

G. K. Choksi & Co.
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Adani Agri Logistics Limited.

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Adani Agri Logistics Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), the Cash Flows Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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 Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

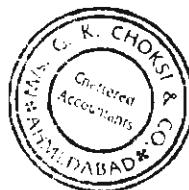
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.



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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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 the "Annexure – A", a statement on the matters specified in paragraphs 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 accounts 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 of cash flows and 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;
 - e) On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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"; and
- 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 our best of our information and according to the explanations given to us :
- i. The Company does not have any pending litigations as on the balance sheet date which would impact its financial position other than those disclosed in note no. 40 of the financial statements.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 43 to the standalone Ind AS financial statements.

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

3
SANDIP PARIKH
Partner
Mem. No. 040727

Place : Ahmedabad
Date : 23rd May, 2017



ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date to Adani Agri Logistics Limited)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March, 2017, we report that:

(i) In respect of Fixed Assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of its fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals which in our opinion is reasonable having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable property are held in the name of the Company.

(ii) In respect of Inventories

According to information and explanation given to us, the Management of the Company has conducted physical verification of inventory at reasonable intervals and no material discrepancies were noticed on physical verification during the year.

- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed maintenance of cost records under sub-section(1) of Section 148 of the Companies Act, 2013, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, Employee state insurance, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account



of duty of excise and custom.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, Employee state insurance, service tax, cess and other material statutory dues were in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.

- (b) According to information and explanations given to us, the Company has no disputed outstanding statutory dues as at 31st March, 2017.
- (viii) The Company has not defaulted in the repayment of loans and borrowings to financial institutions, banks, government or dues to debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid any Managerial Remuneration as per the provisions of Section 197 read with Schedule V to the Companies Act, 2013. Hence these provisions are not applicable to the Company during the period under review.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the requirement of reporting under this clause is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.



- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and therefore, requirement of reporting under this clause is not applicable.

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

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

Place : Ahmedabad
Date : 23rd May, 2017



Annexure - B to the Independent Auditors' Report of even date on the Financial Statements of Adani Agri Logistics Limited

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 Adani Agri Logistics Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Ind AS financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of 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, 2017, 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 : 23rd May, 2017

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


SANDIP PARIKH
Partner
Mem. No. 040727



ADANI AGRI LOGISTICS LIMITED
Balance Sheet as at March 31, 2017

Particulars	Note No.	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	5	43,689.02	46,481.44	49,271.02
(b) Capital work in progress	5	285.26	281.61	152.20
(c) Intangible assets	6	12.53	-	-
(d) Financial assets				
(i) Investments	7	1,600.00	-	-
(ii) Other non current financial assets	8	113.56	119.13	117.05
(e) Deferred tax assets	9	-	-	-
(f) Non-current tax assets (net)	10	90.01	113.34	123.90
(g) Other non-current assets	11	722.17	719.86	782.23
		46,512.55	47,715.38	50,446.40
2 Current assets				
(a) Inventories	12	46.42	38.55	51.75
(b) Financial assets				
(i) Trade receivables	13	1,039.90	804.40	1,241.11
(ii) Cash and cash equivalents	14	127.34	183.86	154.59
(iii) Bank balances other than (ii) above	15	2,441.46	2,652.86	2,991.74
(iv) Loans to related parties	16	3,012.76	-	-
(v) Other current financial assets	17	46.79	153.85	57.65
(c) Other current assets	18	228.26	40.36	34.70
		6,942.93	3,873.88	4,531.54
TOTAL ASSETS		53,455.48	51,589.26	54,977.94
EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	19	9,982.80	9,982.80	9,982.80
(b) Other equity	20	(2,608.73)	(2,807.20)	(2,869.97)
Total equity		7,374.07	7,175.60	7,112.83
Liabilities				
2 Non-current liabilities				
(a) Financial liabilities				
(i) Long term borrowings	21	32,036.35	35,923.13	37,010.48
(ii) Other non current financial liabilities	22	15.48	20.52	18.64
(b) Long term provisions	23	90.36	87.61	78.74
(c) Other non-current liabilities	24	-	2.54	2.54
		32,142.19	36,033.80	37,110.40
3 Current liabilities				
(a) Financial liabilities				
(i) Short term borrowings	25	9,077.88	4,147.72	7,137.69
(ii) Trade payables	26	490.09	529.44	512.10
(iii) Other current financial liabilities	27	3,935.06	3,638.83	3,036.76
(c) Short term provisions	28	40.76	31.59	20.63
(b) Other current liabilities	29	395.43	32.28	47.53
		13,939.22	8,379.86	10,754.71
Total liabilities		46,081.41	44,413.66	47,865.11
TOTAL EQUITY AND LIABILITIES		53,455.48	51,589.26	54,977.94

Significant accounting policies and notes on accounts from note no. 1 to 46 form an integral part of financial statements.

As per our report of even date

For G.K.Choksi & Co.

(Firm Registration No : 101895W)

Chartered Accountants

Sanjiv A Parikh

Partner

Membership No.40727

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

Pranav V Adani

Managing Director

DIN : D0008457

Surendra Phophalia

Chief Financial Officer

Atul Chaturvedi

Director

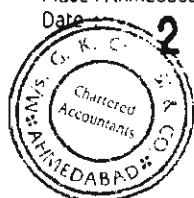
DIN : 00175355

Udit Sharma

Company Secretary

Place : Ahmedabad

Date : 23 MAY 2017



Place : Ahmedabad

Date : 23 MAY 2017



ADANI AGRI LOGISTICS LIMITED

Statement of Profit and Loss for the year ended on 31st March, 2017

Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
		Rs. In Lakhs	Rs. in Lakhs
Revenue			
Revenue from operations	30	9,378.97	9,540.71
Other income	31	341.99	443.23
Total revenue		9,720.96	9,983.94
Expenses			
Operating expenses	32	877.45	724.09
Employee benefits expenses	33	698.72	696.77
Finance costs	34	4,228.03	4,673.76
Depreciation and amortisation expenses	5 & 6	2,810.29	2,808.23
Administrative and other expenses	35	880.08	1,018.23
Total expenses		9,494.57	9,921.08
Profit before exceptional items and tax		226.39	62.86
Exceptional items		-	-
Profit before tax		226.39	62.86
Tax expense			
Current tax	9	26.34	-
Deferred tax		-	-
Adjustment of tax for earlier years		-	0.28
Less: MAT credit entitlement		-	-
Profit for the year		200.05	62.58
Other comprehensive income			
A. Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability/ (asset)	41	(1.58)	0.19
Other comprehensive income/ (loss)		(1.58)	0.19
Total comprehensive income for the year		198.47	62.77
Earnings per equity share	46		
Basic		0.20	0.06
Diluted		0.20	0.06

Significant accounting policies and notes on accounts from note no. 1 to 46 form an integral part of financial statements.

As per our report of even date
For G.K.Choksi & Co.
(Firm Registration No : 101895W)
Chartered Accountants

3
Sandip A Parikh
Partner
Membership No.40727

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

P.V. Adani
Pranav V Adani
Managing Director
DIN : 00008457

Surendra
Surendra Phophalia
Chief Financial Officer

Atul Chaturvedi
Director
DIN : 00175355

Udit Sharma
Udit Sharma
Company Secretary

Place : Ahmedabad
Date : 23 MAY 2017



Place : Ahmedabad
Date :

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ADANI AGRI LOGISTICS LIMITED

Statement of changes in equity for the year ended on 31st March, 2017

Part A : Equity

Particulars	Equity share capital Rs. in Lakhs
As on 1st April, 2015	9,982.80
Addition / reduction during FY 2015-16	-
As on 31st March, 2016	9,982.80
Addition / reduction during FY 2016-17	-
As on 31st March, 2017	9,982.80

Part B : Other equity

Particulars	Other equity		Total other equity Rs. in Lakhs
	Reserves and surplus	Other comprehensive income	
	Retained earnings	Remeasurements of defined benefit liability (asset)	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
As on 1st April, 2015	(2,869.97)	-	(2,869.97)
Profit for FY 2015-16	62.58	-	62.58
Total comprehensive income during FY 2015-16	-	0.19	0.19
As on 31st March, 2016	(2,807.39)	0.19	(2,807.20)
Profit for FY 2016-17	200.05	-	200.05
Other comprehensive income for FY 2016-17	-	(1.58)	(1.58)
As on 31st March, 2017	(2,607.34)	(1.39)	(2,608.73)

Significant accounting policies and notes on accounts from note no. 1 to 46 form an integral part of financial statements.

