



# SHARP & TANNAN

## Chartered Accountants

### INDEPENDENT AUDITOR'S REPORT To the Members of Adani Agrifresh Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of Adani Agrifresh Limited (the 'Company'), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 2013, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



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Farook M. Kobra Shreedhar T. Kunte L. Vaidyanathan Milind P. Phadke  
Rajkumar Khullar Pavan K. Aggarwal Ashwin B. Chopra  
Associate Offices: Bangalore, Chennai, Goa, Mumbai, Pune & Hyderabad

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of Sub section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Companies Act, 2013, we report that:
  - (a) we have sought and obtained all information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
  - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) in our opinion, the Statement of Profit and Loss, the Balance Sheet and the Cash Flow Statement comply with the accounting standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014; and
  - (e) on the basis of the written representations received from directors of the Company as on 31st March, 2015 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



# SHARP & TANNAN

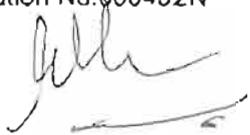
Chartered Accountants

LETTER NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

- 1) The company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer note no. 32 to its financial statements
- 2) There are no foreseeable losses on long term contracts or derivative contracts for which a provision needs to be made by the company.
- 3) There are no amounts which need to be transferred to the Investor Education and Protection Fund by the company.

For SHARP & TANNAN  
Chartered Accountants  
Firm's Registration No.000452N



MILIND P. PHADKE  
Partner  
Membership No 033013

Place: Ahmedabad

Date: 9th May, 2015



**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 of our report of even date)

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, these fixed assets have been physically verified by the management in accordance with a phased programme of verification which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
- (ii) (a) As explained to us, the inventories of stores & packing material have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The inventory of traded goods stored in the chambers of Controlled Atmosphere Storage (CAS) have not been physically verified and has been recorded on the basis of the quantities certified by the CAS manager.
- (b) As per the information given to us, the procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records, which were not material, have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. .
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system.
- (v) The Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 73-76 and any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder apply.
- (vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Companies Act 2013, in respect of the products of the company and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. The contents of these accounts and records have been examined by us.





# SHARP & TANNAN

Chartered Accountants

LETTER NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

- (vii) (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, income tax, service tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of income tax dues as at 31<sup>st</sup> March, 2015 which has not been deposited on account of a dispute pending, are as under:

Name of the Statute	Nature of the disputed dues	Amount Rs Crore*	Period to which the amount relates	Forum where disputes are pending
Central Sales Tax Act, 1956	Penalty under section 10 (A) of the CST Act on interstate purchase of goods made at concessional rate of tax without meeting the requirement of section 8(3) (b) of CST Act, 1956.	1.98	2006-07	Additional Excise & Taxation Commissioner (Appeals), Shimla

(\*net of pre-deposit paid in getting the stay/ appeal admitted)

- (c) According to the information and explanations given to us, there is no amount required to be transferred to the investor education and protection fund.
- (viii) The Company has accumulated losses as at 31<sup>st</sup> March, 2015 and it has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us and as per the records of the Company examined by us, the Company has not defaulted in repayment of dues to any financial institution or banks. The Company has not issued any debentures.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. .
- (xi) In our opinion and according to the information and explanation given to us, the term loans have been applied for the purposes for which they were obtained.



# SHARP & TANNAN

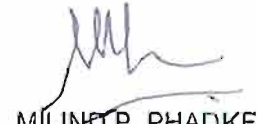
Chartered Accountants

LETTER NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any fraud on or by the Company noticed or reported during the year, nor have we been informed of such case by management.

For SHARP & TANNAN  
Chartered Accountants  
Firm's Registration No.000452N



MILIND P. PHADKE  
Partner  
Membership No.033013

Place: Ahmedabad,

Date: 9th May, 2015



# ADANI AGRIFRESH LIMITED

## Balance sheet as at 31 March 2015

	Notes	31 March 2015 Rupees	31 March 2014 Rupees
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	1,025,710,000	1,025,710,000
Reserves and surplus	4	(48,987,457)	80,749,494
		<u>976,722,543</u>	<u>1,106,459,494</u>
<b>Non-current liabilities</b>			
Long-term borrowings	5	144,605,448	7,146,316,234
Deferred tax liabilities (net)	6	-	-
Other long-term liabilities	7	4,325,568	1,530,513
Long-term provisions	8	3,445,785	2,674,594
		<u>152,376,801</u>	<u>7,150,521,341</u>
<b>Current liabilities</b>			
Short-term borrowings	5	11,529,865,938	3,591,197,593
Trade payables	9	142,416,672	106,239,350
Other current liabilities	7	360,358,848	43,779,042
Short-term provisions	8	2,830,684	2,670,017
		<u>12,035,472,142</u>	<u>3,743,886,002</u>
<b>TOTAL</b>		<u><b>13,164,571,486</b></u>	<u><b>12,000,866,837</b></u>
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	10	1,259,240,356	1,218,487,852
Intangible assets	10	199,452	399,452
Capital Work in Progress		825,146	5,394,929
Non-current investments	11	149,215,573	98,530,603
Deferred tax assets (net)	6	-	2,535,473
Long-term loans and advances	12	131,614,461	6,762,216,607
Other Non current assets	16	5,566,865	-
		<u>1,546,661,853</u>	<u>8,087,564,916</u>
<b>Current assets</b>			
Inventories	13	354,610,232	177,701,914
Trade receivables	14	291,714,329	151,174,069
Cash and bank balances	15	75,953,464	160,943,659
Short-term loans and advances	12	10,895,096,555	3,423,017,452
Other current assets	16	535,053	464,827
		<u>11,617,909,633</u>	<u>3,913,301,921</u>
<b>TOTAL</b>		<u><b>13,164,571,486</b></u>	<u><b>12,000,866,837</b></u>

