



For a healthy growing nation



# TRANSFORMING FOR TOMORROW

ANNUAL REPORT 2019 - 20

New

adani  
wilmar

For a healthy growing nation

For the **Super woman** of today,  
we made Khichdi a **Super food**.

— Nourished with Ragi and Flax seeds —



**fortune**  
**SUPER FOOD**  
**Khichdi**

Ready to cook

- Authentic basmati and regional rice and moong dal mix
- Convenient masala tastemaker

## KEY PRODUCTS

Every product offering of AWL is geared towards augmenting the health and growth of a young and aspiring nation. Broadly, AWL's product mix could be divided into two groups:

### 1. Edible Products

- Edible Oils like Palm, Soya, Sunflower, Groundnut, Cotton Seed, Rice Bran, Mustard and Blended
- Food Business that includes Pulses, Rice, Besan, Maida, Rawa & Suji, Soya Value Added Products and Wheat Flour
- Bakery Lauric Products

### 2. Non-edible Products like Castor and Oleo-Value Added Products

- Oleo Chemicals

#### FORTUNE RANGE OF EDIBLE OILS



#### SUB-BRANDS OF EDIBLE OILS



#### SOAPS



#### BAKERY PRODUCTS





## Moving rapidly in the direction from being an Edible oil player to an integrated Food Company

### MAIDA, RAWA & SUJI



### PULSES



### BESAN



### SOYA VALUE ADDED PRODUCTS



### CHAKKI FRESH ATTA



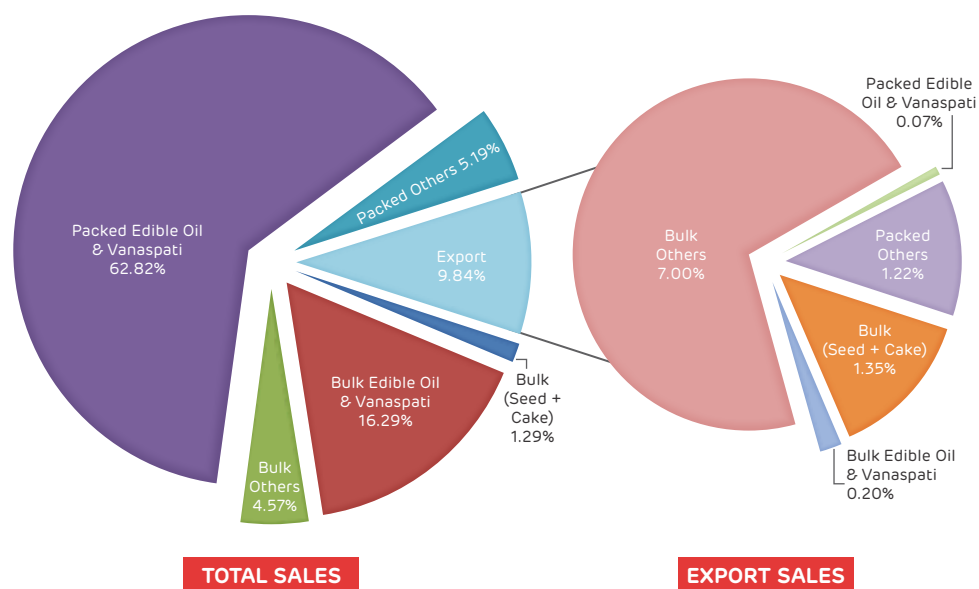
### RICE



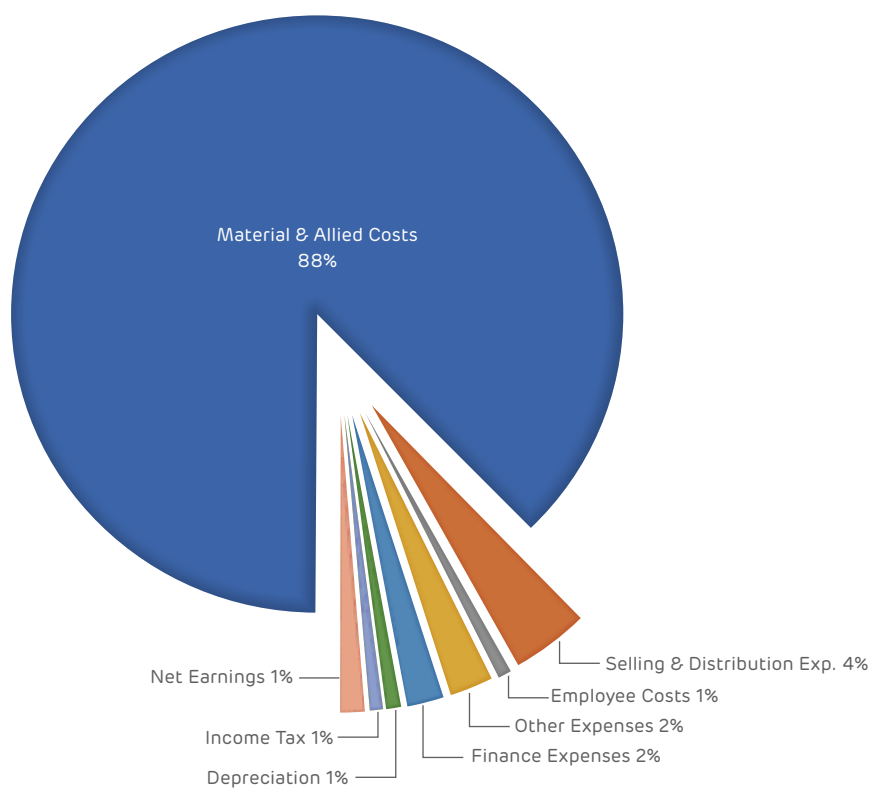
### KHICHI



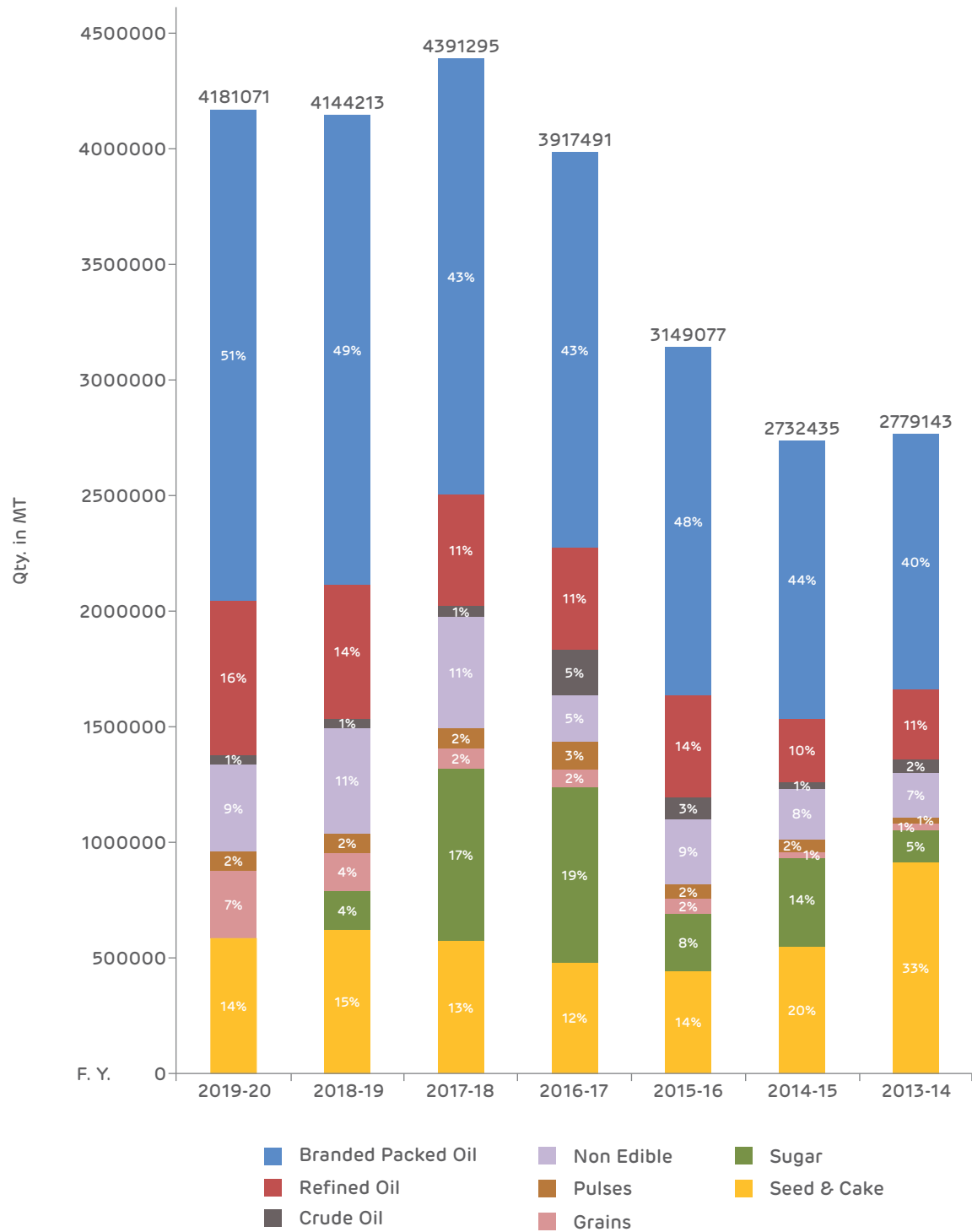
## SALES COMPOSITION(%)



## DISTRIBUTION OF INCOME (%)



SALES QUANTITY ANALYSIS  
(Sales in MT)



