

# SHAPARIA MEHTA & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

804, A WING, NAMAN MIDTOWN, SENAPATI BAPAT MARG, ELPHINSTONE ROAD, MUMBAI - 400 013. INDIA.

TELEPHONE : +91 6229 5100 • E-mail : office.smca@gmail.com • Web : www.smca.in

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF AGL WAREHOUSING PRIVATE LIMITED.

#### Report on the Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying Ind AS financial statements of AGL Warehousing Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of profit and loss (including Other comprehensive income), the Statement of cash flow, 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 Ind AS Financial Statements

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

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

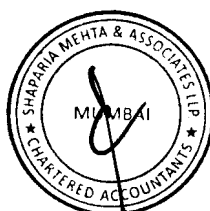
#### Auditor's Responsibility

Our responsibility is to express an opinion on the 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 there under.

We conducted our auditing 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.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the 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 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.



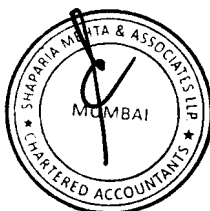
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2018, and its profit, total Comprehensive Income, the changes in equity and its 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, 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 the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;
  - e) on the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements: refer note 18 (I) to the Financial Statements;
  - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, as required under applicable law or accounting standard;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

**For Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**(Firm's Registration No.- 112350W / W-100051)**



**Sandeep Kumar Chhajjer**  
**Partner**  
**Membership No.- 160212**  
**Place of Signature: Mumbai**  
**Date: 17 May 2018**



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

The Annexure referred to in our Independent Auditor's Report to the members of AGL Warehousing Private Limited (the "Company") on the financial statements for the year ended March 31, 2018, we report that:

- i. In respect of its fixed assets:
  - (a) The Company does not have any fixed asset or immovable property which are classified as Fixed Assets. Accordingly, paragraph 3(i)(a), 3(i)(b), 3(i)(c) is not applicable.
- ii. The company is a service company and does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the company.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not granted loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 during current year. Consequently, the provisions of clauses iii (b) and iii (c) of the order are not applicable to the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not given loans, guarantees, and security, or invested in other companies covered under section 185 and 186. Consequently, provision of this clause of the order is not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public so as to require any compliance of the directives of Reserve Bank of India or the provisions of section 73 or 76 of the Companies Act, 2013. As explained to us, the Company has not received any order passed by the Company Law Board or the National Company Law Tribunal or any court or other forum.
- vi. According to the information and explanation given to us, maintenance of cost records in not applicable to the Company.
- vii. In respect of its statutory dues:
  - a. In our opinion and according to the information and explanations given to us, the Company is normally regular in depositing undisputed statutory dues including income-tax, TDS, service tax, GST and any other applicable statutory dues to the appropriate authorities. There is no outstanding statutory dues as on 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, there are no disputed dues of income tax, service tax or GST which have not been deposited on account of any dispute except the following.
    - Details of dues of income tax which have not been deposited as on March 31, 2018.on account of dispute is given below:

Name of Statute	Amount in INR	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	2,62,360	2012-13	DCIT



- viii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has neither borrowed any loans or borrowing during the current financial year nor have any outstanding loans or borrowings outstanding at year end from any financial institutions, banks, government or debenture holders. Thus, paragraph 3(viii) of the Order is not applicable to the company.
- ix. The Company has not raised any money by way of initial public offer or term loans accordingly, paragraph 3(ix) of the order is not applicable to the Company.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no 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. In our opinion and according to the information and explanations given to us, the company has not paid or provided any managerial remuneration. Hence, reporting requirements under this clause are not applicable.
- xii. The Company is not a Nidhi Company as defined under section 406 of the Companies Act, 2013. Accordingly, reporting under this clause of the order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties during the current audit period are in compliance with section 177 and 188 of Companies Act, 2013. The Company has complied with the requirement disclosing the details in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Hence, reporting requirements under this clause (xiv) are not applicable.
- xv. On the basis of information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the order is not applicable.
- xvi. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**(Firm's Registration No.- 112350W / W-100051)**

  
**Sandeep Kumar Chhajjer**  
**Partner**  
**Membership No.- 160212**  
**Place of Signature: Mumbai**  
**Date: 17 May 2018**



**Annexure - B to the Independent Auditor's Report**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

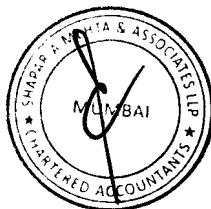
1. We have audited the internal financial controls over financial reporting of AGL Warehousing Private Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind As financial statements of the Company for the year ended and as at on that date.

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

2. 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.

**Auditor's Responsibility**

3. 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.
4. 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 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**

5. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.


**Inherent Limitations of Internal Financial Controls over Financial Reporting**

6. 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**

7. 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 March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Shaparia Mehta & Associates LLP**  
**Chartered Accountants**  
**(Firm's Registration No.- 112350W / W-100051)**

  
**Sandeep Kumar Chhajjer**  
**Partner**  
**Membership No.- 160212**  
**Place of Signature: Mumbai**  
**Date: 17 May 2018**