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Sharp & Tannan  
Firm Registration No. 000452N  
Chartered Accountants

Milind P Phadke  
Partner  
Membership No.33013

Place : Ahmedabad  
Date : 9th May,2015

For and on behalf of the Board of Directors of  
Adani Agrifresh Limited

P.V. Adani  
Pranav Adani  
Chairman  
DIN-00008457

Atul Chaturvedi  
Atul Chaturvedi  
Director  
DIN-00175355

Sanjay Gadge  
Sanjay Gadge  
Chief Financial Officer

Place : Ahmedabad  
Date : 9th May,2015



# ADANI AGRIFRESH LIMITED

## Statement of Profit and Loss for the year ended 31 March 2015

	Notes	For the year ended 31 March 2015 Rupees	For the year ended 31 March 2014 Rupees
<b>Income</b>			
Revenue from operations	17	2,352,587,683	2,108,569,065
Other income	18	1,279,506,413	559,559,046
<b>Total revenue (I)</b>		<b>3,632,094,096</b>	<b>2,668,128,111</b>
<b>Expenses</b>			
Purchases of traded goods		1,925,704,843	1,315,465,320
Decrease / (Increase) in inventories of finished goods and traded goods	19	(167,912,256)	79,722,902
Employee benefits expenses	20	54,315,224	51,752,482
Other expenses	23	401,028,496	391,896,271
<b>Total Expenses (II)</b>		<b>2,213,136,307</b>	<b>1,838,836,975</b>
<b>Profit before interest, tax and depreciation (I)-(II)</b>		<b>1,418,957,789</b>	<b>829,291,136</b>
Depreciation and amortisation expenses	22	182,601,021	89,296,970
Finance costs	21	1,361,582,462	584,587,813
<b>Profit before tax</b>		<b>(125,225,694)</b>	<b>155,406,353</b>
<b>Tax expenses</b>			
Current Tax		-	27,203,445
Mat Credit Entitlement		-	(24,010,102)
Deferred tax expenses / (credit)		3,203,752	50,017,088
<b>Total tax expenses / (credit)</b>		<b>3,203,752</b>	<b>53,210,431</b>
<b>Profit for the year</b>		<b>(128,429,446)</b>	<b>102,195,922</b>
<b>Earnings per equity share (Refer Note 28)</b>			
- Basic (Rs) (nominal value of share Rs 10 each)		(2.82)	2.24
- Diluted (Rs) (nominal value of share Rs 10 each)		(1.25)	1.00

Summary of significant accounting policies 2.1  
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Sharp & Tannan  
Firm Registration No : 000452N  
Chartered Accountants

Milind P Phadke  
Partner  
Membership No.33013

Place : Ahmedabad  
Date : 9th May, 2015

For and on behalf of the Board of Directors of  
Adani Agnifresh Limited

Pranav Adani  
Chairman  
DIN-00008457

Atul Chaturvedi  
Director  
DIN-00175355

Sanjay Garge  
Chief Financial Officer

Place : Ahmedabad  
Date : 9th May, 2015





# ADANI AGRIFRESH LIMITED

## Cash flow statement for the year ended 31 March 2015

Particulars	For the year ended 31 March 2015 Rupees	For the year ended 31 March 2014 Rupees
<b>Cash flow from operating activities</b>		
Profit/(Loss) before Tax	(125,225,694)	155,406,353
Non cash adjustment to reconcile (loss) before tax to net cash flows		
Depreciation	182,601,021	89,296,970
Unrealised foreign exchange (gain) / loss		6,243
Liability no longer required to pay	(7,505,324)	(4,502,446)
Provision for Doubtful Debts	-	(24,325,555)
Bad Debts	-	24,325,821
Profit on sale of fixed assets	(315,547)	(130,915)
Profit from P'ship firm (50% share)	(684,970)	(1,720,213)
Loss on Scrap of Assets	-	6,565,459
Interest Expense	1,359,462,699	581,668,155
Interest Income	(1,268,740,858)	(552,319,406)
<b>Operating Profit before working capital changes</b>	<b>139,591,327</b>	<b>274,270,464</b>
<b>Movements in working capital :</b>		
(Decrease) / Increase in trade payables	43,682,645	(17,793,207)
(Decrease) / Increase in long-term provisions	771,191	(357,225)
Increase in short-term provisions	217,628	2,613,056
Increase in other liabilities	2,795,055	1,530,513
Increase in other current liabilities	39,682,291	9,604,232
Decrease / (Increase) in trade receivables	(140,540,260)	166,780,054
Decrease / (Increase) in inventories	(176,908,318)	72,366,047
Decrease in long-term loans and advances	179,919	15,176,818
(Increase) in short-term loans and advances	(8,511,465)	(9,524,308)
<b>Cash generated from operations</b>	<b>(99,039,985)</b>	<b>514,666,444</b>
Direct taxes paid (net of refunds)	(60,724,009)	(35,694,786)
<b>Net cash flow from operating activities (A)</b>	<b>(159,763,993)</b>	<b>478,971,658</b>
<b>Cash flows from Investing activities</b>		
Purchase of fixed assets	(210,316,127)	(54,284,894)
Sale of fixed assets	451,995	231,714
Investment in Joint Venture	(50,000,000)	-
(Increase) in loans & advances	(782,791,568)	(10,072,773,363)
Interest received	1,268,670,632	551,854,579
<b>Net cash flow (used in) Investing activities (B)</b>	<b>226,014,932</b>	<b>(9,574,971,963)</b>
<b>Cash flows from financing activities</b>		
Proceeds / (repayment) from borrowings	936,957,559	9,741,443,132
Payment of Preference Dividend & Dividend Tax	(66,542)	-
Interest paid	(1,082,565,185)	(577,445,213)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(145,674,268)</b>	<b>9,163,997,919</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>(79,423,329)</b>	<b>67,997,613</b>
Cash and cash equivalents at the beginning of the year	160,943,659	92,946,047
<b>Cash and cash equivalents at the end of the year</b>	<b>81,520,329</b>	<b>160,943,660</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	-	54,985
With banks-on current account	19,177,929	24,788,674
Margin Money Deposits	21,342,400	-
Fixed deposits	41,000,000	136,100,000
<b>Total cash and cash equivalents (note 15)</b>	<b>81,520,329</b>	<b>160,943,659</b>