# Financial Highlights

## Seven years at a Glance

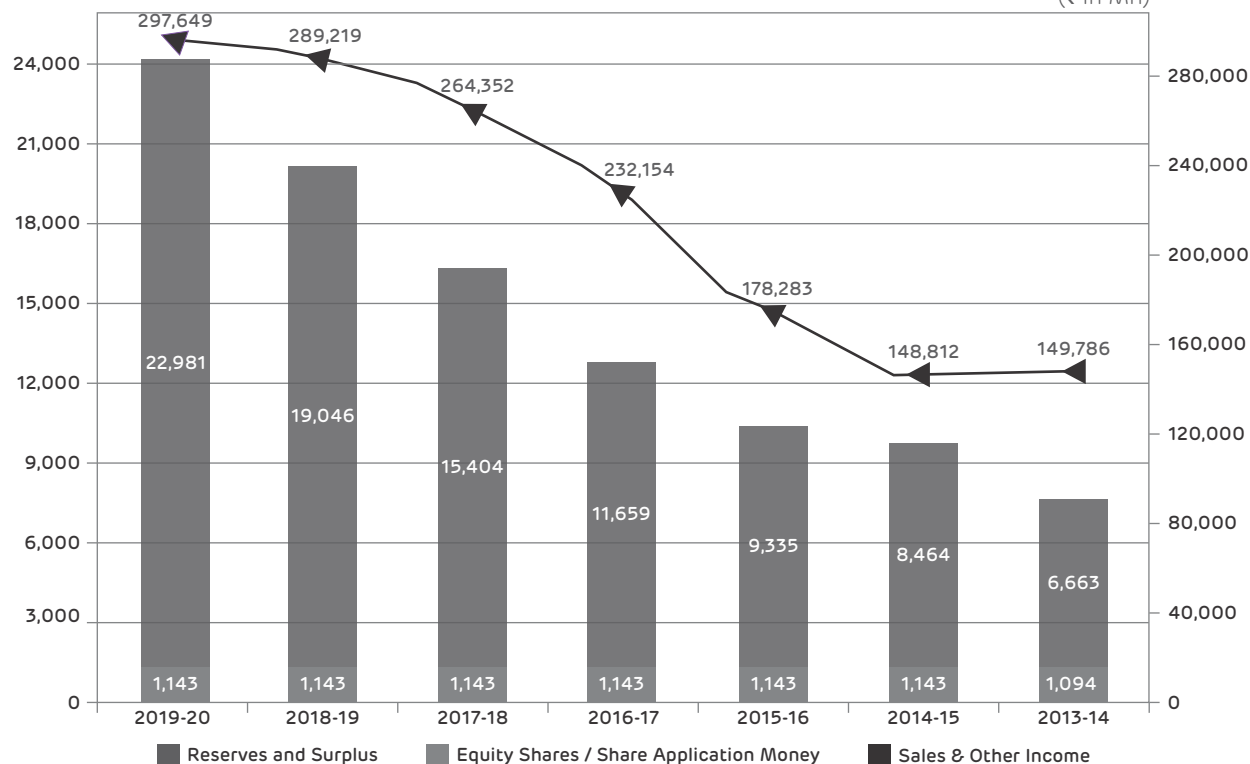
(₹ in Mn)