**AGL Warehousing Private Limited**  
**Balance sheet as at 31 March 2018**

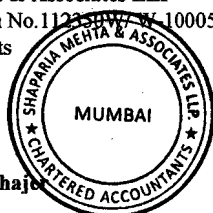
	Notes	31 March 2018	31 March 2017
<b>Assets</b>			
<b>Non-current assets</b>			
Investment property (net)	2	307,095,503	313,000,379
Financial assets			
Other financial assets	3.2	29,270	28,900
Non-current tax assets (net)	12(a)	3,293,838	1,712,531
<b>Total - Non-current assets</b>		<b>310,418,611</b>	<b>314,741,810</b>
<b>Current assets</b>			
Financial assets			
Investments	3.1	2,794	-
Trade receivables	5.1	338,895	945,000
Cash and cash equivalents	5.2	2,754,708	2,010,242
Other bank balances	5.2	60,640,113	-
Other financial assets	3.2	906,701	-
Other current assets	4	79,020	260,268
<b>Total - Current assets</b>		<b>64,722,231</b>	<b>3,215,510</b>
<b>Total Assets</b>		<b>375,140,842</b>	<b>317,957,320</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	6	117,800	100,000
Other equity	7	359,915,663	305,063,382
<b>Equity attributable to equity holders of the parent</b>		<b>360,033,463</b>	<b>305,163,382</b>
Non-controlling interests		-	-
<b>Total Equity</b>		<b>360,033,463</b>	<b>305,163,382</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	8	9,635,675	8,568,855
Other financial liabilities	9	2,500,188	1,667,530
Deferred tax liability (net)	12(b)	1,076,406	1,972,104
Other Non-current liabilities	11	223,547	180,538
<b>Total - Non-current liabilities</b>		<b>13,435,816</b>	<b>12,389,027</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	10.1	174,460	-
Other payables	10.2	379,530	61,356
Other financial liabilities	9	419,951	-
Other current liabilities	11	697,622	343,555
<b>Total - Current liabilities</b>		<b>1,671,563</b>	<b>404,911</b>
<b>Total equity and liabilities</b>		<b>375,140,842</b>	<b>317,957,320</b>
Significant accounting policies	1		
Notes to the financial statements	2-23		

The notes referred to above are an integral part of these financial statements

As per our report of even date attached

For Shaparia Mehta & Associates LLP  
ICAI firm registration No. 1123-SUW/M-100051  
Chartered Accountants

Sandeep Kumar Chhajja  
Partner  
Membership No. 160212



For and on behalf of Board of directors of  
AGL Warehousing Private Limited  
CIN No: U63020MH2008PTC179569

Shashi Kiran Shetty  
Director  
DIN NO:00012754

Arathi Shetty  
Director  
DIN NO:00088374

Date: 17 May 2018

Date: 17 May 2018




**AGL Warehousing Private Limited**  
**Statement of Profit and Loss for the year ended 31 March 2018**

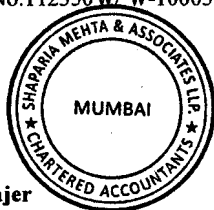
	Notes	31 March 2018	31 March 2017
<b>Continuing Operations</b>			
<b>Income</b>			
Income	13	16,179,419	10,645,655
<b>Total income</b>		<u>16,179,419</u>	<u>10,645,655</u>
<b>Expenses</b>			
Depreciation and amortisation expenses	14	5,904,876	5,904,875
Finance costs	15	1,243,734	1,508,586
Other expenses	16	3,470,125	2,043,150
<b>Total expenses</b>		<u>10,618,735</u>	<u>9,456,611</u>
<b>Profit before tax</b>		<b>5,560,684</b>	<b>1,189,044</b>
<b>Tax expense:</b>	12		
Current tax		665,775	131,801
Adjustment of tax relating to earlier periods		(1,435,029)	4,171
Deferred tax charge/(credit)		(896,324)	(290,349)
<b>Total tax expense</b>		<u>(1,665,578)</u>	<u>(154,377)</u>
<b>Profit for the year</b>		<u><b>7,226,262</b></u>	<u><b>1,343,421</b></u>
<b>Total Comprehensive income for the year, net of tax</b>		<u><b>7,226,262</b></u>	<u><b>1,343,421</b></u>
<b>Earnings per equity share (nominal value of Rs 10 each)</b>	17		
Basic and diluted		613.43	134.34
<b>Significant accounting policies</b>	2-23		
<b>Notes to the financial statements</b>			

The notes referred to above are an integral part of these financial statements

As per our report of even date attached



For Shaparia Mehta & Associates LLP  
ICAI firm registration No. 112350W/ W-100051  
Chartered Accountants

  
**Sandeep Kumar Chhajjer**  
Partner  
Membership No. 160212



Date: 17 May 2018

For and on behalf of Board of directors of  
AGL Warehousing Private Limited  
CIN No. U63020MH2008PTC179569

   
**Shashi Kiran Shetty** **Arathi Shetty**  
Director Director  
DIN NO:00012754 DIN NO:00088374

Date: 17 May 2018

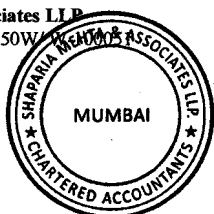
**AGL Warehousing Private Limited**  
**Statement of Cash Flows for the period ended 31 March 2018**