As per our report of even date

For Sharp & Tannan  
Firm Registration No : 000452N  
Chartered Accountants

Milind P Phadke  
Partner  
Membership No.33013

Place : Ahmedabad  
Date : 9th May,2015

For and on behalf of the Board of Directors of  
Adani Agrifresh Limited

Pranav Adani  
Chairman  
DIN-00008457

Atul Chaturvedi  
Director  
DIN-00175355

Sanjay Gargi  
Chief Financial Officer

Place : Ahmedabad  
Date : 9th May,2015



# ADANI AGRIFRESH LIMITED

## Notes to financial statements for the year ended 31 March 2015

### 3. Share capital

	31 March 2015 Rupees	31 March 2014 Rupees
<b>Authorised shares</b>		
50,000,000 equity shares of Rs. 10/- each (Previous year 50,000,000 equity shares of Rs. 10/- each)	500,000,000	500,000,000
<b>56,961,000 preference shares of Rs. 10/- each</b> (Previous year 56,961,000 preference shares of Rs. 10/- each)	569,610,000	569,610,000
<b>Issued, subscribed and fully paid-up shares</b>		
45,610,000 equity shares of Rs. 10/- each fully paid (Previous year 45,610,000 equity shares of Rs. 10/- each)	456,100,000	456,100,000
56,961,000 0.01% Non cumulative optionally convertible preference shares of Rs. 10/- each fully paid (Previous year 56,961,000 preference shares of Rs. 10/- each)	569,610,000	569,610,000
	<u>1,025,710,000</u>	<u>1,025,710,000</u>

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

#### Equity shares

Particulars	31 March 2015		31 March 2014	
	Nos	Rupees	Nos	Rupees
At the beginning of the year	45,610,000	456,100,000	45,610,000	456,100,000
Add : Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>45,610,000</u>	<u>456,100,000</u>	<u>45,610,000</u>	<u>456,100,000</u>

#### Preference shares

Particulars	31 March 2015		31 March 2014	
	Nos	Rupees	Nos	Rupees
At the beginning of the year	56,961,000	569,610,000	56,961,000	569,610,000
Add : Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>56,961,000</u>	<u>569,610,000</u>	<u>56,961,000</u>	<u>569,610,000</u>

1. There are no amounts due and outstanding to be credited to Invest or Education & Protection fund as at 31 March, 2015

#### (II) Terms / Rights attached to equity & preference shares

##### Equity :

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

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

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.

##### Preference :

**Redemption :** Unless previously redeemed or converted, the Preference shares will be redeemed at par, without further notice at the end of 10 years from the date of allotment.

**Conversion :** The option for conversion of the preference shares to equity shares can be exercised in for entire face value of preference shares, at any time after a period of 6 months from the date of allotment, by giving prior notice of not less than 15 days in writing. On Preference shall be converted in one (1) equity shares of Rs. 10/- each. The equity shares so allotted shall rank pari passu in all respects with the then existing Equity shares of the company.

The Board will however, have the option to convert the preference shares in to equity shares of the company with the consent of the holder's on mutually agreed terms and conditions by giving prior notice to the Preference Share holders of not less than 15 days in writing.

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

	31 March 2015		31 March 2014	
	Nos	% holding	Nos	% holding
<b>Equity Shares of Rs. 10 each fully paid up</b>				
Adani Enterprises Limited & its nominees	45,610,000	100%	45,610,000	100%
	<u>45,610,000</u>	<u>100%</u>	<u>45,610,000</u>	<u>100%</u>
<b>Preference Shares of Rs. 10 each fully paid up</b>				
Adani Enterprises Limited	56,961,000	100%	56,961,000	100%
	<u>56,961,000</u>	<u>100%</u>	<u>56,961,000</u>	<u>100%</u>



# ADANI AGRIFRESH LIMITED

## Notes to financial statements for the year ended 31 March 2015

### 4. Reserves and surplus

	31 March 2015 Rupees	31 March 2014 Rupees
Government Subsidy *		
Balance as per the last financial statements	159,969,630	159,969,630
Add : Received during the year	-	-
Closing balance	159,969,630	159,969,630
(Deficit) in the statement of profit and loss		
Balance as per the last financial statements	(79,220,136)	(181,359,097)
Less: Adjustment of Depreciation as per Schedule II (Net of Tax)	(1,297,824)	-
Add: Profit/(Loss) for the year	(128,429,446)	102,195,922
	(208,947,406)	(79,163,175)
Less : Appropriations		
Proposed Dividend on Preference Shares	-	56,961
Tax on Preference Shares Dividend	9,681	-
Net (Debit) Balance in the statement of profit and loss	(208,957,087)	(79,220,136)
Total Reserves and surplus	(48,987,457)	80,749,494

\* As per revised guidelines of government of India vide circular no. 4-18/2005-Host - TM dated 6th February, 2006 the company was eligible to get the credit linked back-ended capital subsidy @ 33.33% of the project cost or 33.33% of Rs. 1600 Lacs per unit, whichever is less for setting up of Controlled Atmosphere (CA) store in Himachal Pradesh. The subsidy amount of Rs 799.90 Lacs was received during the year 2007-08 and balance of Rs. 799.80 Lacs have been received during the year 2010-11 both receipts were recognised in the books as Capital Reserve in accordance with Accounting Standard 12 - "Government Grant" issued by The Institute of Chartered Accountant of India. In absence of NOC from UCO Bank, the company is yet to start the treatment of Capital Reserve in line with Accounting Standard 12 "Accounting for Government Grants", notified under Companies (Accounting Standard) Rules, 2006 (as amended).