	2019-20	2018-19	2017-18	2016-17	2015-16*	2014-15*	2013-14
<b>ASSETS EMPLOYED</b>							
Net Fixed Assets	41,239.16	36,299.59	28,106.21	20,607.33	19,813.57	14,853.61	14,323.11
Investments	549.98	538.45	533.39	523.39	484.51	2,550.32	1,361.50
Net Current Assets	9,812.15	5,161.80	12,877.18	20,531.48	11,958.08	9,526.01	13,428.61
<b>TOTAL</b>	<b>51,601.29</b>	<b>41,999.84</b>	<b>41,516.78</b>	<b>41,662.19</b>	<b>32,256.17</b>	<b>26,929.94</b>	<b>29,113.22</b>
<b>FINANCED BY</b>							
Share Capital / Share Application Money	1,142.95	1,142.95	1,142.95	1,142.95	1,142.95	1,142.95	1,093.59
Reserves and Surplus	22,980.58	19,046.32	15,403.65	11,658.51	9,335.26	8,464.34	6,662.88
<b>Share Holder's Funds</b>	<b>24,123.53</b>	<b>20,189.27</b>	<b>16,546.60</b>	<b>12,801.46</b>	<b>10,478.21</b>	<b>9,607.29</b>	<b>7,756.47</b>
Loan Funds	23,002.75	18,294.56	22,439.27	26,216.91	20,070.45	15,546.72	20,195.93
Deferred Tax Liability	4,475.01	3,516.01	2,530.91	2,643.83	1,707.51	1,775.92	1,160.80
<b>TOTAL</b>	<b>51,601.29</b>	<b>41,999.84</b>	<b>41,516.78</b>	<b>41,662.19</b>	<b>32,256.17</b>	<b>26,929.94</b>	<b>29,113.21</b>
<b>NET WORTH</b>	<b>24,123.53</b>	<b>20,189.27</b>	<b>16,546.60</b>	<b>12,801.46</b>	<b>10,478.21</b>	<b>9,607.29</b>	<b>7,756.47</b>
<b>SALES &amp; OTHER INCOME</b>	<b>297,649.24</b>	<b>289,219.05</b>	<b>264,351.52</b>	<b>232,153.93</b>	<b>178,282.66</b>	<b>148,811.72</b>	<b>149,785.54</b>
<b>OPERATING PROFIT</b>	<b>8,505.18</b>	<b>7,520.66</b>	<b>7,116.28</b>	<b>4,665.70</b>	<b>1,892.47</b>	<b>1,949.27</b>	<b>797.73</b>
Depreciation	2,418.69	1,818.80	1,457.11	1,188.31	1,030.28	851.59	720.20
<b>PROFIT BEFORE EXCEPTIONAL ITEM &amp; TAX</b>	<b>6,086.49</b>	<b>5,701.86</b>	<b>5,659.17</b>	<b>3,477.39</b>	<b>862.19</b>	<b>1,097.68</b>	<b>77.53</b>
Provision for Diminution in the value of Long Term Investment	-	-	-	-	-	250.05	-
<b>PROFIT BEFORE TAX</b>	<b>6,086.49</b>	<b>5,701.86</b>	<b>5,659.17</b>	<b>3,477.39</b>	<b>862.19</b>	<b>847.63</b>	<b>77.53</b>
Tax	2,140.45	2,050.20	1,911.32	1,180.86	(2.18)	286.32	35.00
<b>PROFIT AFTER TAX</b>	<b>3,946.04</b>	<b>3,651.66</b>	<b>3,747.85</b>	<b>2,296.53</b>	<b>864.37</b>	<b>561.31</b>	<b>42.53</b>
<b>Earning Per Share (Rs.) - Basic</b>	<b>34.53</b>	<b>31.95</b>	<b>32.79</b>	<b>20.09</b>	<b>7.56</b>	<b>5.08</b>	<b>0.39</b>

\* Figures revised as per IND AS

## NET WORTH VS SALES & OTHER INCOME

(₹ in Mn)



# 22<sup>ND</sup> ANNUAL REPORT 2019-20

## COMPANY INFORMATION

### BOARD OF DIRECTORS:

Mr. Kuok Khoon Hong (DIN:00021957)	Executive Chairman
Mr. T. K. Kannan (DIN:00020968)	Chief Executive Officer (CEO) & Managing Director
Mr. Pranav Adani (DIN:00008457)	Director
Mr. Atul Chaturvedi (DIN:00175355)	Director
Dr. Malay Mahadevia (DIN: 00064110)	Director
Mr. Ashish Rajvanshi (DIN:07590913)	Director
Ms. Teo La-Mei (DIN: 08454097)	Director
Mr. Gurpreet Singh Vohra (DIN:08470394)	Director

### DEPUTY CHIEF EXECUTIVE OFFICER:

Mr. Angshu Mallick

### CHIEF FINANCIAL OFFICER:

Mr. Shrikant Kanhere

### COMPANY SECRETARY:

Mr. Darshil Lakhia

### REGISTERED & CORPORATE OFFICE:

"Fortune House", Near Navrangpura Railway Crossing,  
Ahmedabad - 380009.

### PLANTS:

- Taluka: Mundra, District: Kutch, Gujarat
- Village: Pragapar, Taluka: Mundra, District: Kutch, Gujarat
- Chhatral: Kadi Road, Taluka: Kadi District: Mehsana, Gujarat
- P.O. Tungabhadra, Mantralayam, District: Kurnool, Andhra Pradesh
- Silor Kota Road, District: Bundi, Rajasthan
- Haldia, District: Purba Medinipur, West Bengal
- Mouza Debhog, J. L. No. 149, P.S. Bhabanipur, District: Purba Medinipur, West Bengal
- Village: Malegaon, Tehsil Saoner, District: Nagpur, Maharashtra
- Village: Dehndi, Tehsil Shujalpur, District: Shahjapur, Madhya Pradesh
- Village: Jamunia Kala, Bhatkheda and Dalawada, District: Neemuch, Madhya Pradesh
- Villlage: Partala, Tehsil and District: Chindwara, Madhya Pradesh
- Village: Roondh Dhooninath, Tehsil Ramgarh, District: Alwar, Rajasthan
- Near Light House, Industrial Park, Kakianada Rural Mandal, Suryaraopet Grampanchayat, Thammavaram Village, East Godavari District: Kakinada, Andhra Pradesh
- Baikampady Industrial Area, Baikampady Village, Surathkal Hobli, Taluka: Mangalore, Karnataka
- Soya Complex, Sanchi Road, Vidisha, Madhya Pradesh
- Gudur Registration District: Muthukur Mandal, Pantapalem Village, Krishnapatnam, Andhra Pradesh
- Village: Bhitargarh, Thana: Paradip,

District: Jagatsinghpur, Odisha

- Village: Waan, Near Saiyanwala, Faridkot Road, Ferozepur, Punjab
- Food Processing Park, Village Nimrani, Taluka Kasarwad, District: Khargone, Madhya Pradesh

### SUBSIDIARIES:

- Golden Valley Agrotech Pvt. Ltd.
- AWL Edible Oils and Foods Pvt. Ltd.