	<u>31 March 2018</u>	<u>31 March 2017</u>
<b>Operating activities</b>		
Profit before tax	5,560,684	1,189,044
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of property, plant and equipment	5,904,876	5,904,875
Finance costs	1,243,734	1,508,586
Loss on investments revaluation	1,204	-
Interest Income	(3,558,439)	(426,541)
<b>Working capital adjustments:</b>		
Decrease / (increase) in trade receivables	606,105	399,000
Decrease / (increase) in long term and short term loans and advances	180,878	259
(Decrease)/ Increase in trade payables, other current and non current liabilities	1,641,897	1,949,210
(Decrease)/ Increase in provisions	259,674	28,905
<b>Cash generated from operating activities</b>	<u>11,840,613</u>	<u>10,553,338</u>
Income tax (paid)/received (including TDS) (net of refund)	(773,996)	1,527,894
<b>Net cash flows from operating activities (A)</b>	<u>11,066,617</u>	<u>12,081,232</u>
<b>Investing activities</b>		
Interest income received	3,313,992	-
Fixed deposits placed	(60,640,113)	-
Fixed deposits matured	45,584,140	-
<b>Net cash flows from / (used in) investing activities (B)</b>	<u>(11,741,981)</u>	<u>-</u>
<b>Financing activities</b>		
Proceeds from short term borrowings	-	1,492,802
Repayment of short term borrowings	-	(10,156,726)
Finance costs	(1,168)	(1,954,453)
<b>Net cash flows from / (used in) financing activities (C)</b>	<u>(1,168)</u>	<u>(10,618,377)</u>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<u>(676,532)</u>	<u>1,462,855</u>
Opening balance of cash and cash equivalents	2,010,242	547,387
Add: Cash balance on amalgamation of fellow subsidiaries	1,420,998	-
<b>Cash and cash equivalents at the end</b>	<u>2,754,708</u>	<u>2,010,242</u>

As per our report of even date attached

For Shaparia Mehta & Associates LLP  
ICAI firm registration No.112350W/  
Chartered Accountants

Sandeep Kumar Chhajjer  
Partner  
Membership No. 160212



Date: 17 May 2018

For and on behalf of Board of directors of  
AGL Warehousing Private Limited  
CIN No: U63020MH2008PTC179569

Shashi Kiran Shetty  
Director  
DIN NO:00012754

Arathi Shetty  
Director  
DIN NO:00088374

Date: 17 May 2018

**AGL Warehousing Private Limited**  
**Statement of Changes in Equity for the year ended 31 March 2018**

**(A) Equity Share Capital:**

Equity shares of INR 10 each issued, subscribed and fully paid  
 At 1 April 2016  
 Issue of share capital  
 At 31 March 2017  
 Issue of share capital  
 At 31 March 2018

No.	Amount
10,000	100,000
-	-
10,000	100,000
1,780	17,800
11,780	117,800

**(B) Other Equity:**

For the year ended 31 March 2018

Particulars	Reserves & Surplus				Total equity
	Equity Component of Preference Shares	Securities premium account	Capital Reserve	Balance in Statement of Profit and Loss	
As at 31st March 2017	10,320,168	358,608,000	-	(63,864,786)	305,063,382
Net Profit for the period	-	-	-	7,226,262	7,226,262
Other comprehensive income	-	-	-	-	-
Total comprehensive income	10,320,168	358,608,000	-	(56,638,524)	312,289,644
Impact on account of amalgamation	-	-	182,200	47,443,819	47,626,019
As at 31 March 2018	10,320,168	358,608,000	182,200	(9,194,705)	359,915,663

For the year ended 31 March 2017

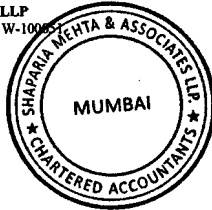
Particulars	Reserves & Surplus				Total equity
	Equity Component of Preference Shares	Securities premium account	Capital Reserve	Balance in Statement of Profit and Loss	
As at 1st April 2016	10,320,168	358,608,000	-	(65,208,207)	303,719,961
Net Profit for the period	-	-	-	1,343,421	1,343,421
Other comprehensive income	-	-	-	-	-
Total comprehensive income	10,320,168	358,608,000	-	(63,864,786)	305,063,382
As at 31 March 2017	10,320,168	358,608,000	-	(63,864,786)	305,063,382

As per our report of even date attached

For Shaparia Mehta & Associates LLP  
 ICAI firm registration No. 112350W/W-10005  
 Chartered Accountants

Sandeep Kumar Chhajier  
 Partner  
 Membership No. 160212

Date: 17 May 2018



For and on behalf of Board of directors of  
 AGL Warehousing Private Limited  
 CIN No. 06302012MH2008PTC179569

Shashi Kiran Shetty  
 Director  
 DIN NO: 00012754

Date: 17 May 2018

Arathi Shetty  
 Director  
 DIN NO: 00088374

# AGL Warehousing Private Limited

Notes to the financial statements for the year ended 31 March 2018

## 1. Significant accounting policies

### 1.1 (a) Statement of compliance

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules 2015 read with Section 133 of the Companies Act, 2013.

### (b) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) which have been measured at fair value or revalued amount. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### 1.2 Summary of significant accounting policies

#### a. Use of estimates

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

#### b. Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- 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.

#### c. Foreign currencies:

The Company's financial statements are presented in Indian Rupees, which is also the functional currency.

#### Transaction and balances

Transactions in foreign currencies are initially recorded at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.



# AGL Warehousing Private Limited

## Notes to the financial statements for the year ended 31 March 2018

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### d. Fair value measurement

In determining the fair value of its financial instruments, the company uses assumptions that are based on market conditions and risks existing at each reporting date. The method used to determine the fair value includes Discounted Cash Flow analysis, available quoted market price and dealer quotes. All methods of assessing fair value result in general approximation of fair value and such value may never be actually realized. For all other financial instruments, the carrying amount approximates Fair Value due to the short maturity of those instruments.

### e. Revenue recognition

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Reimbursement of cost is netted off with the relevant expenses incurred under pre-GST era. Post GST, same is recognized as income under the head business support charges.

Interest income is recognised on time proportion basis.

Dividend income is recognised when the right to receive the payment is established by the balance sheet date.