As per our report of even date
For G.K.Choksi & Co.
(Firm Registration No : 101895W)
Chartered Accountants

3
Ranip A Parikh
Partner
Membership No.40727

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

P.V. Adani
Pranav V Adani
Managing Director
DIN : 00008457

Surendra Phophalia
Chief Financial Officer

Atul Chaturvedi
Director
DIN : 00175355

Udit Sharma
Company Secretary

Place : Ahmedabad
Date: **23 MAY 2017**



Place : Ahmedabad
Date :



ADANI AGRI LOGISTICS LIMITED
Cash Flow Statement for the year ended on 31st March, 2017

Particulars	For the year ended 31st March, 2017 Rs. in Lakhs	For the year ended 31st March, 2016 Rs. in Lakhs
(A) Cash flow from operating activities		
Profit before tax	226.39	62.86
Adjustment for:		
Other interest	2.80	2.59
Amortization of ancillary borrowing cost	9.36	9.38
Customer claims	153.47	-
Bad debts written off	-	387.58
Liabilities no longer required written back	(59.20)	(131.64)
Profit on sale of fixed assets	(34.66)	(2.56)
Interest income	(243.96)	(306.63)
Depreciation and amortisation expenses	2,810.29	2,808.23
Finance costs	4,212.77	4,646.39
Operating profit before working capital changes	7,077.26	7,476.20
Changes in working capital:		
(Increase) / decrease in other non current assets	(5.08)	1.03
(Increase) / decrease in inventories	(7.87)	13.20
(Increase) / decrease in trade receivables	(235.50)	49.13
(Increase) / decrease in other non current financial assets	4.02	(0.00)
(Increase) / decrease in other current assets	(187.90)	(5.66)
(Increase) / decrease in other current financial assets	(4.53)	(2.48)
Increase / (decrease) in other non current financial liabilities	(5.04)	1.89
Increase / (decrease) in long term provisions	(0.05)	6.28
Increase / (decrease) in other non-current liabilities	(2.54)	-
Increase / (decrease) in trade payables	19.85	148.98
Increase / (decrease) in other current financial liabilities	(0.01)	0.01
Increase / (decrease) in other current liabilities	363.15	(15.25)
Increase / (decrease) in short term provisions	(145.88)	11.15
	(207.38)	208.28
Cash generated from operations	6,869.88	7,684.48
Less : Tax paid	(3.01)	10.28
Net cash flow from operating activities (A)	6,866.87	7,694.76
(B) Cash flow from investing activities		
Decrease/ (increase) in property, plant and equipment	(71.70)	(31.17)
Decrease/ (increase) in intangible assets	(12.54)	-
Decrease/ (increase) in capital work-in-progress	(0.89)	(68.07)
Decrease/ (increase) in investments	(1,600.00)	-
Decrease/ (increase) in bank balance other than cash and cash equivalents	212.95	336.78
Sale of fixed assets	88.51	15.07
Interest received	355.56	212.91
Net cash from / (used in) investing activities (B)	(1,028.11)	465.52
(C) Cash flow from financing activities		
Proceeds/(repayment) of long term borrowings	(3,896.11)	(1,096.73)
Proceeds/(repayment) of short term borrowings	5,226.36	(2,387.89)
(Increase) / decrease in loans to related parties	(3,012.76)	-
Finance costs paid	(4,212.77)	(4,646.39)
Net cash flow used in financing activities (C)	(5,895.28)	(8,131.01)
Net decrease in cash and cash equivalents (A)+(B)+(C)	(56.52)	29.27
Cash and cash equivalents at the beginning of the year	183.86	154.59
Cash and cash equivalents at the end of the year	127.34	183.86



ADANI AGRI LOGISTICS LIMITED

Cash Flow Statement for the year ended on 31st March, 2017

Notes to Cash flow Statement :

- 1 Reconciliation of cash and cash equivalents with the balance sheet:
Cash and cash equivalents as per balance sheet

127.34 183.86

127.34 183.86

Significant accounting policies and notes on accounts from note no. 1 to 46 form an integral part of financial statements.

In terms of our report attached.

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

Sandip A Parikh
Partner
Membership No.40727

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

Pranav V Adani
Managing Director
DIN : 00008457

Surendra Phophalia
Chief Financial Officer

Atul Chaturvedi
Director
DIN : 00175355

Udit Sharma
Company Secretary

Place : Ahmedabad

Date : 23 MAY 2017



Place : Ahmedabad

Date :

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1 Corporate information

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

2 Basis of preparation

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

For all periods up to and including the year ended March 31, 2016, the company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March, 2017 are the first the company has prepared in accordance with Ind AS. (refer note 36 for information on how the company has adopted Ind AS.)

The company has adopted all Ind AS and the adoption was carried out in accordance with Ind AS 101 "First time adoption of Indian Accounting Standards". The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 36.

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

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

3 Use of estimates

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

3.1 The significant estimates and judgements are listed below:

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



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

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

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

All other assets are classified as non-current.

A liability is current when:

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

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

(b) Fair value measurement

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

(c) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. It is broadly classified in financial assets, financial liabilities, derivatives and equity.

Financial asset:

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

Initial recognition:

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

Subsequent measurement:

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

Derecognition

A financial asset is derecognized only when

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

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

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

Investment in associates, joint venture and subsidiaries

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

Financial liability

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

Initial recognition:

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

Subsequent measurement:

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



Derecognition

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

(d) Inventories

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

(e) Borrowing costs

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

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

(f) Revenue recognition

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

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

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

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

(g) Employee benefits

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

Provident fund

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

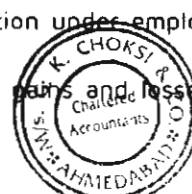
Gratuity fund

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

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

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

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



Compensated absences

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

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

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

(h) Segment reporting

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

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

(i) Taxes

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

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

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

(j) Earnings per share

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



(k) Cash and cash equivalent

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

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

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

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

Contingent liabilities

Contingent liabilities is disclosed in the case of :

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

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

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

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

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

(m) Cash flow statement

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

(n) Impairment**Impairment for non financial assets**

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

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

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



Impairment for financial assets

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

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

(o) Lease

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

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

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

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

(p) Property, plant and equipment (PPE)

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

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

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

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

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

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



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

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

(q) Intangible assets

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

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

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

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

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

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

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

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

(r) Recent accounting pronouncements

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.'

These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102: It is not applicable as the company does not have any share based payments.