### JOINT VENTURES:

- Vishakha Polyfab Pvt. Ltd.
- AWN Agro Pvt. Ltd.
- K.T.V. Health Food Pvt. Ltd.
- KOG-KTV Food Products (India) Pvt. Ltd.

### BANKERS:

State Bank of India  
Bank of India  
Oriental Bank of Commerce  
Punjab National Bank  
HDFC Bank Limited  
Societe Generale  
IDFC First Bank Limited  
Bank of Baroda  
Standard Chartered Bank  
DBS Bank India Limited  
RBL Bank Limited  
Cooperative Rabobank U.A.  
Export-Import Bank of India  
Axis Bank Limited  
BNP Paribas  
JP Morgan Chase Bank, N.A.  
ICICI Bank Limited

### STATUTORY AUDITORS:

M/s Shah Dhandharia & Co.  
Chartered Accountants, Ahmedabad

### REGISTRAR AND SHARE TRANSFER AGENT:

M/s. Link Intime India Private Limited  
5<sup>th</sup> Floor, 506-508, Amarnath Business Centre-1 (ABC-1),  
Besides Gala Business Centre, Nr. St. Xavier's College Corner,  
Off C. G. Road, Navrangpura, Ahmedabad-380009.

### ISIN NO.:

Equity Shares INE699H01016

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## NOTICE

**NOTICE** is hereby given that the 22<sup>nd</sup> Annual General Meeting of shareholders of Adani Wilmar Limited will be held on Thursday, the 25<sup>th</sup> day of June 2020 at 10 A.M. at the registered office of the Company situated at 'Fortune House', Nr. Navrangpura Railway Crossing, Ahmedabad - 380 009, Gujarat, to transact the following businesses:

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements (including audited consolidated financial statements) for the financial year ended 31<sup>st</sup> March, 2020 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pranav V. Adani (DIN: 00008457), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Gurpreet Singh Vohra (DIN: 08470394), who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of

Sections 148 and all other applicable provisions if any, of the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Dalwadi & Associates, Practicing Cost Accountants (Firm Regn. No. 000338) appointed as Cost Auditors by the Board of Directors for the financial year 2020-21 be paid the remuneration as set out in the explanatory statement annexed to the notice convening this meeting."

**"RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board  
For, Adani Wilmar Limited

Date: 5<sup>th</sup> May, 2020  
Place: Ahmedabad

Darshil Lakhia  
Company Secretary

Registered Office:  
Fortune House,  
Nr. Navrangpura Railway Crossing,  
Ahmedabad - 380 009 Gujarat, India  
CIN: U15146GJ1999PLC035320

## NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself. The proxy need not be a member. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Proxy Form(s) duly stamped, completed and signed, should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 is annexed hereto and forms a part of this notice.
4. Corporate members intending to send their authorised representative to attend the meeting are requested to send the Company a certified copy of Board Resolution authorizing their representative to attend and vote at the meeting.
5. Members who have not registered their e-mail address with the Company are requested to register their e-mail address and notify any change thereof to the company so as to enable the Company to send the notices of General Meetings electronically. Members who have already registered their e-mail address with the Company are requested to keep the Company updated of any change therein.

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### For Item No. 4

The Board of Directors has approved appointment of M/s. Dalwadi & Associates, Practicing Cost Accountants (Firm Regn. No. 000338) as Cost Auditors of the company to conduct the audit of the cost records for the financial year 2020-21, at a fee of ₹ 0.60 Mn. plus applicable taxes and reimbursement of out of pocket expenses, as remuneration for cost audit services.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended till date, the remuneration payable to the cost auditor has to be ratified by the shareholders of the company.

Accordingly consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2020-21.

The Board recommends the said resolution set out at Item No. 4 of the notice for approval of the members.

None of the Directors or key managerial personnel or their relatives are, in anyway, concerned or interested in the said resolution.