### f. Leases

#### Company as a lessor

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

### g. Taxes

#### Current Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

#### Deferred tax

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

Deferred tax assets and liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



# AGL Warehousing Private Limited

## Notes to the financial statements for the year ended 31 March 2018

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

### Minimum Alternate Tax (MAT)

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

### h. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 60 years from the date of original purchase.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

### i. Borrowing costs

Borrowing costs includes interest, amortisation of ancillary cost over the period of loans which are incurred in connection with arrangements of borrowings.

Borrowing costs that are attributable to the acquisition, construction of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

### j. Provisions and Contingent Liability

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 will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.



# AGL Warehousing Private Limited

## Notes to the financial statements for the year ended 31 March 2018

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

### k. Financial instruments

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

#### Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial asset, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

#### a. Debt instruments at amortised cost

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

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

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

#### b. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.



# AGL Warehousing Private Limited

## Notes to the financial statements for the year ended 31 March 2018

### Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred the financial assets and the transfer qualifies for derecognition under Ind AS 109.

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables.

The Company follows 'simplified approach for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive.

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. In balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### Subsequent measurement

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

#### Loans and borrowings

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





# AGL Warehousing Private Limited

## Notes to the financial statements for the year ended 31 March 2018

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

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 recognised in the statement of profit or loss.

### l. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### m. Cash flow statement

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

### n. Earnings per equity 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. 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.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.



**AGL Warehousing Private Limited**  
**Notes to the financial statements as at and for the year ended 31 March 2018**

**2 Investment Property**

	<b>Building</b>
Opening balance at 01 April 2016	324,826,309
Additions (Subsequent expenditure)	-
<b>Closing balance at 31 March 2017</b>	<b>324,826,309</b>
Additions (Subsequent expenditure)	-
<b>Closing balance at 31 March 2018</b>	<b>324,826,309</b>
<b>Depreciation and impairment</b>	
Opening balance at 01 April 2016	5,921,055
Depreciation	5,904,875
<b>Closing balance at 31 March 2017</b>	<b>11,825,930</b>
Depreciation	5,904,876
<b>Closing balance at 31 March 2018</b>	<b>17,730,806</b>
<b>Net Block</b>	
At 31 March 2017	313,000,379
At 31 March 2018	307,095,503

**Information regarding income and expenditure of investment property**

	<b>31 March 2018</b>	<b>31 March 2017</b>
Rental income derived from investment properties	12,598,857	10,219,114
Direct operating expenses (including repairs and maintenance) generating rental income	762,110	837,861
Direct operating expenses (including repairs and maintenance) that did not generate rental	762,110	837,861
Profit arising from investment properties before depreciation and indirect expenses	11,074,638	8,543,393
Less: Depreciation	5,904,876	5,904,875
Profit arising from investment properties before indirect expenses	5,169,762	2,638,518

The Company's investment properties consists of 1 freehold building in India. The management has determined that the investment properties consist of only classes of asset i.e. commercial office based on the nature, characteristics and risks of each property.

As at 31 March 2018 and 31 March 2017, the fair values of the properties are Rs.639,100,000 and Rs.639,100,000 respectively. These valuations are based on valuations performed by Mulyankan Consultants Ltd., an accredited independent valuer. Mulyankan Consultants Ltd. is a specialist in valuing these types of investment properties. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.



AGL Warehousing Private Limited  
Notes to the financial statements as at and for the year ended 31 March 2018

3 Financial Assets

3.1 Current investments

(valued at fair value, unless stated otherwise)

	Non-current portion		Current portion	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Investments at fair value through P&L (fully paid)				
Investments in equity shares				
Quoted equity instruments (fully paid-up)				
16 Units (31 March 2017: Nil) Equity Shares of Gateway Distriparks Ltd.	-	-	2,794	-
	-	-	2,794	-
Aggregate book value of investments	-	-	2,794	-

3.2 Other Financial assets

	Non-current portion		Current portion	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
To parties other than related parties				
Security deposits				
Unsecured, considered good	29,270	28,900	-	-
	29,270	28,900	-	-
Interest accrued on fixed deposits	-	-	906,701	-
Total Other long-term financial assets	29,270	28,900	906,701	-

4 Other assets

Unsecured considered good, unless stated otherwise

	Non-current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
CENVAT receivables	-	-	13,693	12,720
Others	-	-	65,327	247,548
	-	-	79,020	260,268

5.1 Trade receivables

	31 March 2018	31 March 2017
Trade receivables	338,895	945,000
Total trade receivables	338,895	945,000
Other receivables		
Unsecured, considered good	338,895	945,000
	338,895	945,000
Total Trade receivables	338,895	945,000

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

5.2 Cash and cash equivalents

	<b>31 March 2018</b>	<b>31 March 2017</b>		
Cash and cash equivalents				
Balances with banks				
- On current accounts	2,652,573	1,960,242		
Cash on hand	102,135	50,000		
	<u>2,754,708</u>	<u>2,010,242</u>		
Other bank balances				
-Deposit with original maturity of more than 3 months but less than 12 months	60,640,113	-		
	<u>60,640,113</u>	<u>-</u>		
Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.				
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:				
	<b>31 March 2018</b>	<b>31 March 2017</b>		
Balances with banks:				
- On current accounts	2,652,573	1,960,242		
Cash on hand	102,135	50,000		
	<u>2,754,708</u>	<u>2,010,242</u>		
Changes in liabilities arising from financing activities				
Particulars	01 April 2017	Cashflows	Others*	31 March 2018
Non-convertible redeemable Preference Shares	8,568,855	-	1,066,820	9,635,675
Interest on borrowings	-	(1,168)	1,168	-
Total liabilities from financing activities	8,568,855	(1,168)	1,067,988	9,635,675

\* The 'Others' column comprises of interest accrued during the year as well as interest on statutory dues.