ADANI AGRI LOGISTICS LIMITED

Notes to financial statements for the year ended on 31st March, 2017

5 Property, plant and equipment

Description of assets	Land - freehold Rs. in Lakhs	Buildings Rs. in Lakhs	Railway siding Rs. in Lakhs	Wagons Rs. in Lakhs	Plant and machinery Rs. in Lakhs	Furniture and fixtures Rs. in Lakhs	Office equipments Rs. in Lakhs	Computers Rs. in Lakhs	Vehicles Rs. in Lakhs	Total Rs. in Lakhs	Capital work in progress Rs. in Lakhs
Year ended 31st March, 2016											
Deemed cost as at 1st April, 2015	4,046.78	11,809.04	7,404.63	10,239.42	15,579.68	92.31	19.22	66.47	13.47	49,271.02	152.20
Additions	-	9.45	-	-	4.04	0.29	7.56	9.83	-	31.17	138.86
Disposals	-	-	-	-	20.41	-	-	-	-	20.41	9.45
Gross carrying value as at 31st March, 2016	4,046.78	11,818.49	7,404.63	10,239.42	15,563.31	92.60	26.78	76.30	13.47	49,281.78	281.61
Depreciation expenses Eliminated on disposal of assets	-	574.32	296.78	374.87	1,515.30	25.47	4.03	9.52	7.94	2,808.23	-
Accumulated depreciation and impairment as at 31st March, 2016	-	574.32	296.78	374.87	1,507.41	25.47	4.03	9.52	7.94	2,800.34	-
Net Carrying amount as at 31st March, 2016	4,046.78	11,244.17	7,107.85	9,864.55	14,055.90	67.13	22.75	66.78	5.53	46,481.44	281.61
Year ended 31st March, 2017											
Gross carrying value as at 1st April, 2016	4,046.78	11,818.49	7,404.63	10,239.42	15,563.31	92.60	26.78	76.30	13.47	49,281.79	281.61
Additions	-	17.20	2.29	-	14.19	0.94	0.23	36.85	-	71.70	20.85
Disposals	-	-	56.80	-	34.64	-	-	1.23	-	92.67	17.20
Gross carrying value as at 31st March, 2017	4,046.78	11,835.69	7,350.12	10,239.42	15,542.86	93.54	27.01	111.92	13.47	49,260.82	285.26
Accumulated depreciation and impairment as at 1st April, 2016	-	574.32	296.78	374.87	1,507.41	25.47	4.03	9.52	7.94	2,800.34	-
Depreciation expenses Eliminated on disposal of assets	-	577.51	296.80	374.87	1,515.16	24.89	4.64	15.39	1.03	2,810.29	-
Accumulated depreciation and impairment as at 31st March, 2017	-	1,151.83	572.97	749.74	3,005.52	50.36	8.67	23.74	8.97	5,571.80	-
Net Carrying amount as at 31st March, 2017	4,046.78	10,683.86	6,777.15	9,489.68	12,537.34	43.18	18.34	88.18	4.50	43,689.02	285.26



6 Intangible assets

Description of assets	Computer software Rs. in Lakhs	Total Rs. in Lakhs
Year ended 31st March, 2016		
Deemed cost as at 1st April, 2015	-	-
Additions	-	-
Disposals	-	-
Gross carrying value as at 31st March, 2016	-	-
Amortisation expenses	-	-
Eliminated on disposal of assets	-	-
Accumulated amortisation and impairment as at 31st March, 2016	-	-
Net Carrying amount as at 31st March, 2016	-	-
Year ended 31st March, 2017		
Gross carrying value as at 1st April, 2016	-	-
Additions	12.54	12.54
Disposals	-	-
Gross carrying value as at 31st March, 2017	12.54	12.54
Accumulated amortisation and impairment as at 1st April, 2016	-	-
Amortisation expenses	0.01	0.01
Eliminated on disposal of assets	-	-
Accumulated amortisation and impairment as at 31st March, 2016	0.01	0.01
Net Carrying amount as at 31st March, 2017	12.53	12.53



7 Investments

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Non current investments			
Equity instruments of subsidiaries	1,600.00	-	-
	1,600.00	-	-
Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Unquoted			
Investments carried at cost			
Investments in equity instruments of subsidiaries			
1,000,000 equity shares of Adani Agri Logistics (Kotakapura) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Katihar) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (MP) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Oewas) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Harda) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Hoshangabad) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Satna) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Ujjain) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Kannauj) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Panipat) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Raman) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Nakotda) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Barnala) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Bathinda) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Mansa) Limited of Rs. 10/- each	100.00	-	-
1,000,000 equity shares of Adani Agri Logistics (Moga) Limited of Rs. 10/- each	100.00	-	-
	1,600.00	-	-
Aggregate amount of unquoted investments	1,600.00	-	-

8 Other non current financial assets

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Security deposits	107.41	111.43	111.43
Margin money deposits	6.15	7.70	5.52
Other deposits	-	-	0.10
	113.56	119.13	117.05

9 Taxation

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

Particulars	For the year ended 31st March, 2017 Rs. in Lakhs	For the year ended 31st March, 2016 Rs. in Lakhs
Statement of profit and loss / other comprehensive income		
Current income tax		
- Current tax	26.34	-
- Deferred tax	-	-
	26.34	-
Reconciliation		
Particulars	For the year ended 31st March, 2017 Rs. in Lakhs	For the year ended 31st March, 2016 Rs. in Lakhs
Profit before tax	226.39	62.86
Applicable tax rate	30.90%	30.90%
Tax on book profit as per applicable tax rate	A 69.95	19.42
Add:		
Depreciation as per companies act	868.38	867.54
Notional expense under Ind AS	3.76	3.90
Donation non deductible under 80G	0.22	0.97
Provisions for gratuity, leave encashment and bonus not allowable u/s 43 B	3.20	6.07
Remeasurement of defined benefit liability	-	0.06
Disallowance of TDS written off	1.35	-
Loss carried forward to next year	-	165.98
	B 876.91	1,044.52
Less:		
Remeasurement of defined benefit liability	0.49	-
Profit on sale / retirement of asset	10.71	0.79
Depreciation as per income tax act	918.42	1,063.15
Brought forward loss set off	17.24	-
	C 946.86	1,063.94
Tax payable as per income tax (A)	(A+B-C) 0.00	-
Tax payable under MAT (B)	26.34	-
Total tax expense (Higher of (A) or (B))	26.34	-



Deferred tax liability / deferred tax asset

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Deferred tax liabilities			
a. Fixed assets: impact of tax depreciation and depreciation / amortisation charged in the financial reporting	7,135.98	7,067.80	5,847.77
b. Unamortised ancillary cost on borrowing	25.89	29.13	32.37
c. ARO asset carrying amount	4.71	4.94	5.15
Gross deferred tax liabilities	7,166.58	7,101.87	6,885.30
Deferred tax asset			
Effect of expenditure debited to profit & loss statement in the current period, but allowable for tax purposes in the following years			
a. Expenditure disallowed - provision for bonus u/s 43B	7.49	7.05	6.31
b. Expenditure disallowed u/s 43B of the Income Tax Act, 1961 - allowable on payment	32.31	29.15	23.18
c. Unabsorbed depreciation/ business loss under the Income Tax Act, 1961 (refer note)	7,959.97	7,979.70	7,787.52
d. Provision for ARO (including interest accrued)	13.07	12.10	11.21
Gross deferred tax assets	8,012.84	8,028.01	7,828.22
Limited to the value of gross deferred tax liabilities	7,166.58	7,101.87	6,885.30
Net deferred tax liabilities / (asset) (refer note)	-	-	-

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

10 Non-current tax assets (net)

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Tax deducted at source (net of provisions)	90.01	113.34	123.90
	90.01	113.34	123.90

11 Other non current assets

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Capital advance (refer note)	715.67	718.43	779.77
Prepaid expense	6.50	0.63	1.24
Loan and advances to employees	-	0.80	1.22
	722.17	719.86	782.23

Note: Capital advance includes advances for KIDB land outstanding as at 31st March, 2017 Rs. 5,15,74,328/-, 31st March, 2016 Rs. 4,75,52,199/- and 1st April, 2015 Rs. 4,75,52,199/-

12 Inventories

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Stores, spares, chemicals, packing material and consumables	46.42	38.55	51.75
	46.42	38.55	51.75

13 Trade receivables

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Receivables outstanding for a period more than six months from the date they are due for payment (Unsecured, considered good)	4.23	9.34	179.82
Receivables outstanding for a period less than six months from the date they are due for payment (Unsecured, considered good)	1,035.67	795.06	1,061.29
	1,039.90	804.40	1,241.11



14 Cash and cash equivalents

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Balance in current account	127.34	183.86	154.59
	127.34	183.86	154.59

15 Bank balances (other than cash and cash equivalents)

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Margin money deposits	2,299.33	2,522.76	2,134.23
Other deposits	142.13	130.10	857.51
	2,441.46	2,652.86	2,991.74

16 Loans to related parties

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Loans to subsidiaries and other group companies (unsecured) (refer note)	3,012.76	-	-
	3,012.76	-	-

Note : Loans given to related parties carries interest @ 10.50% p.a.