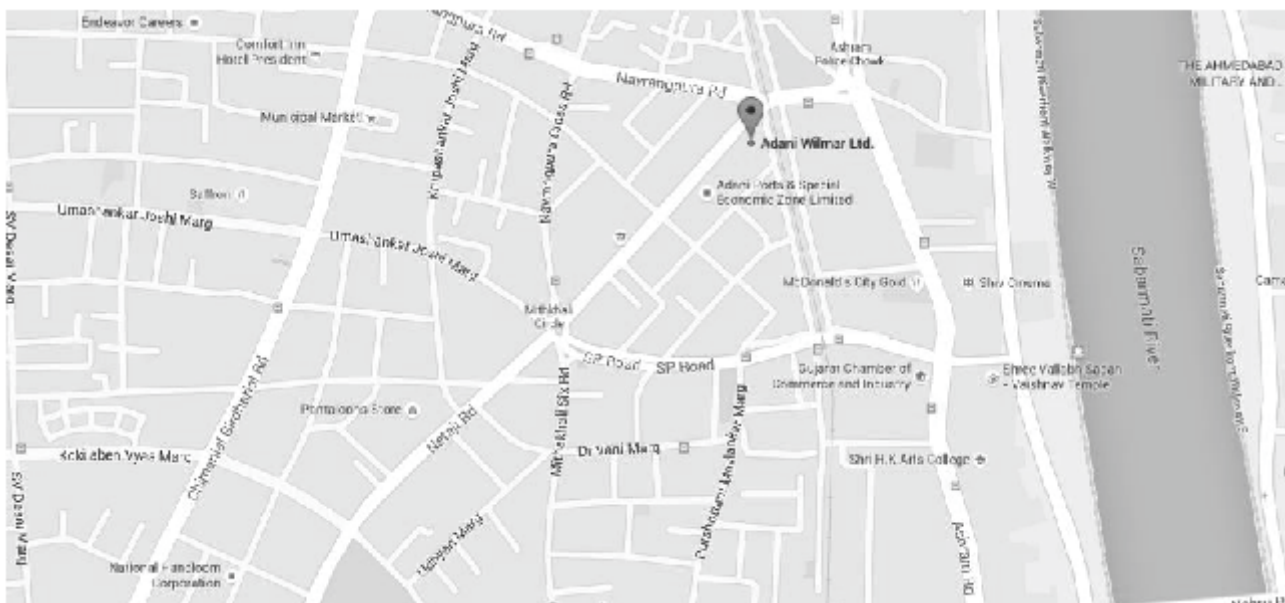
Date: 5<sup>th</sup> May, 2020  
Place: Ahmedabad

By order of the Board  
For, Adani Wilmar Limited

Registered Office:  
Fortune House,  
Nr. Navrangpura Railway Crossing,  
Ahmedabad - 380 009 Gujarat, India  
CIN: U15146GJ1999PLC035320

Darshil Lakhia  
Company Secretary

## ROUTE MAP TO THE VENUE OF 22<sup>ND</sup> ANNUAL GENERAL MEETING OF ADANI WILMAR LIMITED



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 22<sup>nd</sup> Annual Report along with the audited financial statements of your company for the financial year ended on March 31<sup>st</sup>, 2020.

### FINANCIAL HIGHLIGHTS

The audited financial statements of the company as on March 31<sup>st</sup>, 2020 are prepared in accordance with the relevant applicable IND AS and the provisions of the Companies Act, 2013 ("the Act").

The summarized financial highlight is depicted below:

Particulars	(₹ in Mn)	
	For the year ended on	
	31.03.2020	31.03.2019
Income from operations	296,570	288,022
Other Income	1,079	1,197
<b>Total Income</b>	<b>297,649</b>	<b>289,219</b>
<b>Total Expenditure</b>	<b>291,563</b>	<b>283,518</b>
Profit before tax	6,086	5,701
Tax Expense	2,140	2,050
<b>Profit after tax</b>	<b>3,946</b>	<b>3,651</b>
Total Other Comprehensive Income Net of Tax	(12)	(9)
<b>Total Comprehensive Income for the period</b>	<b>3,934</b>	<b>3,642</b>

There are no material changes and commitments affecting the financial position of your company which have occurred between the end of the financial year and the date of this report.

### PERFORMANCE

Income from operations of the company stood at ₹296,570 Mn. compared to ₹288,022 Mn. in the previous year registering a growth of 3% on YoY basis. Company achieved Profit before Tax (PBT) of ₹6,086 Mn as against ₹5,701 Mn during FY 19. Profit after Tax (PAT) grew from ₹3,651 Mn. in the previous year to ₹3,946 Mn. in the current year witnessing a growth of 8% on YoY basis. Margins were slightly better as the company could drive better price in the market. The company is continuing its endeavor for improving margins through innovative product development, better product mix, emphasis on branded products and control on costs.

### EXPANSIONS AND ACQUISITIONS:

The company's two decade journey has been characterised by growth; not just in revenue and product lines but also in manufacturing and processing capabilities. F.Y. 19-20 was also no different. During the year under review, the company started commercial production of port based green field refinery at Hazira in the state of Gujarat having capacity of 2500 TPD. With commissioning of this refinery, the company will be further able to cater to the growing demand of its edible oils in the western parts of the country. The company also

set up a Speciality fats and Margarine plant at Krishnapatnam (Andhra Pradesh) having a capacity of 150 TPD and another Mustard Oil Mill complex at Alwar (Rajasthan) having capacity of 300 TPD.