\* The 'Others' column comprises of interest accrued during the year as well as interest on statutory dues.



6 Share capital

**Authorised capital:**

	Equity shares @ Rs.10 each		Equity shares @ Rs.100 each		1% preference shares	
	Nos	Amount	Nos	Amount	Nos	Amount
At 01 April 2016	50,000	500,000	-	-	420,000	42,000,000
Increase / (decrease) during the year	-	-	-	-	-	-
At 31 March 2017	50,000	500,000	-	-	420,000	42,000,000
Increase / (decrease) during the year	50,000	500,000	1,000	100,000	-	-
At 31 March 2018	100,000	1,000,000	1,000	100,000	420,000	42,000,000

**Terms/ rights attached to equity shares**

The Company has a Single class of Equity Shares. Accordingly all Equity Shares rank equally with regard to dividend's and share in the Company's residual assets. The Equity shares are entitled to receive dividend as declared time to time subject to payment of dividend to preference shareholders. The voting rights of a Equity shareholder on a poll (not on Show of hands) are in proportion to its share of the paid-up Equity capital of the Company. Voting rights can not be exercised in respect of shares on which any call or any sums payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of share

On winding up of the Company, the holders of Equity Shares will be entitled to receive the residue assets of the Company, remaining after distribution of all preferential amount in proportion to the Equity share held.

**Issued equity capital:**

**Issued, subscribed and fully paid-up:**

	Issued equity share capital	
	Nos	Amount
At 1 April 2016	10,000	100,000
Changes during the period	-	-
At 31 March 2017	10,000	100,000
Changes during the period	1,780	17,800
At 31 March 2018	11,780	117,800

**(f) Details of shareholders holding more than 5% shares of a class of shares**

Name of shareholders	As at 31 March 2018		As at 31 March 2017	
	Nos	% holding in the class	Nos	% holding in the class
Equity shares of Rs. 10 each fully paid				
Allcargo Logistics Ltd	10,999	93.37	9,999	99.99
Contech Logistics Solutions Private Limited	780	6.62	-	-

**(ii) Reconciliation of number of the equity shares outstanding at the beginning and at the end of the year**

	As at 31 March 2018		As at 31 March 2017	
	Nos	Amount	Nos	Amount
Equity Shares				
At the beginning of the year	10,000	100,000	10,000	100,000
Issued during the period	1,780	17,800	-	-
Outstanding at the end of the year	11,780	117,800	10,000	100,000

**(iii) Details of shares allotted as fully paid without being payment received in cash**

	As at 31 March 2018		As at 31 March 2017	
	Nos	Amount	Nos	Amount
Equity Shares				
Issued during the period on account of amalgamation (refer note 22)	1,780	17,800	-	-
Outstanding at the end of the year	1,780	17,800	-	-

**(iv) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:**

Particulars	Equity shares with voting rights	Equity shares with differential voting rights	Compulsorily convertible preference shares	Optionally convertible preference shares
	Number of shares			
As at 31 March, 2018				
Allcargo Logistics Ltd, the Holding Company	10,999			
Contech Logistics Solutions Private Limited	780			
Shashi Kiran Shetty/Arathi Shetty jointly with Allcargo Logistics Ltd, the holding company	1			



<b>7 Other equity</b>	
	<b>Amount in Rs.</b>
<b>Share premium</b>	
At 01 April 2016	358,608,000
Amount utilised towards the issue of fully paid bonus shares	-
At 31 March 2017	358,608,000
Amount utilised towards the issue of fully paid bonus shares	-
At 31 March 2018	<u>358,608,000</u>
<b>Capital reserves</b>	
At 01 April 2016	-
Amount utilised towards the issue of fully paid bonus shares	-
At 31 March 2017	-
Impact on account of amalgamation	182,200
At 31 March 2018	<u>182,200</u>
<b>Surplus in Statement of profit &amp; loss account</b>	<b>Amount in Rs</b>
At 1 April 2016	(65,208,207)
Add: Profit during the year	1,343,421
Add: OCI	-
Less : Appropriations	-
At 31 March 2017	(63,864,786)
Add: Profit during the year	7,226,262
Add: OCI	-
Add: impact of amalgamation	47,443,819
Less : Appropriations	-
Net Surplus in the statement of profit & loss account	<u>(9,194,705)</u>
<b>Total reserves and surplus</b>	<u>349,595,495</u>
<b>Equity Component of Preference Share Capital</b>	<b>Amount in Rs</b>
At 1 April 2016	10,320,168
Add:- Addition	-
Less:- Deletion	-
At 31 Mar 2017	10,320,168
Add:- Addition	-
Less:- Deletion	-
At 31 Mar 2018	<u>10,320,168</u>

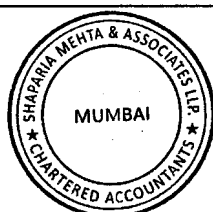
<b>8 Borrowings</b>				
	<b>Effective interest rate %</b>	<b>Maturity</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
<b>Non-current borrowings</b>				
<b>Other borrowings (unsecured)</b>				
Compound financial instruments				
Non-convertible Preference Shares	12.45%	31 Dec, 2021	9,635,675	8,568,855
<b>Total non-current borrowings</b>			<u>9,635,675</u>	<u>8,568,855</u>
Aggregate secured loans			-	-
Aggregate unsecured loans			9,635,675	8,568,855