17 Other current financial assets

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Security deposits	46.75	42.22	39.74
Interest accrued on deposits, loans and advances	0.04	111.63	17.91
	46.79	153.85	57.65

18 Other current assets

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Balances with government authorities	0.80	0.45	0.45
Prepaid expenses	32.25	10.36	15.38
Advances to suppliers	191.47	26.58	13.43
Imprest to employees	3.74	2.97	5.44
	228.26	40.36	34.70



19 Share capital

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Authorised share capital			
100,000,000 (as at 31st March, 2016 100,000,000 and as at 1st April, 2015 100,000,000) equity shares of Rs. 10/- each	1,00,00,00,000	1,00,00,00,000	1,00,00,00,000
Issued, subscribed and fully paid-up share capital			
9,98,28,000 (as at 31st March, 2016 9,98,28,000 and as at 1st April, 2015 9,98,28,000) equity shares of Rs. 10/- each fully paid up	9,982.80	9,982.80	9,982.80
	9,982.80	9,982.80	9,982.80

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

Equity shares

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Nos	Rs. in Lakhs	Nos	Rs. in Lakhs	Nos	Rs. in Lakhs
At the beginning of the year	9,98,28,000	9,982.80	9,98,28,000	9,982.80	9,98,28,000	9,982.80
Add : issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	9,98,28,000	9,982.80	9,98,28,000	9,982.80	9,98,28,000	9,982.80

(ii) Terms / rights attached to equity shares

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

The equity shareholders have

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

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

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

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

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

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Nos	Rs. in Lakhs	Nos	Rs. in Lakhs	Nos	Rs. in Lakhs
The holding company						
Adani Enterprises Limited	9,98,28,000	9,982.80	9,98,28,000	9,982.80	9,98,28,000	9,982.80
	9,98,28,000	9,982.80	9,98,28,000	9,982.80	9,98,28,000	9,982.80

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

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Nos	% holding	Nos	% holding	Nos	% holding
Equity shares of Rs. 10 each fully paid up						
Adani Enterprises Limited	9,98,28,000	100%	9,98,28,000	100%	9,98,28,000	100%
	9,98,28,000	100%	9,98,28,000	100%	9,98,28,000	100%



ADANI AGRI LOGISTICS LIMITED
Notes to financial statements for the year ended on 31st March, 2017
20 Other equity

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Retained earnings			
Opening balance (refer note - 36)	(2,807.39)	(2,869.97)	(2,869.97)
Add : Profit for the year	200.05	62.58	-
Balance available for appropriations	(2,607.34)	(2,807.39)	(2,869.97)
Less: Appropriations	-	-	-
Total retained earnings	(2,607.34)	(2,807.39)	(2,869.97)
Other comprehensive income			
Balance as per previous financial statements	0.19	-	-
Add/(Less) : Actuarial valuation of gratuity	(1.58)	0.19	-
Total other comprehensive income	(1.39)	0.19	-
Total other equity	(2,608.73)	(2,807.20)	(2,869.97)

21 Long term borrowings

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Secured term loan from - ICICI Bank Limited (refer note)	32,036.35	35,923.13	37,010.48
	32,036.35	35,923.13	37,010.48

Note The Loan from ICICI bank is secured by equitable mortgage of immovable properties of the company and first charge by way of hypothecation of all movable assets and intangible assets and assignment of book debt, operating cash flows, revenues and receivables of projects. The term loan will be repaid based on monthly installments as per the loan repayment schedule agreed upon in the sanction letter. The loan worth Rs. 37,094.64 Lakhs carries interest of 9.75% (for the year 2015-16 9.85% and 2014-15 10.50% respectively) while new loan obtained during FY 2015 - 16 worth Rs. 2,500 Lakhs carries interest of 10.40% (for the year 2015-16 10.50%) per annum.

22 Other non current financial liabilities

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Retention money	15.48	20.52	18.64
	15.48	20.52	18.64

23 Long term provisions

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Provision for leave benefits	52.59	52.63	46.34
Provision for asset retirement obligation	37.77	34.98	32.40
	90.36	87.61	78.74

24 Other non current liabilities

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Deposits from vendor	-	2.54	2.54
	-	2.54	2.54

25 Short term borrowings

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Unsecured loan from holding company (refer note)	9,077.88	4,147.72	7,137.69
	9,077.88	4,147.72	7,137.69

Note: Loans availed from holding company carries interest @ 10.50% (for the year 2015-16 10.50% and 2014-15 12.50%)

26 Trade payables

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
For goods and services			
- Accrual for employees	21.64	20.72	18.39
- Others (refer note 45 for MSMED)	468.45	508.72	493.71
(Amount payable to related party Rs. 50.83 lakhs (as at 31st March, 2016 11.72 lakhs and as at 1st April, 2015 Rs. 7.60 lakhs))			
	490.09	529.44	512.10



Notes to financial statements for the year ended on 31st March, 2017

27 Other current financial liabilities

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Current maturities of long term debt (refer note 1)	3,886.76	3,587.34	2,979.11
Interest accrued but not due on borrowings (refer note 2)	48.30	51.49	57.65
	3,935.06	3,638.83	3,036.76

Note 1: The current maturities represent the amount due for payment in next 12 months on the secured borrowings availed by the company as mentioned in note 21.

Note 2: The interest accrued but not due includes the interest component that has accrued as on the last day of the reporting period but the same is not due for payment.

28 Short term provisions

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Provision for gratuity	29.41	23.36	11.28
Provision for leave benefits	11.35	8.23	9.35
	40.76	31.59	20.63

29 Other current liabilities

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Deposits from vendor	12.68	10.14	12.64
Customer claims	338.04	-	-
Statutory liability	44.71	22.14	34.89
	395.43	32.28	47.53