To expand its footprint in the wheat flour business, the company acquired a wheat flour mill at Nimrani (Madhya Pradesh) from Parakh Agro Industries Limited having a capacity of 880 TPD. The company has also set up a Besan plant at Alwar ( Rajasthan) having capacity of 150 TPD, R2R rice plant at Mundra (Gujarat) having capacity of 12 TPH and Rice to Rice plant having capacity of 6 TPH at Ferozepur (Punjab). All these expansions will give the company an enhanced logistical advantage in servicing its customers more effectively and efficiently and will help in expanding its product reach. The total refining, crushing and packaging capacity of the company for the year ended 31<sup>st</sup> March 2020 is 16,910 TPD; 7450 TPD and 14,099 TPD respectively.

The company's oleo chemical plant at Mundra (Gujarat) has been running at full capacity and plans are now afoot to set up a new 400 TPD Oleo Complex and 120 TPD Oleic Acid plant. It is also contemplating in setting up 300 TPD Hydrogenation plant at Mundra, 150 TPD Besan plant at Saoner (Maharashtra) and a 50 TPD Soya Nuggets plant

at Haldia (West Bengal). The company shall also be initiating upgradation of existing castor crushing facilities at Mundra in the state of Gujarat.

## INDUSTRY REVIEW

During the year 2019-20, India imported 14.3 Mn MT of vegetable oils, a de-growth of 3% over last years' 14.7 MMT. Soya import jumped by 3% whereas Palm and Sun oil import declined by 4% and 2.5% respectively. The year gone by was very volatile for commodity prices as the vegetable oil prices rose sharply by 40% in Q3 due to supply side worries before registering a steep fall of 25% due to Covid-19 crisis.

F.Y.2019-20 witnessed many changes in custom duty structure. The prevailing duty differential of 7.5% between Refined Palmolein (ROL) and Crude Palm oil (CPO) was increased to 10% by imposition of safeguard duty on Malaysian ROL in August 2019 which was then followed by reduction back to 7.5% through ASEAN route from 1<sup>st</sup> January 2020. However in January 2020, Government put ROL on the list of restricted items and thereby effectively stopping the import of ROL into India.

Domestic oil production in India declined by 7.5% from 7.8 MMT to 7.2 MMT in November 2018-October 2019 over same period last year mainly on account of production losses in cotton and groundnut oil in Gujarat. However, the domestic oil production is expected to recover in November 2019-October 2020 due to sufficient and widespread monsoon in 2019.

## PRODUCT AND MARKETING

Since its inception in the year 2000, "Fortune" has been a brand dear to millions of households in the country. The brand is geared up to meet the new challenges in the future not just as a No.1 Oil Brand but as a No.1 Foods Brand. Your company takes pride in being one of India's fastest growing food FMCG companies. With a 19.3% market share and growth of 10.6% in Refined Oil Consumer Pack (ROCP) category (Source: Nielsen Retail Monthly Index February 2020 report), "Fortune" continued to be the undisputed leader among edible oil brands in India with largest variety of oils under a single brand name.

Today, after almost 2 decades, brand "Fortune" is transforming its visual identity with the launch of a new logo that reflects modernity and its fast-evolving product offerings. The company is confident that with this renewed zeal and enthusiasm, more households will be reached in the country, especially the younger families who believe in modern outlook of the society.

The company is also completely prepared for this transformation from oil to food in its journey and has already started taking huge strides with the launch of several new products. Understanding the changing lifestyle of its consumers, the company went a step ahead and made a simple food into a superfood by adding healthy grains to the usual khichdi and introduced "Fortune Superfood Khichdi" in three tasty regional flavours. In order to cater to the regional preferences, it has also launched variants in its existing Basmati Rice category. Now consumers have the options of Sona Masuri Regular, Sona Masuri Supreme, Wada Kollam, Banskanthi Rice, Govinda Bhog, Miniket and Gujarat Jeerasar to choose from. Similarly, as a logical extension to the successful launch of "Fortune Chakki Fresh Atta", the company introduced products like Maida, Sooji and Rawa, further strengthening its food portfolio. Moving out of the kitchen and into the personal and skin care category, your company launched its first product – "Alife Soap" in four variants namely Lime, Lily, Rose & Sandalwood.

The company has spent heavily during the year on advertising and promotion and has come up with new commercials featuring its brand ambassador Akshay Kumar. It has also taken renowned cricketer Sourav Ganguly and actress Bhumi Pednekar as brand ambassadors for Soya Nuggets and Soap respectively. The company also went a step ahead and chose Indian Railways as a medium for branding. It hired 10 locomotive engines which will be used for superfast trains and travel on routes across the country.