### 5. Borrowings

	Long-term		Short-term	
	31 March 2015 Rupees	31 March 2014 Rupees	31 March 2015 Rupees	31 March 2014 Rupees
Term Loan from UCO Bank	159,969,630	-	-	-
Less : Transfer to Capital Subsidy	<u>159,969,630</u>	-	-	-
Term Loan from HDFC Bank	144,605,448	-	-	-
Cash Credit facility (Note 2)	-	-	168,563,231	13,346,037
Loan from Bank / Financial Institution (Note 3)	-	500,000,000	712,500,000	600,000,000
Loan from Related Parties (Note 1)	-	6,646,316,234	10,648,802,707	2,977,851,556
	<b>144,605,448</b>	<b>7,146,316,234</b>	<b>11,529,865,938</b>	<b>3,591,197,593</b>
The above amount includes				
Secured borrowings	144,605,448	-	381,063,231	613,346,037
Unsecured borrowings	-	7,146,316,234	11,148,802,707	2,977,851,556

#### Note 1:

Company has taken an unsecured loan of Rs. 1064.88 Cr. from Adani Ports and Special Economic Zone Limited at Interest rate of 11.75%.

#### Note 2:

The company has been sanctioned cash credit facilities from UCO Bank to be used towards working capital requirement of the company against the security of:

**Primary:** First pari passu charge on existing and future current assets of Adani Agrifresh Limited including inventory, spares, book debts, bills and receivables.

**Collateral:** Second pari passu charge on existing and future fixed assets of Adani Agrifresh Limited

#### Note 3:

**HDFC:** The company has been sanctioned short term credit facilities aggregating to Rs 68 Crs to be used towards expenses for running of cold storage which includes Cash Credit/ Working Capital Demand Loan of Rs 60 Crores, non fund based limits (Letters of Credit / Bank Guarantee) of Rs 10 Crs and CMS Intraday and PSR FX limits of Rs 8 Crs against security of:

**Primary:** First pari passu charge on existing and future current assets of Adani Agrifresh Limited including inventory, spares, book debts, bills and receivables.

**Collateral:** Second pari passu charge on existing and future fixed assets of Adani Agrifresh Limited

**YES Bank:** The company has unsecured medium term loan amounting to Rs. 50 cr at Interest rate of 12%.

**Note 4:** For current Maturities of Long Term Borrowings refer note-7 "other Liabilities".



# ADANI AGRIFRESH LIMITED

## Notes to financial statements for the year ended 31 March 2015

### 6. Deferred tax assets (net)

	31 March 2015 Rupees	31 March 2014 Rupees
<b>Deferred tax liabilities</b>		
Fixed Assets: Impact of tax depreciation and depreciation / amortisation charged in the financial reporting	131,479,630	157,808,425
<b>Gross deferred tax liabilities</b>	<b>131,479,630</b>	<b>157,808,425</b>
<b>Deferred tax asset</b>		
Effect of expenditure debited to profit & loss account in the current year, but allowable for tax purposes in the following years:		
a. Expenses allowable for tax purposes when paid (u/s sec 40(a) / 43B of the Income Tax Act, 1961)	5,001,665	4,533,442
b. Unabsorbed Depreciation/ Business loss under the Income Tax Act, 1961	172,496,823	155,810,456
<b>Gross deferred tax assets</b>	<b>177,498,489</b>	<b>160,343,898</b>
<b>Net deferred tax (liabilities) / assets</b>	<b>46,018,859</b>	<b>2,535,473</b>

In accordance with the Accounting Standard-22, the net deferred tax assets of Rs. 4.60 Crs. has not been recognised because there is no reasonable certainty as to when the assets can be realised.

### 7. Other liabilities

	Long-term		Short-term	
	31 March 2015 Rupees	31 March 2014 Rupees	31 March 2015 Rupees	31 March 2014 Rupees
Current Maturities of Long term debts (Refer note-5)	-	-	33,370,487	-
Advances from customers	-	-	1,326,743	1,781,976
Interest accrued but not due	-	-	281,120,456	4,222,942
Other payables	-	-	-	-
- Security deposits	-	-	10,296,812	15,846,743
- Retention money	4,325,568	1,530,513	-	-
- Other statutory liabilities	-	-	34,244,350	21,927,381
	<b>4,325,568</b>	<b>1,530,513</b>	<b>360,358,848</b>	<b>43,779,042</b>

### 8. Provisions

	Long-term		Short-term	
	31 March 2015 Rupees	31 March 2014 Rupees	31 March 2015 Rupees	31 March 2014 Rupees
<b>Provision for employee benefits</b>				
Provision for gratuity (Refer Note 24)	-	-	1,699,166	1,057,764
Provision for leave benefits	3,445,785	2,674,594	1,131,518	1,555,292
Proposed preference dividend	-	-	-	56,961
	<b>3,445,785</b>	<b>2,674,594</b>	<b>2,830,684</b>	<b>2,670,017</b>

### 9. Trade Payables

	31 March 2015 Rupees	31 March 2014 Rupees
Trade payables (Refer Note 27 for MSMEs)	142,416,672	106,239,350
	<b>142,416,672</b>	<b>106,239,350</b>