Notes to financial statements for the year ended on 31st March, 2017

30 Revenue from operations			
Particulars	For the year ended 31st March, 2017 Rs. in Lakhs	For the year ended 31st March, 2016 Rs. in Lakhs	
Storage cum handling charges (Operating lease income)	9,378.97	9,540.71	
	9,378.97	9,540.71	
31 Other income			
Particulars	For the year ended 31st March, 2017 Rs. in Lakhs	For the year ended 31st March, 2016 Rs. in Lakhs	
Interest income on bank deposits	207.06	295.46	
Interest income on loans and advances	31.74	-	
Interest income - others	5.15	11.17	
Income from sale of scrap	4.18	0.46	
Export incentives	-	1.05	
Profit on sale of asset	34.66	2.56	
Other income	-	0.89	
Liability no longer required written back	59.20	131.64	
	341.99	443.23	
32 Operating expenses			
Particulars	For the year ended 31st March, 2017 Rs. in Lakhs	For the year ended 31st March, 2016 Rs. in Lakhs	
Clearing and forwarding expenses	185.28	90.22	
Contract labour	62.20	49.59	
Consumption of stores, spares and chemicals	15.26	12.90	
Pest management expenses	134.34	148.23	
Power and fuel	248.48	199.88	
Security expenses	155.96	175.09	
Shunting charges	75.93	48.18	
	877.45	724.09	
33 Employee benefits expenses			
Particulars	For the year ended 31st March, 2017 Rs. in Lakhs	For the year ended 31st March, 2016 Rs. in Lakhs	
Salary, wages and bonus	628.19	629.46	
Contribution to provident and other funds	31.22	30.62	
Staff welfare expenses	25.16	24.43	
Gratuity expense (refer note 41)	14.15	12.26	
	698.72	696.77	
34 Finance costs			
Particulars	For the year ended 31st March, 2017 Rs. in Lakhs	For the year ended 31st March, 2016 Rs. in Lakhs	
Interest on term loan	3,736.45	3,899.42	
Interest on inter corporate deposits	476.32	746.97	
Other interest	2.80	2.59	
Other bank charges	12.46	24.78	
	4,228.03	4,673.76	
35 Administrative and other expenses			
Particulars	For the year ended 31st March, 2017 Rs. in Lakhs	For the year ended 31st March, 2016 Rs. in Lakhs	
Rent	-	12.50	
Rates and taxes	13.37	11.91	
Licence fees	155.55	149.24	
Insurance expenses	69.86	49.06	
Repairs and maintenance	109.24	145.72	
Travelling and conveyance	80.64	84.94	
Communication expenses	13.82	12.32	
Printing and stationery	4.86	4.06	
Legal, professional and subscription fees	235.21	111.34	
Customer claims	153.47	-	
Bad debts written off	-	387.58	
Payment to auditors (Note A)	9.29	9.20	
Business promotion and advertisement	11.84	6.40	
Miscellaneous expenses	22.93	33.96	
	880.08	1,018.23	
A: Payment to auditors			
As auditors			
(i) Audit fees	7.56	7.48	
(ii) Tax audit fees	1.73	1.72	
	9.29	9.20	



Note No. 36 Explanatory notes on first time adoption of Ind AS**a. First time adoption of Ind AS**

These standalone financial statements, for the year ended on 31st March, 2017, are the first financials of Adani Agri Logistics Limited being prepared in accordance with Ind AS. For periods up to and including the year ended on 31st March, 2016, the company has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Therefore comparative information is reclassified / remeasured so as to comply with Ind AS.

The company's date of transition to Ind AS is 1st April, 2015. Therefore, the 'Opening balance sheet' as on 1st April, 2015, statement of profit and loss for year ended on 31st March, 2016 and balance sheet as at 31st March, 2016 has been restated as per Ind AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April, 2015 and the financial statements as at and for the year ended 31 March, 2016.

b. Exemptions availed under Ind AS 101

The company has elected to avail exemption under Ind AS 101 to use India GAAP carrying value as deemed cost at the date of transition for all items of property, plant and equipment and other tangible assets as per the statement of financial position prepared in accordance with previous GAAP.

c. Applicability of Appendix C of Ind AS 17 - Leases (Lessor)

Adani Agri Logistics Limited ('the Company' / 'AALL'), a wholly owned subsidiary of Adani Enterprises Limited has entered into an agreement with Food Corporation of India (FCI) on 28th June, 2005 to design, develop, construct, operate and maintain project facilities for warehousing and transportation of food grains on Build, Own and Operate (BOO) basis for a period of twenty years. Under the agreement the company is eligible for revenues based on Annual Guarantee Tonnage irrespective of the actual usage by FCI.

The scope of Appendix C of Ind AS 17 "Leases" provides that it does not apply to arrangements that are "public-to-private service concession arrangements" which are within the scope of Appendix A of Ind AS 11 "Construction Contracts". As per para 5 of Appendix A of Ind AS 11, the accounting for Service Concession Arrangement applies to the public-to-private partnership if both the following conditions are met: a) The grantor controls or regulate what services the operator must provide with the infrastructure, to whom it must provide them and at what price. b) The grantor controls through ownership, beneficial entitlement or otherwise any significant residual interest in the infrastructure at the end of the term of the arrangement. In the present case, as per the estimate by the management, FCI/ grantor does not control through ownership, beneficial entitlement or otherwise any significant residual interest in the infrastructure at the end of the term of the arrangement and therefore, the present arrangement of the company with FCI is outside the scope of Appendix A of Ind AS 11. In this situation, the present arrangement is tested for lease under Appendix C of Ind AS 17.

Accounting treatment under Appendix C of Ind AS 17 - Leases (Lessor)

As per the estimate by management, there is no transfer of substantial risks and rewards incidental to ownership of infrastructure and therefore, the arrangement is classified as "Operating Lease". All items of property, plant and equipments are accounted as it is. However, the income received from FCI has been reported as operating lease income.



d. Reconciliation of equity and profit and loss as per the previously reported under IGAAP to IND AS

1 Reconciliation of equity

Particulars	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Retained earnings as per IGAAP	(2,870.65)	(2,946.03)
Adjustments:		
Unamortized portion of ancillary borrowing costs up to 31st March, 2015	93.54	93.54
Asset retirement obligation up to 31st March, 2015	(17.48)	(17.48)
Impact of borrowing cost for FY 2015-16 due to Ind AS (as per note 2)	(9.38)	-
Impact of interest on ARO liability for FY 2015-16 due to Ind AS (as per note 2)	(2.59)	-
Impact of depreciation on ARO asset for FY 2015-16 due to Ind AS (as per note 2)	(0.64)	-
Impact of gratuity expense recognised as per Ind AS	0.19	-
Impact in total comprehensive income for FY 2015-16 due to Ind AS (as per note 2)	(0.19)	-
Total net impact	63.45	76.06
Retained earning as per Ind AS	(2,807.20)	(2,869.97)

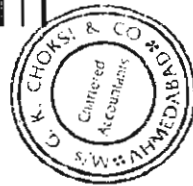
2 Reconciliation of total comprehensive income

Particulars	For the year ended 31st March, 2016 Rs. in Lakhs
Profit after tax as per IGAAP	75.38
Income / expense to be recognised under Ind AS during FY 2015-16:	
1 Amortisation of borrowing cost as per Ind AS	(9.38)
2 Interest on ARO liability as per Ind AS	(2.59)
3 Depreciation on ARO assets as per Ind AS	(0.64)
4 Gratuity expense recognised as per Ind AS	0.19
5 Acturial gain on gratuity as per Ind AS	(0.19)
Total net impact in profit during FY 2015-16	(12.61)
Total comprehensive income as per Ind AS	62.77