<b>9 Other financial liabilities</b>				
	<b>Non-current portion</b>	<b>Current portion</b>		
	<b>31 March 2018</b>	<b>31 March 2017</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>Other financial liabilities at amortised cost</b>				
Security deposits received	2,500,188	1,667,530	419,951	-
<b>Total other financial liabilities at amortised cost</b>	<u>2,500,188</u>	<u>1,667,530</u>	<u>419,951</u>	<u>-</u>
<b>Total other financial liabilities</b>	<u>2,500,188</u>	<u>1,667,530</u>	<u>419,951</u>	<u>-</u>

<b>10.1 Trade payables</b>		
	<b>31 March 2018</b>	<b>31 March 2017</b>
Trade payables	174,460	-
Trade payables to related parties	-	-
	<u>174,460</u>	<u>-</u>

<b>10.2 Other payables</b>		
	<b>31 March 2018</b>	<b>31 March 2017</b>
Provision for expenses	379,530	61,356
	<u>379,530</u>	<u>61,356</u>

<b>11 Other liabilities</b>				
	<b>Non-current portion</b>	<b>Current portion</b>		
	<b>31 March 2018</b>	<b>31 March 2017</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
Statutory dues payable	-	-	435,949	175,693
Others	223,547	180,538	261,673	167,862
	<u>223,547</u>	<u>180,538</u>	<u>697,622</u>	<u>343,555</u>



**AGL Warehousing Private Limited**  
Notes to the financial statements as at and for the year ended 31 March 2018

**12 Income tax**

<b>12a. Non-current tax Assets (net)</b>				
Particulars	<b>31 March 2018</b>		<b>31 March 2017</b>	
Advance tax recoverable (net of provision for tax)	3,293,838		1,712,531	
Others	-		-	
	<b>3,293,838</b>		<b>1,712,531</b>	
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2017 and 31 March 2018:</b>				
	<b>31 March 2018</b>		<b>31 March 2017</b>	
Accounting profit before income tax	5,560,684		1,189,044	
At India's statutory income tax rate of 25.75 % (31 March 2017: 30.9 %)	1,431,876		367,415	
<b>Computed tax expenses</b>				
Utilisation of carry forward losses on which deferred tax not recognised	(2,052,821)		(1,962,405)	
Income not considered for tax purpose	(29)		-	
Expenses not allowed for tax purpose	1,598,925		2,277,473	
Expense allowance for tax purpose	(879,780)		(841,031)	
Difference in tax rates	(318,236)		-	
Tax adjustments for earlier years	(1,435,029)		4,171	
Other adjustments	(10,484)		-	
At the effective income tax rate of -29.95% (31 March 2017: -12.98%)	(1,665,578)		(154,377)	
Income tax expense reported in the statement of profit and loss	(1,665,578)		(154,377)	
	<b>(1,665,578)</b>		<b>(154,377)</b>	
<b>12b. Deferred tax:</b>				
Deferred tax relates to the following:				
	<b>Balance Sheet</b>		<b>profit and loss</b>	
	<b>31 March 2018</b>	<b>31 March 2017</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
Accelerated depreciation for tax purposes				
Share based payments				
Post-employment medical benefits				
Compounded Financial Instruments	1,366,378	1,969,302	(602,924)	(293,149)
Fair Valuation of security deposit	3,769	2,802	967	2,802
Fair Valuation of financial instruments	281	-	281	-
Impact of amalgamation	-	-	(626)	-
Amalgamation expenses carried forward	(294,022)	-	(294,022)	-
Deferred tax expense/(income)			(896,324)	(290,347)
Deferred tax liabilities/(assets))	1,076,406	1,972,104		
Net deferred tax liabilities/(assets)	<b>1,076,406</b>	<b>1,972,104</b>	<b>-</b>	<b>-</b>
<b>Reconciliation of deferred tax liabilities (net):</b>				
	<b>31 March 2018</b>		<b>31 March 2017</b>	
Opening balance as of 1 April	1,972,104		2,262,451	
Tax expense/(income) during the period recognised in profit or loss	(896,324)		(290,347)	
Tax expense/(income) during the period recognised in OCI	-		-	
Impact of amalgamation	626		-	
Deferred taxes acquired in business combinations	-		-	
Closing balance as at 31 March	<b>1,076,406</b>		<b>1,972,104</b>	
The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.				



**AGL Warehousing Private Limited**  
**Notes to the financial statements as at and for the year ended 31 March 2018**

**13 Income**

	<b>31 March 2018</b>	<b>31 March 2017</b>
Rental income	12,598,857	10,219,114
Interest on fixed deposits with bank	3,498,778	-
Business support income	22,011	-
Dividend income	112	-
Interest on income tax refund	59,661	426,541
	<b>16,179,419</b>	<b>10,645,655</b>

**14 Depreciation and amortisation**

	<b>31 March 2018</b>	<b>31 March 2017</b>
Depreciation on investment properties (refer Note 2)	5,904,876	5,904,875
	<b>5,904,876</b>	<b>5,904,875</b>

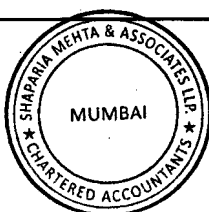
**15 Finance costs**

	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>Interest expense</b>		
Others	1,243,734	1,508,586
	<b>1,243,734</b>	<b>1,508,586</b>