# ADANI AGRIFRESH LIMITED

## Notes to financial statements for the year ended 31 March 2015

### 11. Non current Investments

	31 March 2015 Rupees	31 March 2014 Rupees
Trade investments (Valued at Cost)		
a) In Partnership Firm		
50% share in partnership firm Vishakha Industries (Includes share of profit for the year Rs. 12,73,953/- (31st March,14 : Rs. 17,20,213/-)	99,215,573	98,530,603
b) In Associates-Unquoted Equity Instruments		
146,685(Previous Year Nil) fully paid up equity share of Vishakha Industries Pvt Limited of Rs. 10/- each.	50,000,000	-
	<b>149,215,573</b>	<b>98,530,603</b>

Details of investment in partnership firm : Vishakha Industries

Name of the partner	Share in Profits		Capital Employed	
	31 March 2015 %	31 March 2014 %	31 March 2015 %	31 March 2014 %
Adani Agrifresh Limited	50	50	99,215,573	98,530,603
Jigish N Doshi	35	35	71,520,900	71,176,420
Umesh N Doshi	10	10	19,843,117	19,706,121
Bhadrash N Doshi	5	5	9,921,560	9,853,060
Total Capital Employed			<b>200,501,150</b>	<b>199,266,204</b>

### 12. Loans and advances

	Non-current		Current	
	31 March 2015 Rupees	31 March 2014 Rupees	31 March 2015 Rupees	31 March 2014 Rupees
Security deposits				
Unsecured, considered good	370,625	370,625	1,058,100	310,000
Advances recoverable in cash or kind				
Unsecured, considered good	60,000	-	35,073,638	28,787,963
Other loans and advances				
Loan to related party	-	6,680,776,070	10,855,564,931	3,391,997,293
Capital advance	1,038,937	11,409,103	-	-
Prepaid expenses	1,200,903	1,440,822	3,399,886	1,855,742
Advance income tax	70,521,479	9,797,470	-	-
Mat credit entitlement	58,422,517	58,422,517	-	-
Balances with statutory/government authorities	-	-	-	66,454
	<b>131,614,461</b>	<b>6,762,216,607</b>	<b>10,895,096,555</b>	<b>3,423,017,432</b>

### 13. Inventories (valued at lower of cost and net realisable value)

	31 March 2015 Rupees	31 March 2014 Rupees
Finished goods	310,732,339	142,820,083
Chemical & Fuel, and stores & spares	13,736,466	11,317,622
Packing Material	30,141,427	23,564,209
	<b>354,610,232</b>	<b>177,701,914</b>



# ADANI AGRIFRESH LIMITED

## Notes to financial statements for the year ended 31 March 2015

### 14. Trade receivables

	Non-current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	Rupees	Rupees	Rupees	Rupees
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered doubtful	-	-	6,755,473	6,755,473
	-	-	6,755,473	6,755,473
Less: Provision for doubtful debts	-	-	6,755,473	6,755,473
	-	-	-	-
Other receivables				
Unsecured, considered good	-	-	291,714,329	151,174,069
	-	-	291,714,329	151,174,069
	-	-	291,714,329	151,174,069

### 15. Cash and bank balances

	Non-current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	Rupees	Rupees	Rupees	Rupees
Cash and cash equivalents				
Cash on hand			-	54,985
Balance with banks				
- In current accounts	-	-	19,177,929	24,788,674
Other bank balances				
Fixed deposits	-	-	41,000,000	136,100,000
Margin Money Deposits *	-	-	15,775,535	-
	-	-	75,953,464	160,943,659
* Given as margin money against bank guarantee				

### 16. Other assets

	Non-current		Current	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	Rupees	Rupees	Rupees	Rupees
Fixed deposit with bank with original maturity of more than 12 months (Margin money against bank guarantee)	5,566,865	-	-	-
Interest accrued but not due on: Fixed deposits	-	-	396,354	464,827
- Others	-	-	138,699	-
	5,566,865	-	535,053	464,827

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# ADANI AGRIFRESH LIMITED

## Notes to financial statements for the year ended 31 March 2015

### 17. Revenue from operations

	For the year ended 31 March 2015 Rupees	For the year ended 31 March 2014 Rupees
Sale of products (net of discounts)		
Traded goods	2,350,480,641	2,108,569,065
Other operating revenue		
Insurance claim received	1,858,781	-
Export incentives	238,261	-
	<b>2,352,987,683</b>	<b>2,108,569,065</b>

### 18. Other income

	For the year ended 31 March 2015 Rupees	For the year ended 31 March 2014 Rupees
Interest income on		
- Bank deposits	10,091,351	2,390,165
- Others	1,258,649,507	549,929,241
Profit on sale of fixed assets	315,547	130,915
Interest on Income Tax Refund	653,748	-
Profit from Partnership firm (50% share)	684,970	1,720,213
Exchange differences (net)	1,565,898	864,926
Other non-operating income	7,545,332	4,521,586
	<b>1,279,506,413</b>	<b>559,559,046</b>

### 19. Decrease / (Increase) in inventories of finished goods and traded goods

	For the year ended 31 March 2015 Rupees	For the year ended 31 March 2014 Rupees
Inventories at the end of the year		
- Traded goods	310,732,339	142,820,083
Net closing stock (A)	<b>310,732,339</b>	<b>142,820,083</b>
Inventories at the beginning of the year		
- Traded goods	142,820,083	222,542,985
Net closing stock (B)	<b>142,820,083</b>	<b>222,542,985</b>
Decrease / (Increase) in inventories (B-A)	<b>(167,912,256)</b>	<b>79,722,902</b>