e. Effect of Ind AS adjustments on balance sheet

Particulars	As at 31st March, 2016			As at 1st April, 2015		
	As per IOAAP Rs. in Lakhs	Ind AS Adjustments Rs. in Lakhs	As per Ind AS Rs. in Lakhs	As per IOAAP Rs. in Lakhs	Ind AS Adjustments Rs. in Lakhs	As per Ind AS Rs. in Lakhs
ASSETS						
1 Non-current assets						
(a) Property, plant and equipment	46,942.70	(451.26)	46,491.44	49,731.64	(460.62)	49,271.02
(b) Capital work in progress	281.61	-	281.61	152.20	-	152.20
(c) Intangible assets	-	-	-	-	-	-
(d) Financial assets						
(i) Investments	-	-	-	-	-	-
(ii) Other non-current financial assets	119.13	-	119.13	117.05	-	117.05
(e) Deferred tax assets	-	-	-	-	-	-
(f) Non-current tax assets (net)	113.34	-	113.34	123.90	-	123.90
(g) Other non-current assets	244.33	475.53	719.86	306.71	475.52	782.23
	47,701.11	14.27	47,715.38	50,431.50	14.90	50,446.40
2 Current assets						
(a) Inventories	38.55	-	38.55	51.75	-	51.75
(b) Financial assets						
(i) Trade receivables	804.40	-	804.40	1,241.11	-	1,241.11
(ii) Cash and cash equivalents	183.86	-	183.86	154.59	-	154.59
(iii) Bank balances other than (i) above	2,652.86	-	2,652.86	2,991.74	-	2,991.74
(iv) Loans to related parties	-	-	-	-	-	-
(v) Other current financial assets	153.85	-	153.85	57.65	-	57.65
(c) Other current assets	40.36	-	40.36	34.70	-	34.70
	3,873.88	-	3,873.88	4,531.54	-	4,531.54
TOTAL ASSETS	51,574.99	14.27	51,589.26	54,963.04	14.90	54,977.94
EQUITY AND LIABILITIES						
1 Equity						
(a) Equity share capital	9,982.80	-	9,982.80	9,982.80	-	9,982.80
(b) Other equity	(2,870.65)	63.45	(2,807.20)	(2,946.03)	76.06	(2,869.97)
Total equity	7,112.15	63.45	7,175.60	7,036.77	76.06	7,112.83
2 Non-current liabilities						
(a) Financial liabilities						
(i) Long term borrowings	35,997.91	(74.78)	35,923.13	37,094.64	(84.16)	37,010.48
(ii) Other non-current financial liabilities	20.52	-	20.52	18.64	-	18.64
(b) Long-term provisions	52.63	34.98	87.61	46.36	32.38	78.74
(c) Other non-current liabilities	2.54	-	2.54	2.54	-	2.54
	36,073.60	(39.80)	36,033.80	37,162.18	(51.78)	37,110.40
3 Current liabilities						
(a) Financial liabilities						
(i) Short term borrowings	4,147.72	-	4,147.72	7,137.69	-	7,137.69
(ii) Trade payables	529.44	-	529.44	512.10	-	512.10
(iii) Other current financial liabilities	3,648.21	(9.38)	3,638.83	3,046.14	(9.38)	3,036.76
(b) Short term provisions	31.59	-	31.59	20.63	-	20.63
(c) Other current liabilities	32.28	-	32.28	47.53	-	47.53
	8,389.24	(9.38)	8,379.86	10,764.09	(9.38)	10,754.71
Total liabilities	44,462.84	(49.18)	44,413.66	47,926.27	(61.16)	47,865.11
TOTAL EQUITY AND LIABILITIES	51,574.99	14.27	51,589.26	54,963.04	14.90	54,977.94

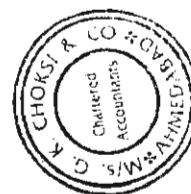


f. Effect of Ind AS adjustments on statement of profit and loss

Particulars	For the year ended 31st March, 2016			
	As per IGAAP	Ind AS Adjustments	As per Ind AS	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Revenue				
Revenue from operations	9,540.71	-	-	9,540.71
Other income	443.23	-	-	443.23
Total Revenue	9,983.94	-	-	9,983.94
Expenses				
Operating expenses	724.09	-	-	724.09
Employee benefits expenses	696.58	0.19	0.19	696.77
Finance costs	4,661.79	11.97	11.97	4,673.76
Depreciation and amortisation expenses	2,807.59	0.64	0.64	2,808.23
Administrative and other expenses	1,018.23	-	-	1,018.23
Total Expenses	9,908.28	12.80	12.80	9,921.08
Profit/(loss) before exceptional items and tax	75.66	(12.80)	-	62.86
Exceptional items	-	-	-	-
Profit/(loss) before tax	75.66	(12.80)	(12.80)	62.86
Tax expense:				
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Adjustments of tax for earlier years	0.28	-	-	0.28
Less: MAT credit entitlement	-	-	-	-
Profit/(loss) for the year	75.38	(12.80)	(12.80)	62.58
Other comprehensive Income				
A. Items that will not be reclassified to profit or loss	-	0.19	0.19	0.19
Remeasurements of defined benefit liability (asset)	-	0.19	0.19	0.19
Other comprehensive Income	75.38	(12.61)	(12.61)	62.77
Total comprehensive Income for the year				

g. Effect of Ind AS adoption on the statement of cash flows for the year ended 31st March, 2016

Particulars	As at 31st March, 2016			
	As per IGAAP	Ind AS Adjustments	As per Ind AS	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Cash Flow (used in)/from operating activities	7,694.76	-	-	7,694.76
Cash flow (used in)/from investing activities	465.52	-	-	465.52
Cash flow (used in)/from financing activities	(8,131.01)	-	-	(8,131.01)
Net Increase / (decrease) in cash and cash equivalents	29.27	-	-	29.27
Cash and cash equivalents at the beginning of the year	154.59	-	-	154.59
Cash and cash equivalents at the end of the year	183.86	-	-	183.86



AOANI AGRI LOGISTICS LIMITED

Notes to financial statements for the year ended on 31st March, 2017

37 The carrying value of financial instruments by categories as on 31st March, 2017 is as follows:

Particulars	Fair value through other comprehensive income	Fair value through profit or loss	Amortised cost	Total
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Financial assets				
Investments	-	-	1,600.00	1,600.00
Trade receivables	-	-	1,039.90	1,039.90
Cash and cash equivalents	-	-	127.34	127.34
Bank balances other than cash and cash equivalents	-	-	2,441.46	2,441.46
Loans to related parties	-	-	3,012.76	3,012.76
Other financial assets	-	-	160.34	160.34
Total	-	-	8,381.80	8,381.80
Financial liabilities				
Borrowings	-	-	41,114.23	41,114.23
Trade payables	-	-	490.09	490.09
Other financial liabilities	-	-	3,950.53	3,950.53
Total	-	-	45,554.85	45,554.85

The carrying value of financial instruments by categories as of 31st March, 2016 is as follows:

Particulars	Fair value through other comprehensive income	Fair value through profit or loss	Amortised cost	Total
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Financial assets				
Investments	-	-	-	-
Trade receivables	-	-	804.40	804.40
Cash and cash equivalents	-	-	183.86	183.86
Bank balances other than cash and cash equivalents	-	-	2,652.86	2,652.86
Loans to related parties	-	-	-	-
Other financial assets	-	-	272.98	272.98
Total	-	-	3,914.10	3,914.10
Financial liabilities				
Borrowings	-	-	40,070.85	40,070.85
Trade payables	-	-	529.44	529.44
Other financial liabilities	-	-	3,659.35	3,659.35
Total	-	-	44,259.64	44,259.64

The carrying value of financial instruments by categories as of 1st April, 2015 is as follows:

Particulars	Fair value through other comprehensive income	Fair value through profit or loss	Amortised cost	Total
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Financial assets				
Investments	-	-	-	-
Trade receivables	-	-	1,241.11	1,241.11
Cash and cash equivalents	-	-	154.59	154.59
Bank balances other than cash and cash equivalents	-	-	2,991.74	2,991.74
Loans to related parties	-	-	-	-
Other financial assets	-	-	174.70	174.70
Total	-	-	4,562.14	4,562.14
Financial liabilities				
Borrowings	-	-	44,148.17	44,148.17
Trade payables	-	-	512.10	512.10
Other financial liabilities	-	-	3,055.40	3,055.40
Total	-	-	47,715.67	47,715.67



38 Financial risk objective and policies

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

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

a Interest rate risk

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

b Credit risk

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

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

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

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

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

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

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Investments	1,600.00	-	-
Other non current financial assets	113.56	119.13	117.05
Trade receivables	1,039.90	804.40	1,241.11
Cash and cash equivalents	127.34	183.86	154.59
Bank balances other than cash and cash equivalents	2,441.46	2,652.86	2,991.74
Loans to related parties	3,012.76	-	-
Other current financial assets	46.79	153.85	57.65
	8,381.81	3,914.10	4,562.14