**16 Other expenses**

	<b>31 March 2018</b>	<b>31 March 2017</b>
Legal and professional fees	1,416,155	323,600
Travelling expenses	1,363	-
Repairs to building and others	72,694	3,000
Rates and taxes	1,613,886	1,258,028
Electricity charges	228,623	428,347
Payment to auditors (Refer to Note below)	64,425	30,000
Bank charges	200	175
Advertisement	71,575	-
Fair value loss on financial instruments	1,204	-
	<b>3,470,125</b>	<b>2,043,150</b>

<b>Payments to the auditor:</b>	<b>31 March 2018</b>	<b>31 March 2017</b>
<b>As auditor</b>		
Audit fee	39,425	30,000
Limited review	25,000	-
	<b>64,425</b>	<b>30,000</b>



## AGL Warehousing Private Limited

### Notes to the financial statements for the year ended 31 March 2018

#### 17. Earnings Per Share (EPS)

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

Particulars	31 March 2018	31 March 2017
Net Profit after tax attributable to Equity Shareholders	72,26,262	13,43,421
Weighted average and outstanding number of Equity shares for basic and diluted EPS	11,780	10,000
Basic and diluted EPS	613.43	134.34

#### 18 I) Commitments and contingencies

Particulars	31 March 2018	31 March 2017
Disputed liabilities- Income tax	2,62,360	262,360

#### (II) Leases

Operating lease (including maintenance) commitments –

Company as lessee:- NIL

Company as lessor:

The Company has given warehouse and commercial properties on operating lease. The lease agreement provides an option to the company to renew the lease period at the end of period.

Lease income recognised for the year is Rs.1,25,98,857 (previous year: Rs.1,02,19,114). There are no exceptional / restrictive covenants in the lease agreements.

Future minimum rentals payable under non-cancellable operating leases as at 31 March is NIL

#### (III) a. Dues to Micro and small Suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 02 October 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small Enterprises.

Particulars	31 March 2018	31 March 2017
Principal amount remaining unpaid to any supplier as at the period end.	Nil	Nil
Interest due thereon	Nil	Nil
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	Nil	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED.	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of the accounting period	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowances as a deductible expenditure under the MSMED Act, 2006	Nil	Nil





## AGL Warehousing Private Limited

Notes to the financial statements for the year ended 31 March 2018

b. Earnings in Foreign Currency :- Nil

c. Expenditure in Foreign Currency :- Nil

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### Related party transactions

a) List of Related Parties and Relationships

#### Holding Company

Allcargo Logistics Limited

#### Fellow subsidiaries

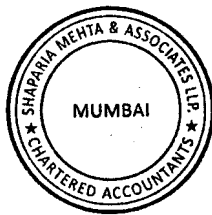
Sr. No	Entity Name
1	Contech Logistics Solutions Pvt. Ltd (formerly known as Contech Transport Services Private Limited)
2	Amfin Consulting Private Limited (until 31-Mar-2017)
3	Southern Terminal and Trading Private Limited ((until 31-Mar-2017)
4	ECU International (Asia) Private Limited

#### Joint ventures of the Holding Company:

Avvashya CCI Logistics Private Limited

#### Key Managerial Personnel

Sr. No	Name
1	Mr. Shashi Kiran Shetty
2	Mrs. Arathi Shetty



## AGL Warehousing Private Limited

### Notes to the financial statements for the year ended 31 March 2018

#### b) Transaction with Related Party

Name of Party	Nature of transaction	31 March 2018	31 March 2017
<b>Allcargo Logistics Limited</b>	Borrowings:		
	Opening Balance	-	8,663,924
	Add: advances received	65,568	1,492,802
	Less: advances repaid	65,568	(10,156,726)
	Closing balance	-	-
	Security deposits received	1,395,000	-
	Issue of shares (consideration other than cash on merger of Southern Terminals & Trading Private Limited)	10,000	-
	Rent income	714,107	-
	Business support charges income	22,011	-
	Interest expense	-	474,832
	Outstanding payable:-		
	Interest payable-opening balance	-	1,479,621
	Interest payable-closing balance	-	-
	Security deposits payable	1,395,000	-
<b>Amfin Consulting Pvt Ltd</b>	Net identifiable assets taken over	20,945,728	-
<b>Southern Terminal and Trading Pvt Ltd</b>	Net identifiable assets taken over	26,698,091	-
<b>Contech Logistics Solutions Pvt Ltd</b>	Issue of shares (consideration other than cash on merger of Amfin Consulting Pvt Ltd)	7,800	-
<b>ECU International (Asia) Pvt Ltd</b>	Security deposits received	-	450,000
	Rent income	1,800,000	1,800,000
	Outstanding payable:-		
	Security deposits payable	450,000	450,000
<b>Avvashya CCI Logistics Pvt Ltd</b>	Security deposits received	-	1,575,000
	Rent income	6,300,000	4,725,000
	Reimbursement of expenses	-	206,560
	Outstanding payable:-		
	Security deposits payable	1,575,000	1,575,000

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2017: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

#### 20. Fair value

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.



## AGL Warehousing Private Limited

### Notes to the financial statements for the year ended 31 March 2018

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

	Carrying amount	Fair value		
	As at 31-Mar-2018	Level 1	Level 2	Level 3
<b>Financial assets</b>				
Investment in equity shares	2,794	2,794	-	-
<b>Total</b>	<b>2,794</b>	<b>2,794</b>	<b>-</b>	<b>-</b>

	Carrying amount	Fair value		
	As at 31-Mar-2017	Level 1	Level 2	Level 3
<b>Financial assets</b>				
Investment in equity shares	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 21 a) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings.