### 20. Employee benefit expense

	For the year ended 31 March 2015 Rupees	For the year ended 31 March 2014 Rupees
Salaries/wages and bonus	47,922,870	46,321,322
Contribution to provident and other funds	2,262,326	1,937,697
Gratuity expense (Refer Note 24)	1,745,879	1,221,303
Staff welfare expenses	2,384,149	1,672,070
	<b>54,315,224</b>	<b>51,152,482</b>



# ADANI AGRIFRESH LIMITED

## Notes to financial statements for the year ended 31 March 2015

### 21. Finance costs

	For the year ended 31 March 2015 Rupees	For the year ended 31 March 2014 Rupees
Interest expense - Bank	166,958,186	38,866,257
- Others	1,192,504,513	542,801,898
Bank charges	2,119,763	2,919,658
	<b>1,561,582,462</b>	<b>584,587,813</b>

### 22. Depreciation and amortisation expenses

	For the year ended 31 March 2015 Rupees	For the year ended 31 March 2014 Rupees
Depreciation on tangible assets	182,401,021	89,096,970
Amortisation of intangible assets	200,000	200,000
	<b>182,601,021</b>	<b>89,296,970</b>

### 23. Other expenses

	For the year ended 31 March 2015 Rupees	For the year ended 31 March 2014 Rupees
Consumption of stores and spares	13,670,044	8,670,859
Consumption of chemicals	241,104	1,037,636
Consumption of packing materials	120,705,609	117,058,806
Power and fuel	24,892,564	24,520,017
Contract labour	52,086,125	33,835,877
Rent	18,816,863	14,982,540
Rates and taxes	5,267	-
Insurance	4,128,186	3,960,690
Repairs and maintenance		
- Plant and machinery	2,461,542	1,722,049
- Buildings	2,121,803	1,858,616
- Others	3,455,055	25,005,875
Security expenses	5,490,485	3,765,465
Travelling and conveyance	8,790,315	6,676,960
Communication expenses	823,269	1,127,399
Printing and stationery	602,684	477,812
Legal and professional fees	7,339,387	4,525,544
(Write back) / provision for doubtful debts	-	(24,325,555)
Bad debts	-	24,325,821
Membership fees	-	132,223
Payment to auditors (Note A)	430,566	443,114
CSR Expenses	2,900,000	-
Donation	-	48,600
Loss on scrap of assets	-	6,565,459
Miscellaneous expenses	2,857,697	1,930,721
Freight outward and distribution expenses	148,208,414	130,005,176
Brokerage / commission	1,001,517	3,544,567
	<b>401,028,496</b>	<b>391,896,271</b>
<b>A. Payment to Auditors</b>		
As Auditors		
(i) Audit fees	280,900	280,900
(ii) Tax audit fees	112,360	112,360
(iii) Reimbursement of Expenses	37,306	49,854
	<b>430,566</b>	<b>443,114</b>



## ADANI AGRIFRESH LIMITED

### Notes to financial statements for the year ended 31 March 2015

#### 1 Corporate information

ADANI AGRIFRESH LIMITED (the Company / 'AAFL') is a wholly owned subsidiary of Adani Enterprises Limited and an entity incorporated under the provision of the Companies Act, 1956. The Company has set up modern Controlled Atmospheric (CA) storage facilities for storage of apple with European technology at three locations viz. Rewali, Sainj and Rohru in Himachal Pradesh having a combined capacity of 20420 MT (Previous year 18000 MT).

#### 2 Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis.

#### 2.1 Summary of significant accounting policies

##### a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### b. Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises 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. Any trade discounts and rebates are deducted in arriving at the purchase price.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

##### c. Depreciation on tangible fixed assets

Depreciation on fixed assets is provided on straight line method at the rates specified under Schedule II to the Companies Act, 2013. In respect of fixed assets purchased during the period, depreciation is provided on a pro-rata basis from the date on which such asset is ready to be put to use.

##### d. Impairment of tangible and intangible 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 net selling price and its value in use. Where the carrying amount of an assets exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment depreciation is provided on the reviewed carrying amount of the asset over its remaining useful life.

##### e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are amortized using straight line method over a period of five years.

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 recognized in the statement of profit and loss when the asset is derecognized.





**f. Leases**

Where the Company is the lessee

Leases, where the lesser effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**g. Inventories**

Inventories are valued as follows:

**Finished goods** Lower of cost and net realisable value. Cost of inventories includes cost incurred on acquisition of material, cost of conversion and other costs i.e. cost incurred to bring the material to its present location and condition.

**Stores and spares, Chemicals, Packing material and Fuels** At lower of cost and net realisable value. Cost is determined on a moving weighted average method. In case of Stores and spares, Chemicals, Packing material and Fuel, net realisable value is the estimated current procurement price in the ordinary course of the business.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**h. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

**Sale of Goods**

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

**Other Income**

Insurance and other claims are recognized where there is no uncertainty as to measurement and when it is reasonably certain that the ultimate collection will be made.

**Income from Investment in Partnership Firm**

Share of Profit and Loss from Partnership firm is recognized when company's right / obligation to receive / pay is established

**Interest**

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the statement of profit and loss.

**i. Foreign currency translation**

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

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All exchange differences are recognized as income or as expenses in the period in which they arise except those which are directly relate to fixed assets acquired from outside India, adjusted in the cost of fixed assets upto the date of capitalisation in the period in which they arise

**j. Borrowing Costs**

Borrowing cost includes interest, 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.



**k. Retirement and other employee benefits**

- a) Retirement benefits in the form of provident fund is a defined contribution scheme and the contributions to provident fund are charged to the Profit and Loss Account of the year when the contributions are due. There are no other obligations other than the contribution payable to the said fund.
- b) There is defined benefit plan for the company employees, i.e., gratuity. The cost of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for the plan using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss. These contributions are covered through Group Gratuity Scheme with Life Insurance Corporation of India.
- c) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated privilege leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

Accumulated sick leaves and casual 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.