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

c Liquidity risk

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



Notes to financial statements for the year ended on 31st March, 2017

Maturity profile of financial liabilities

The table below provides detail of financial liabilities as of 1st April, 2015

Particulars	Less than 1 year Rs. in Lakhs	1-5 years Rs. in Lakhs	Total Rs. in Lakhs
Long term borrowings	-	13,742.45	13,742.45
Short term borrowings	7,137.69	-	7,137.69
Trade and other payables	512.10	-	512.10
Other current financial liabilities	3,036.76	18.64	3,055.40
	10,686.55	13,761.09	24,447.64

The table below provides detail of financial liabilities as of 31st March, 2016

Particulars	Less than 1 year Rs. in Lakhs	1-5 years Rs. in Lakhs	Total Rs. in Lakhs
Long term borrowings	-	13,742.66	13,742.66
Short term borrowings	4,147.72	-	4,147.72
Trade and other payables	529.44	-	529.44
Other current financial liabilities	3,638.83	20.52	3,659.35
	8,315.99	13,763.18	22,079.17

The table below provides detail of financial liabilities as of 31st March, 2017

Particulars	Less than 1 year Rs. in Lakhs	1-5 years Rs. in Lakhs	Total Rs. in Lakhs
Long term borrowings	-	14,038.19	14,038.19
Short term borrowings	9,077.88	-	9,077.88
Trade and other payables	490.09	-	490.09
Other current financial liabilities	3,935.06	15.48	3,950.53
	13,503.03	14,053.67	27,556.69

d Capital management

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

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

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Net debt (total debt less cash and cash equivalents)	38,545.43	37,234.13	41,001.84
Total capital	7,374.07	7,175.60	7,112.83
Total capital and net debt	45,919.50	44,409.73	48,114.67
Gearing ratio	83.94%	83.84%	85.22%



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

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

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Within one year	9,354.02	9,354.02	9,385.11
After one year but not more than five years	37,416.07	37,416.07	37,416.07
More than five years	49,108.60	58,462.62	67,816.64

ii) Company as lessee (including aiding lease rentals at all sites)

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

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Within one year	59.00	155.55	149.24
After one year but not more than five years	0.84	59.83	215.38
More than five years			

40 Dispute with eastern railways at hooghly depot

Pursuant to BOO agreement with Food Corporation of India (FCI), the company developed a field depot at Hooghly District of the State of West Bengal ("Hooghly depot") with storage capacity of 25,000 MT. For this purpose, the company entered into a lease agreement for land at Bandel, Hooghly District with Eastern Railways. The land was taken on lease for initial period of Four (4) years with the anticipation that it would be renewed periodically. The company constructed warehousing facility ("Silo") along with railway siding on this leasehold land and stored movement of food grains at this location.

After completion of four (4) years of lease agreement, the company approached Eastern Railways for renewal of lease period. However, Eastern Railways did not renew lease agreement by citing a cabinet note which barred permanent construction of a commercial establishment on railway land and with effect from March 2014, it stopped rake movement of the Company. As the company is unable to transport food grains at this depot, FCI stopped making payment of revenues for this depot. Considering the uncertainty involved in ultimate recovery, the company has not recognized revenues for the year ended 31st March, 2017 and 31st March, 2016. Similarly, such charges do not form part of any other disclosure of notes forming part of financial statements.

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

The company is hopeful to resolve the matter with Eastern Railways as these assets are being used by FCI for public distribution system as a part of implementation of Food Security Act. Even FCI and Ministry of Food, GOI have also requested Eastern Railways that in case, Railway is unable to lease the land to the company, it should be leased to FCI as these assets are being used by the company for FCI. Considering this, as per the estimates by the management, there is no need to impair its block of property, plant and equipment of Hooghly depot over and above depreciation provided in statement of profit and loss.



41 Gratuity

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

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

Statement of profit and loss**Net employee benefit expense (recognised)**

Particulars	For the year ended 31st March, 2017 Rs. in Lakhs	For the year ended 31st March, 2016 Rs. in Lakhs
Current service cost	12.31	11.36
Past service cost	-	-
Loss / (gain) on settlement	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	1.84	0.90
Net benefit expense	14.15	12.26

Other comprehensive income

Particulars	For the year ended 31st March, 2017 Rs. in Lakhs	For the year ended 31st March, 2016 Rs. in Lakhs
Actuarial (gains) / losses		
change in demographic assumptions	0.19	-
change in financial assumptions	(7.31)	0.99
experience variance (i.e. actual experience vs. assumptions)	7.10	(1.39)
others	-	-
Return on plan assets, excluding amount recognised in net interest expense	1.60	0.21
Components of defined benefit costs recognised in other comprehensive income	1.58	(0.19)

Balance sheet**Details of provision for gratuity**

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs
Defined benefit obligation	103.13	88.33
Fair value of assets at the end of the year	73.72	64.97
Net assets / (liability)	(29.41)	(23.36)

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

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs
Opening defined benefit obligation	88.32	71.62
Add: interest cost	6.97	5.74
Re-measurement (or actuarial) (gain) / loss arising from:		
-change in demographic assumptions	0.19	-
-change in financial assumptions	(7.31)	0.99
-experience variance (i.e. actual experiences assumptions)	7.10	(1.39)
Add: current service cost	12.31	11.36
Less: acquisition adjustment	(4.47)	-
Closing defined benefit obligation	103.11	88.32

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

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs
Fair value of assets at the beginning of the year	64.97	60.34
Add: expected return on plan assets	3.53	4.63
Add: contribution	5.21	-
Fair value of assets at the end of the year	73.71	64.97

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

Particulars	As at 31st March, 2017	As at 31st March, 2016
Discount rate	7.60%	7.90%
Rate of increase in compensation	7.50%	8.50%

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



ADANI AGRI LOGISTICS LIMITED
Notes to financial statements for the year ended on 31st March, 2017
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, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs
Defined benefit obligation (base)	103.13	88.33

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	112.96	94.56	99.18	79.10
Salary Growth Rate (- / + 1%)	94.48	112.88	79.06	99.01
Attrition Rate (- / + 50% of attrition rates)	103.02	103.21	88.82	87.90
Mortality Rate (- / + 10% of mortality rates)	103.13	103.13	88.35	88.32

Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cash flows) 9 years

Expected cash flows over the next (valued on undiscounted basis)	Rs. in Lakhs
1 year	4.85
2 to 5 years	31.26
6 to 10 years	52.01
More than 10 years	146.93

42 Related party disclosures

Holding company	Adani Enterprises Limited
Associate company	Adani Wilmar Limited
Subsidiary company	Adani Agri Logistics (Hoshangabad) Limited Adani Agri Logistics (Satna) Limited Adani Agri Logistics (Barnala) Limited Adani Agri Logistics (Bhatinda) Limited Adani Agri Logistics (Kannauj) Limited Adani Agri Logistics (Katihar) Limited Adani Agri Logistics (Kotakapura) Limited Adani Agri Logistics (Mansa) Limited Adani Agri Logistics (Moga) Limited Adani Agri Logistics (Nakodar) Limited Adani Agri Logistics (Panipat) Limited Adani Agri Logistics (Ramani) Limited Adani Agri Logistics (Dewas) Limited Adani Agri Logistics (Harda) Limited Adani Agri Logistics (MP) Limited Adani Agri Logistics (Ujjain) Limited
Fellow subsidiary company	Mundra Solar PV Limited

