital Management

The Company's objectives for managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through support from parent company. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio.

No changes were made in the objectives, policies or processes for managing capital during the year ended as at 31st March, 2020 and as at 31st March, 2019.

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.

(₹ In Crores)			
Particulars	Refer Note	As at 31st March, 2020	As at 31st March, 2019
Total Borrowings	-	-	-
Less: Cash and Cash Equivalents	13	36.34	4.40
Less: Bank balance other than cash and cash equivalents	14	0.62	2.26
Net Debt (A)		(36.96)	(6.66)
Total Equity (B)	18 & 19	157.50	130.16
Total Equity and Net Debt (C=A+B)		120.54	123.50
Gearing Ratio (A/B)		-	-

Note:- No Borrowings as on 31st March, 2020 & 31st March, 2019, so Gearing Ratio is negative

- 38** 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. 1st April, 2018. Accordingly, the comparative information i.e. information for the year ended 31st March, 2018, has not been restated. The adoption of the standard did not have any material impact on the financial statements of the company. Additionally, the disclosure requirements in Ind AS 115 have not generally been applied to comparative information.

Contract balances:

(a) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(₹ In Crores)		
Particulars	March 31, 2020	April 1, 2019
Trade receivables (Refer note 12)	76.27	89.14
Contract assets	-	-
Contract liabilities	-	-

The contract assets primarily relate to the Company's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the Customer. The contract liabilities primarily relate to the advance consideration received from the customers.

(b) Significant changes in contract assets and liabilities during the period:

Particulars	(₹ In Crores)	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Contract assets reclassified to receivables	-	-

Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	(₹ In Crores)	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue as per contracted price	542.66	586.93
Adjustments	-	-
Discounts	-	-
Revenue from contract with customers	542.66	586.93

(Transactions below ₹ 50,000 denoted as ₹ 0.00 Crores)

ADANI BUNKERING PRIVATE LIMITED**Notes to financial statements for the year ended 31st March, 2020****39 Other notes to accounts****(a) Contingent liabilities and commitments**

Particulars	(` In Crores)	
	As at	
	31st March, 2020	31st March, 2019
Contingent liabilities		
Claims against the company not acknowledged as debt -		
Performance bank guarantees	0.01	0.01
Service Tax	1.31	1.31
Income Tax	9.58	38.39
VAT	185.34	191.04
Goods Cleared under LUT ⁽¹⁾	35.29	21.87
	231.52	252.61

⁽¹⁾ From the period beginning September 11, 2017 to March 31, 2020, Company has supplied Fuel Oil to Foreign Going Vessels under LOU obtained in the state of Gujarat for exports of goods and services without payment of duty under Rule 96A of Central GST Rules, 2017 read with provisions of Notification no 15/2017 – Central tax dated 01.07.2017. Basis legal opinion, the company has considered supplies made to vessels on foreign run with realization in Convertible Foreign Currency under LOU as Exports. Accordingly GST liability of Rs.35.29 Crore/- on such exports has not been provided in the books of accounts.

Commitments

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(b) Corporate Social Responsibility:

As per section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The utilisation is done by way of contribution towards various activities.

(a) Gross amount as per the limits of Section 135 of the Companies Act, 2013 : Rs. 0.44 Crores

(b) Amount spent during the year on : Rs.0.44 Crores (Previous year : Rs. 0.36 Crores)

Particulars	(` In Crores)		
	Amount Contributed	Amount yet to Contribute	Total
(A) Construction/acquisition of any assets	-	-	-
(B) On purpose other than (A) above	0.44	-	0.44
Total	0.44	-	0.44

(Transactions below ` 50,000 denoted as ` 0.00 Crores)

40 Related party disclosures :

Related party disclosures, as required by Ind AS - 24 "Related Party Disclosures", are given below:

Terms and conditions of transactions with related parties

Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Notes:

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

(i) Parties where control exists

Holding Company	- Adani Global PTE. Limited, Singapore
Ultimate Holding Company	- Adani Enterprises Limited, India.

(ii) Key Management Personnel :

Mr. Pranav V. Adani (Director)
Mr. Jatinkumar Jalundhwala (Director)
Mr. Vinay Prakash (Director)
Ms. Birva Patel (Independent Director)
Mr. Ram Avtar Patodia (upto 8th July, 2018)
Mr. Rajendra Singh (w.e.f. 09th July, 2018)
Mr. Jitendra Jain (w.e.f. 09 July, 2018 to 1st Aug, 2019)

(iii) Enterprises over which principal shareholders have control or significant Influence.