**l. Taxes on Income**

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

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

**m. Earning Per Share**

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

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

**n. Subsidies**

(i) Government Grants and subsidies are recognized when there is virtual certainty that the conditions attached to them will be complied, and grant/subsidy will be received.

(ii) Government grants and subsidies receivable against an expense are deducted from such expense and subsidy/grant receivable against a specific fixed asset is deducted from cost of the relevant fixed asset.

(iii) Government grants of the nature of promoters' contribution are credited to Capital Reserve and treated as a part of shareholders' funds.

**o. Provisions, Contingent Liabilities & Contingent Assets****Provisions :**

A provision is recognised when the company has a present obligation as a result of 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. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best management estimates.

**Contingent Liability :**

Contingent Liability is disclosed in the case when a present obligation arising from past event means when it is not probable that an outflow of resources will be required to settle the obligation or a possible obligation means unless the probability of outflow of resource is remote.

**Contingent Assets :**

Contingent assets are neither disclosed nor recognized.

**p. Investment**

Investment in partnership firm stated at capital contribution alongwith profit and loss share in partnership firm.

**q. Events occurring after the balance sheet date**

Events occurring after the balance sheet date, where material (if any), are considered upto the date of approval of the accounts by the Board of Directors.



# ADANI AGRIFRESH LIMITED

## Notes to financial statements for the year ended 31 March 2015

### 24. Gratuity and other post employment benefit plans

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 with Life Insurance Corporation of India (LIC).

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss, amounts recognized in the balance sheet, changes in the present value of defined benefit obligation and changes in the fair value of plan assets:

#### Expenses recognised in the Statement of Profit and Loss

##### Net employee benefit expense (recognised in employee cost)

Particulars	31 March 2015 Rupees	31 March 2014 Rupees
Current service cost	600,918	720,730
Add: Interest cost on benefit obligation	384,741	241,771
Less: Expected return on plan assets	(264,824)	(280,767)
Add: Net actuarial loss recognized in the year	1,025,044	644,592
Net benefit expense	1,745,879	1,326,326

#### Amount recognised in the Balance Sheet

##### Details of Provision for gratuity

Particulars	31 March 2015 Rupees	31 March 2014 Rupees
Defined benefit obligation	5,733,675	4,101,716
Less: Fair value of plan assets	4,034,509	3,043,952
Amount recognised in the Balance Sheet	1,699,166	1,057,764

#### Changes in the present value of the defined benefit obligation

Particulars	31 March 2015 Rupees	31 March 2014 Rupees
Opening defined benefit obligation	4,101,716	2,984,822
Add: Interest cost	384,741	241,771
Add: Current service cost	600,918	720,730
Less: Benefits paid	(450,500)	(467,819)
Add: Actuarial loss on obligation	1,096,800	622,212
Closing defined benefit obligation	5,733,675	4,101,716

#### Changes in the fair value of the plan assets

Particulars	31 March 2015 Rupees	31 March 2014 Rupees
Fair value of assets at the beginning of the year	3,043,952	3,119,630
Add: Acquisition adjustment	-	-
Add: Expected return on plan assets	264,824	280,767
Add: Contribution by employer	1,096,978	94,285
Less: Benefits paid	(443,001)	(428,350)
Add: Actuarial gain / (loss) on plan assets	71,756	(22,380)
Fair value of assets at the end of the year	4,034,509	3,043,952

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

Particulars	31 March 2015	31 March 2014
Discount rate	8.00%	9.38%
Rate of increase in compensation	8.50%	8.50%
Employee turnover	2%	2%

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.

#### Other amounts for the current period are as follows:

Particulars	31 March 2015	31 March 2014
Defined benefit obligation	1,699,166	1,057,764
Experience adjustments on plan liabilities - loss	1,096,800	622,212



# ADANI AGRIFRESH LIMITED

## Notes to financial statements for the year ended 31 March 2015

### 25. Related party disclosures

Holding Company	Adani Enterprises Limited
Fellow Subsidiaries	Adani Ports & Special Economic Zone Limited Adani Transmission Limited Adani Power Limited
Associate Companies / Firms	Adani Wilmar Limited Vishakha Industries Vishakha Industries Pvt. Limited
Key Management Personnel	A.S. Ramanujam (w.e.f. 28th June, 2013) Sanjay Garge (w.e.f. 31st December, 2014)

Particulars	2014-15 Rupees	2013-14 Rupees
<b>Purchase of goods</b>		
Vishakha Industries	4,599,215	9,880,656
Adani Wilmar Limited	26,353,888	-
<b>Purchase of assets</b>		
Vishakha Industries	74,944,228	3,666,024
<b>Other expenses</b>		
Adani Ports & Special Economic Zone Limited		
- Interest	1,192,498,018	542,330,103
Adani Enterprises Limited		
- Guest House Rent	31,200	18,400
- Professional Fees	2,589,476	-
Vishakha Industries		
- Repair & Maintenance	8,598,201	17,415,000
<b>Remuneration</b>		
A.S. Ramanujam	7,930,176	4,880,022
<b>Interest Income</b>		
Adani Enterprises Limited	1,214,047,452	549,929,240
Adani Transmission Limited	28,405,479	-
Adani Power Limited	16,042,466	-
Vishakha Industries	154,110	-
<b>Loan Received (Net)</b>		
Adani Ports & Special Economic Zone Limited	1,120,705,612	9,040,000,000
<b>Loan Given (Net)</b>		
Adani Enterprises Limited	-	9,540,000,000
Adani Power Limited	-	-
Adani Transmission Limited	10,825,564,931	-
Vishakha Industries	30,000,000	-
<b>Repayment of Loan (Net)</b>		
Adani Enterprises Limited	96,070,695	500,000,000
<b>Loan Received back (Net)</b>		
Adani Enterprises Limited	10,072,773,363	-
<b>Capital Contribution</b>		
Vishakha Industries Private Limited	50,000,000	-
<b>Balance (payable) / receivable outstanding (Loan) as at year end</b>		
Adani Ports & Special Economic Zone Limited(Including Interest Payable)	(10,921,345,311)	(9,528,097,093)
Adani Enterprises Limited	-	(96,070,695)
Adani Enterprises Limited	-	10,072,773,363
Adani Transmission Limited	10,825,564,931	-
Adani Power Limited	-	-
Vishakha Industries (Including Interest Payable)	30,138,699	-
<b>Balance (payable) / receivable outstanding as at year end</b>		
Adani Enterprises Limited	(577,213)	-
Vishakha Industries	776,392	(134,064)