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Reimbursement of expense			
Mundra Solar PV Limited	-	1.88	-
Services availed			
Adani Enterprises Limited	128.31	48.45	-
Interest paid			
Adani Agri Logistics (Hoshangabad) Limited	0.01	-	-
Adani Agri Logistics (Dewas) Limited	2.35	-	-
Adani Agri Logistics (Ujjain) Limited	4.56	-	-
Adani Enterprises Limited	459.40	745.97	-
Interest received			
Adani Agri Logistics (Hoshangabad) Limited	1.04	-	-
Adani Agri Logistics (Satna) Limited	3.39	-	-
Adani Agri Logistics (Kotakapura) Limited	22.19	-	-
Adani Agri Logistics (Dewas) Limited	0.44	-	-
Adani Agri Logistics (Harda) Limited	2.43	-	-
Adani Agri Logistics (MP) Limited	1.81	-	-
Adani Agri Logistics (Ujjain) Limited	0.44	-	-
Sale of asset			
Adani Agri Logistics (Kotakapura) Limited	88.50	-	-
Adani Agri Logistics (Dewas) Limited	-	5.33	-
Adani Agri Logistics (Hoshangabad) Limited	-	2.21	-
Adani Agri Logistics (Satna) Limited	-	2.21	-
Adani Agri Logistics (Ujjain) Limited	-	5.33	-



ADANI AGRI LOGISTICS LIMITED

Notes to financial statements for the year ended on 31st March, 2017

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Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs	As at 1st April, 2015 Rs. in Lakhs
Payment made on behalf of subsidiaries			
Adani Agri Logistics (Barnala) Limited	3.07	-	-
Adani Agri Logistics (Bhatinda) Limited	3.07	-	-
Adani Agri Logistics (Mansa) Limited	3.07	-	-
Adani Agri Logistics (Moga) Limited	3.07	-	-
Adani Agri Logistics (Nakodar) Limited	3.07	-	-
Adani Agri Logistics (Raman) Limited	3.07	-	-
Adani Agri Logistics (Kannau) Limited	0.13	-	-
Adani Agri Logistics (Panipat) Limited	0.13	-	-
Adani Agri Logistics (Hoshangabad) Limited	0.22	-	-
Adani Agri Logistics (Satna) Limited	0.36	-	-
Adani Agri Logistics (Kotakapura) Limited	0.85	-	-
Adani Agri Logistics (Dewas) Limited	0.29	-	-
Adani Agri Logistics (Harda) Limited	0.28	-	-
Adani Agri Logistics (MP) Limited	0.35	-	-
Adani Agri Logistics (Ujjain) Limited	0.29	-	-
Adani Agri Logistics (Katihar) Limited	2.70	-	-
Fund given/(Fund received back) (net)			
Adani Agri Logistics (Hoshangabad) Limited	428.62	-	-
Adani Agri Logistics (Satna) Limited	471.50	-	-
Adani Agri Logistics (Kotakapura) Limited	350.00	-	-
Adani Agri Logistics (Dewas) Limited	409.48	-	-
Adani Agri Logistics (Harda) Limited	456.94	-	-
Adani Agri Logistics (MP) Limited	460.06	-	-
Adani Agri Logistics (Ujjain) Limited	407.60	-	-
Employee loan transfer			
Mundra Solar PV Limited	-	0.80	-
Employee liability transfer			
Adani Agri Logistics (Katihar) Limited	0.79	-	-
Adani Agri Logistics (Kotakapura) Limited	1.98	-	-
Adani Agri Logistics (MP) Limited	4.10	-	-
Adani Wilmar Limited	4.50	-	-
Mundra Solar PV Limited	1.81	-	-
Purchase of equity share of MP companies (Investment made)			
Adani Enterprises Limited	800.00	-	-
Capital contribution given			
Adani Agri Logistics (Barnala) Limited	100.00	-	-
Adani Agri Logistics (Bhatinda) Limited	100.00	-	-
Adani Agri Logistics (Katihar) Limited	100.00	-	-
Adani Agri Logistics (Kotakapura) Limited	100.00	-	-
Adani Agri Logistics (Mansa) Limited	100.00	-	-
Adani Agri Logistics (Moga) Limited	100.00	-	-
Adani Agri Logistics (Nakodar) Limited	100.00	-	-
Adani Agri Logistics (Raman) Limited	100.00	-	-
Funds received / (repayment of loan) (net)			
Adani Agri Logistics (Dewas) Limited	(70.00)	-	-
Adani Agri Logistics (Ujjain) Limited	(110.00)	-	-
Adani Enterprises Limited	4,304.23	(2,989.97)	-
Balance (payable) / receivable as at year end			
Adani Agri Logistics (Hoshangabad) Limited	0.22	-	-
Adani Agri Logistics (Satna) Limited	0.36	-	-
Adani Agri Logistics (Barnala) Limited	3.07	-	-
Adani Agri Logistics (Bhatinda) Limited	3.07	-	-
Adani Agri Logistics (Kannau) Limited	0.13	-	-
Adani Agri Logistics (Katihar) Limited	1.91	-	-
Adani Agri Logistics (Kotakapura) Limited	96.48	-	-
Adani Agri Logistics (Mansa) Limited	3.07	-	-
Adani Agri Logistics (Moga) Limited	3.07	-	-
Adani Agri Logistics (Nakodar) Limited	3.07	-	-
Adani Agri Logistics (Panipat) Limited	0.13	-	-
Adani Agri Logistics (Raman) Limited	3.07	-	-
Adani Agri Logistics (Dewas) Limited	0.29	-	-
Adani Agri Logistics (Harda) Limited	0.28	-	-
Adani Agri Logistics (MP) Limited	4.45	-	-
Adani Agri Logistics (Ujjain) Limited	0.29	-	-
Adani Enterprises Limited	(42.64)	(11.72)	(7.60)
Adani Wilmar Limited	(4.50)	-	-
Mundra Solar PV Limited	(3.69)	-	-
Balance (payable) / receivable outstanding (loan) as at year end			
Adani Agri Logistics (Hoshangabad) Limited	429.55	-	-
Adani Agri Logistics (Satna) Limited	474.54	-	-
Adani Agri Logistics (Kotakapura) Limited	369.97	-	-
Adani Agri Logistics (Dewas) Limited	337.76	-	-
Adani Agri Logistics (Harda) Limited	459.13	-	-
Adani Agri Logistics (MP) Limited	461.69	-	-
Adani Agri Logistics (Ujjain) Limited	293.89	-	-
Adani Enterprises Limited (net of TDS) (including interest accrued thereon)	(8,891.64)	(4,147.72)	(7,137.69)



ADANI AGRI LOGISTICS LIMITED
Notes to financial statements for the year ended on 31st March, 2017
43 Specified bank notes

The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below.

Particular	SBNs	Other Notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
Add Permitted receipts	-	-	-
Less Permitted payments	-	-	-
Less Amount deposited in banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

44 Contingent liabilities and commitments on capital account

Particulars	As at 31st March, 2017 Rs. in Lakhs	As at 31st March, 2016 Rs. in Lakhs
Guarantees	778.35	607.15
Estimated amount of unexecuted capital contracts (net of capital advances)	69.95	6.52
Estimated amount of income tax liability F.Y. 2010-11	-	2.17

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

46 Earnings per share (EPS)

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

Particulars	As at 31st March, 2017	As at 31st March, 2016
Basic and diluted		
Net Profit as per statement of profit and loss (A) (Rs. in Lakhs)	200.05	62.58
Calculation of weighted average number of equity shares		
- Number of equity shares at the beginning of the year (B)	9,98,28,000	9,98,28,000
- Number of equity shares issued during the year (C)	-	-
- Number of equity shares at the end of the year (B+C)	9,98,28,000	9,98,28,000
- Weighted average number of equity shares (D)	9,98,28,000	9,98,28,000
Earning per share (basic and diluted) (A/D)	0.20	0.06

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

3
Sandeep Parikh
Partner
Membership No. 40727

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

P. V. Adani
Pranav V Adani
Managing Director
DIN : 00008457

Surendra
Surendra Phophalla
Chief Financial Officer

Atul Chaturvedi
Director
DIN : 00175355
Udit Sharma
Company Secretary

Place : Ahmedabad
Date : 23 MAY 2017



Place : Ahmedabad
Date : 23 MAY 2017