#### b) Financial risk management

##### Trade receivables

Outstanding customer receivables are regularly monitored and impairment analysis is performed at each reporting date on an individual basis.

#### 22. Amalgamation

Pursuant to the scheme of merger by absorption of Southern Terminal and Trading Private Limited (First Transferor Company) and Amfin Consulting Private Limited (Second Transferor Company) with AGL Warehousing Private Limited (Transferee Company) under sections 230 to 232 of the Companies Act, 2013 and under Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 read with National Company Law Tribunal Rules, 2016 as amended there under from time to time and other relevant provisions of the Companies Act, 2013 and as per National Company Law Tribunal order dated 22 February 2018, a copy of which has been filed with the Registrar of Companies on 31 March 2018, the assets, liabilities and reserves of the transferor companies were taken over by the Transferee Company with effect from the appointed date 01 April 2017.

Pursuant to the NCLT order dated February 22, 2018, the Board of Directors at its meeting held on March 31, 2018 has allotted 1,780 equity shares of Rs.10/- each to the shareholders of Transferor Companies as per the share exchange ratio mentioned in the scheme of merger by absorption.

Brief nature of business of the transferor companies:



## AGL Warehousing Private Limited

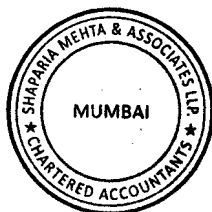
### Notes to the financial statements for the year ended 31 March 2018

Southern Terminal and Trading Private Limited is a private limited company registered under the provisions of the Companies Act, 1956 validly existing under the Companies Act, 2013. Its main object is to construct, develop, maintain, build, equip, hire or otherwise deal with terminals, ports, shipyard, jetties, harbours, docks, ship breaking, ship repair and ship building at any port in India or elsewhere and to do the business of inland and sea transport including goods, passengers and mail, shippers, ship agents, ship underwriters, ship managers, tug owners, barge owners, loading brokers, freight brokers, freight contractors, stevedores, warehouseman, Wharfingers and building, assembling, fitting, constructing, repairing, servicing and managing ships, seagoing vessels for inland waterways.

Amfin Consulting Private Limited is a private limited company registered under the provisions of the Companies Act, 1956 validly existing under the Companies Act, 2013. Its main object is to carry on as consultant, advisor, liaisoner, organizer, designer, supervisor, agent in areas such as commercial, technical, manufacturing, industrial, operations, production, marketing, systems, logistics, software, development, information and telecommunication technology, legal, investment, insurance, banking, international trade and commerce, construction, property and real estate management, agriculture, horticulture, project management, market survey, corporate management, business management, business restructuring, materials management and inventory control, working capital management, corporate laws, taxation, research and development, publicity and public relations, human resources development, industrial relations, pollution control, environmental engineering, research and development, training, education, entertainment, designing books, journals, periodicals newsletters and other kinds of literature, project report and feasibility studies, management of industries and business.

Summary of the assets, liabilities and reserves taken over are listed below.

Particulars	Amfin Consulting Pvt Ltd	Southern Terminal and Trading Pvt. Ltd	Total
<b>Cash and bank balances</b>			
Cash on hand	2,135	50,000	52,135
Other bank balances	20,000,000	25,584,140	45,584,140
Balance with banks on current account	437,120	931,743	1,368,863
<b>Current investments</b>			
Current investments	2,024	1,974	3,998
<b>Other financial assets</b>			
Interest accrued on fixed deposits	485,444	236,471	721,915
<b>Other non current tax assets</b>			
Advance taxes recoverable	54,342	-	54,342
	20,981,065	26,804,328	47,785,393
<b>Deferred tax liability</b>	337	291	628
<b>Other current liabilities</b>			
Statutory dues	3,500	3,000	6,500
<b>Other payables</b>			
Provision for expenses	31,500	27,003	58,503
<b>Current tax liabilities</b>			
Provision for taxes	-	75,943	75,943
	35,337	106,237	141,574
<b>Value of net identifiable assets taken over</b>	<b>20,945,728</b>	<b>26,698,091</b>	<b>47,643,819</b>



## AGL Warehousing Private Limited

Notes to the financial statements for the year ended 31 March 2018

	Amfin Consulting Pvt Ltd	Southern Terminal and Trading Pvt Ltd
<b>Details of share exchange</b>		
Existing number of shares	1,000	10,000
Face value of share (Rs.)	100	10
Existing share capital	100,000	100,000
For each share of the transferor company, no of shares of transferee company to be exchanged	0.78	0.10
Total number of shares in transferee company to be exchanged	780	1,000
Face value of share (Rs.)	10	10
Value of new shares	7,800	10,000
Difference taken to capital reserves	92,200	90,000

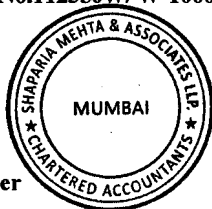
### 23. Prior year Comparatives:-

Previous year's figures are not comparable with current year since current year figures includes effect of amalgamation. Previous year's figures have been regrouped / rearranged, wherever necessary, to correspond with the current year's classification/disclosure.

As per our report of even date attached.

For Shaparia Mehta & Associates LLP  
ICAI firm registration No.112350W/ W-100051  
Chartered Accountants

Sandeep Kumar Chhajjer  
Partner  
Membership No: 160212



Date: 17 May 2018

For and on behalf of Board of directors of  
AGL Warehousing Private Limited  
CIN No: U63020MH2008PTC179569

Shashi Kiran Shetty  
Director  
DIN:00012754

Arathi Shetty  
Director  
DIN:00088374

Date :17 May 2018