## ADANI AGRIFRESH LIMITED

### Notes to financial statements for the year ended 31 March 2015

#### 26. Segment reporting

Segments have been identified in line with Accounting Standard 17 "Segment Reporting" taking into account the value of products as well as different risk and return of these segments.

Primary segment - Business segment:

During the current year the Company is mainly engaged in the trading of fruits of different varieties and other reverse marketing products, that are subject to same risk and returns and hence the company has only one business segment viz, "Sales of Fruits" as the primary segment.

Secondary segment - Geographic segment:

The geographic segments identified as secondary segments are "Domestic Market" and "Export Market". Since the company's sales being in the Domestic market only hence the disclosure requirement of AS-17 "Segment Reporting" are not applicable.

27. 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.

#### 28. Earnings per share (EPS)

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

Particulars	31 March 2015 Amount	31 March 2014 Amount
<b>Basic</b>		
Net Profit for calculation of basic EPS as per statement of profit and loss (A)	(128,429,446)	102,195,922
Calculation of weighted average number of equity shares in calculating basic EPS		
- Number of equity shares at the beginning of the period (B)	45,610,000	45,610,000
- Number of equity shares of Rs 10 each fully paid issued during the period (C)	-	-
- Number of equity shares at the end of the period (B+C)	45,610,000	45,610,000
- Weighted average number of equity shares in calculating basic EPS - (D)	45,610,000	45,610,000
Earning Per Share - Basic (A/D)	(2.82)	2.24
<b>Diluted</b>		
Net Profit for calculation of diluted EPS as per statement of profit and loss (A)	(128,429,446)	102,195,922
Calculation of weighted average number of equity shares in calculating diluted EPS		
- Number of preference shares at the beginning of the period (B)	56,961,000	56,961,000
- Number of preference shares of Rs 10 each fully paid issued during the period (C)	-	-
- Number of preference shares at the end of the period (B+C)	56,961,000	56,961,000
- Weighted average number of preference shares in calculating diluted EPS - (D)	56,961,000	56,961,000
- Weighted average number of equity shares in calculating basic EPS as above (E)	45,610,000	45,610,000
- Total Weighted average number of shares in calculating diluted EPS (F = D + E)	102,571,000	102,571,000
Earning Per Share - Diluted (A/F)	(1.25)	1.00





# ADANI AGRIFRESH LIMITED

## Notes to financial statements for the year ended 31 March 2015

### 29. Unhedged foreign currency exposures are as under :

The foreign currency exposure of the company as at the reporting date that have not been hedged by a derivative instrument or otherwise are given below:

Currency	Amount Foreign Currency As at 31 March 2015	Amount INR As at 31 March 2015	Amount Foreign Currency As at 31 March 2014	Amount INR As at 31 March 2014
Purpose				
Payable - USD	120,291	7,518,156	161,391	9,669,763
Payable - EURO	9,830	660,485	1,330	109,980
Advance to Vendor - USD	157,773	9,860,813	24,218	1,451,006
Advance to Vendor - EURO	24,937	1,675,517	97,500	8,061,788

### 30. Value of imports calculated on CIF basis (accrual basis)

Particulars	31 March 2015 Rupees	31 March 2014 Rupees
Stores, Consumables and Packing Material	15,817,965	30,300,447
Imported Fruits	456,739,751	317,020,630
Capital Item	32,489,665	-
	<b>505,047,381</b>	<b>347,321,077</b>

### 31. Expenditure in Foreign Currency

Particulars	31 March 2015 Rupees	31 March 2014 Rupees
Freight	30,950	-
Service Charges & others	-	530,669
	<b>30,950</b>	<b>530,669</b>

### 32. Contingent Liabilities not provided for

Particulars	31 March 2015 Rupees	31 March 2014 Rupees
Bank Guarantee favouring customs pending for Export Obligation	38,840,371	38,840,371
Sales Tax	19,850,389	19,850,389
Income Tax	36,150,470	213,140

33. Estimated amount of contract remaining to be executed on capital account (net of advance) and not provided for as on 31st March, 15 : Rs 95,95,888/- (As at 31st March, 14 : Rs. 70,599,522/-).

34. Previous year's figures have been re-grouped / re-classified wherever necessary.

For Sharp & Tannan  
Firm Registration No : 000452N  
Chartered Accountants

Milind P Phadke  
Partner  
Membership No.33013

Place : Ahmedabad  
Date : 9th May, 2015

For and on behalf of the Board of Directors of  
Adani Agrifresh Limited

P. V. Adani

Pranav Adani  
Chairman  
DIN-00008457

Atul Chaturvedi

Atul Chaturvedi  
Director  
DIN-00175355

Sanjay Gargi  
Chief Financial Officer

Place : Ahmedabad  
Date : 9th May, 2015