Adani Ports and Special Economic Zone Limited
The Adani Harbour Services Private Limited
Shanti Sagar International Dredging Private Limited
Adani Power Limited
Adani Power Mundra Limited
Adani Wilmar Limited
Adani Hazira Port Private Limited
Adani Logistics Limited
Adani Properties Private Limited
Karnavati Aviation Private Limited
Adani Foundation
Adani Kandla Bulk Terminal Private Limited
Adani Petronet Dahej Port Private Limited
Adani Shipping PTE Limited
Parsa Kante Colliries Limited

ADANI BUNKERING PRIVATE LIMITED
Notes to financial statements for the year ended 31st March, 2020

(₹ In Crores)			
Category	Name of Related party	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Sales of Goods	Adani Ports and Special Economic Zone Limited	50.56	75.31
	Shanti Sagar International Dredging Private Limited	13.98	7.58
	Adani Power Mundra Limited	0.61	1.28
	The Adani Harbour Services Private Limited	4.64	36.48
	Adani Shipping PTE Limited	2.22	4.88
Purchases of Goods	Adani Ports and Special Economic Zone Limited	0.34	0.05
	Adani Enterprises Limited	-	228.95
	Adani Global Pte Limited	402.06	128.25
Service Availed	Adani Ports and Special Economic Zone Limited	15.17	14.86
	Adani Enterprises Limited	0.22	1.75
	The Adani Harbour Services Private Limited	0.63	0.62
	Adani Logistics Limited	0.03	0.01
	Adani Hazira Port Private Limited	0.00	2.27
	Karnavati Aviation Private Limited	-	0.75
	Adani Power Mundra Limited	0.00	-
	Adani Petronet Dahej Port Private Limited	0.01	-
Barge Hiring Charges	Adani Global Pte Limited	8.50	8.68
Interest expense	Adani Ports and Special Economic Zone Limited	37.90	34.25
	Adani Hazira Port Private Limited	-	0.73
	Adani Petronet Dahej Port Private Limited	-	0.73
	Adani Kandla Bulk Terminal Private Limited	-	0.73
	Adani Enterprises Limited	0.00	0.89
Interest Received	Adani Enterprises Limited	35.11	3.91
	Adani Power Limited	16.41	40.91
	Parsa Kante Colliries Limited	-	0.09
Rent Expenses	Adani Ports and Special Economic Zone Limited	0.15	0.18
	Adani Power Mundra Limited	-	0.00
Loan Taken	Adani Enterprises Limited	1.25	54.34
Loan given	Adani Enterprises Limited	149.51	436.18
	Adani Power Limited	414.77	124.39
	Parsa Kante Colliries Limited	-	20.00
Loan received back	Adani Enterprises Limited	548.18	54.45
	Adani Power Limited	-	612.73
	Parsa Kante Colliries Limited	-	20.00
Loan Repaid	Adani Enterprises Limited	1.25	55.32
Corporate Social Responsibility Expenses	Adani Foundation	0.44	0.36
Employee Transfer	Adani Enterprises Limited	0.06	-
(₹ In Crores)			
Category	Name of Related party	Year ended March 31, 2020	Year ended March 31, 2019
Balance			
Balance payable at the end of year - Net	Adani Enterprises Limited	0.13	1.98
	Adani Wilmar Limited	0.01	0.01
	Adani Ports and Special Economic Zone Limited	469.49	416.38
	Adani Petronet Dahej Port Private Limited	0.01	-
	The Adani Harbour Services Private Limited	0.63	-
	Adani Logistics Limited	-	0.00
	Karnavati Aviation Private Limited	-	0.10
	Adani Properties Private Limited	0.02	0.02
	Adani Global Pte Limited	54.17	87.11
Balance receivable at the end of year - Net	Adani Power Mundra Limited	0.10	0.10
	Shanti Sagar International Dredging Private Limited	4.77	2.40
	Parsa Kante Colliries Limited	-	0.08
	Adani Hazira Port Private Limited	-	0.00
	The Adani Harbour Services Private Limited	-	11.61
Loans Given	Adani Power Limited	466.24	51.47
	Adani Enterprises Limited	21.51	420.18

(Transactions below ₹ 50,000 denoted as ₹ 0.00 Crores)

Note :- All figures are net of taxes

ADANI BUNKERING PRIVATE LIMITED**Notes to financial statements for the year ended 31st March, 2020**

41 Hedging Activity

The Company is dealing in marine fuel products. The Company's physical inventory is exposed to commodity price risks arising from the volatility in International Indices. The Company enters into derivative contracts in the form of commodity swaps to hedge its exposure of such commodity price risks.

42 Impact of COVID 19

"Due to outbreak of Covid-19 globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks on account of Covid-19, and believes that the impact is likely to be short term in nature. 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"

43 Other Disclosure**(i) 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 financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 1st May, 2020, there are no subsequent events to be recognized or reported that are not already disclosed.

(ii) Previous year figures have been regrouped and rearranged wherever necessary to conform to this year's classification.

(iii) The financial statements for the year ended 31st March, 2020 have been approved by the Board of Directors at their meetings held on 1st May, 2020

For Dharmesh Parikh & Co

Chartered Accountants

Firm Registration Number : 112054W

For and on behalf of the Board of Directors of

Adani Bunkering Private Limited**Chirag Shah**

Partner

Membership No. 122510

Pranav Adani

Director

DIN 00008457

Jatinkumar Jalundhwala

Director

DIN 00137888

Place : Ahmedabad**Date : 1st May, 2020****Place : Ahmedabad****Date : 1st May, 2020**