Being one of the socially responsible companies in the country, under the Extended Producer's Responsibility, the company has successfully implemented Plastic Waste Management system. It has ensured that the amount of plastic sent by the company in the market through product packaging is collected back and sent to the recyclers in the country by the Government authorized agencies to whom the company appointed last year.

In order to spread awareness about the hazards of plastic, the company organized a Plogging event – 'Reuse or Refuse Plastic' in which all its employees located at Head Office participated in great strength and made the event successful. Nearly 400 employees participated in this event on 7<sup>th</sup> December, 2019. The drive went on for 21 days and around 700 kg plastic was collected cumulatively from 3 km area around its office.

Project SuPoshan, the company's fight against malnutrition and anemia is actively moving further and

has added new sites namely Vidisha in Madhya Pradesh & Katupalli in Tamil Nadu. The project has also implemented village extensions in Raigrah and Godda in Chhattisgarh. Today, the project has 634 Sanginis onboard who reach out to almost 3.5 lakh households.

#### AWARDS AND RECOGNITIONS

Your company has been bestowed with many prestigious awards during the year; some of the prominent ones being as under:

- Adani Wilmar Limited has been declared as a Great Place to Work (Mar 2020 – Feb 2021) by the Great Place to Work Institute.
- Adani Wilmar as "Best Workplace in Manufacturing – 2019"
- "Fortune" Brand is ranked 80<sup>th</sup> among Brand Equity's Top 100 Most Trusted Brands 2020.
- Dainik Jagran CSR Awards, 2019.
- Globoil Megastar of the year Award.
- Manufacturing excellence achievement using Lean Six Sigma.
- Second Highest Processors of Castor Seed Oilcake – Castor.
- Highest Exporters of Rapeseed Extraction – Mustard Award.
- Highest Exporters of Castor Seed Extractions – Castor.
- Food Fortification Champion to Adani Wilmar.
- Gold Award, QCFI Vadodara Silo Section.
- Silver Medal, International Research Institute for Manufacturing.
- Gold Award Grow Care India, GCI Environment Awards 2019- Vidisha.
- Pollution Control Board- Best Environmental Practices and Participants Award - Mantralyam Plant.
- Platinum Award, Grow care – India.
- Silver award, QCFI- Durgapur Chapter..

#### INFORMATION TECHNOLOGY INITIATIVES

The company's Information Technology (IT) department has implemented state of art infrastructure to create a robust, secure and seamlessly connected environment for the business to grow. In the areas of Sales, Marketing and Distribution, this year the company achieved 100% automation in terms of Sales Force Automation (SFA) which has helped business with real time field visibility till

smallest towns in the country. There is a real-time flow of orders captured in market to its ERP systems and the Company is in a position to plan the fulfilment accordingly. The Company has also introduced an Innovative trading solution on Microsoft Kaizala framework for Popular and Premium category (L1 and L3) which is helping in reaching out to smallest trading partners and providing transparency in terms of floating the prices and collating real-time order from them.

To drive sales and increase employee engagement, it has introduced Gamification for Sales team (Fortune Premier League) which aids the sales force to do more to achieve the sales target and win prizes. In the area of manufacturing, the company has implemented unmanned weighbridge at 7 Plants. This has reduced congestion through a single directional process workflow in the plant which has resulted in average reduction in overall turn around time (TAT) by 10-15 minutes per vehicle. To drive supply chain efficiency, the company has implemented TransportEG solution which provides a complete view of logistics operations. In addition, it has also implemented reality solution for depots which enables space / pallet / loading / unloading / expiry management. In the area of Business Intelligence and Analytics, IT has introduced the Commercial Business Dashboard which provides real-time insight into business, e.g. performance KPI's via introduction of BI for Primary and Secondary sales. The Dashboard / Reports created for procurement, gives a single consistent and holistic 360 degree business view of procurement cycle (PR, PO, GRN, Invoice Spent & Inventory). During the Covid-19 crisis, the Company introduced a Cognitive Artificial Intelligent (AI) order taking BOT for B2C Consumer (society and consumers), B2B hotel, restaurant, Mess & Bakery. This has helped deliver its essential products to consumers during the Covid-19 situation.

During the year, a number of security platforms and services were implemented which has strengthened the company's overall IT security posture for the organisation. Implementation of Microsoft Teams product has helped to build a culture of remote working and collaboration over internet within the company as well as external partners. This has also contributed significantly in seamless Business Continuity during the Covid-19 lockdown.

#### DIVIDEND

Your company is rapidly expanding in the direction from being an edible oil company to food FMCG. The company is incurring capital expenditure on an ongoing basis for upgradation of its existing facilities and acquisition of



new plants. The internal accruals are ploughed back to partly fund the ongoing expansion and investment projects. In lieu of this, the Directors do not recommend any dividend for the financial year under review and do not propose to carry any amount to reserves.

#### **FIXED DEPOSITS**

During the year under review, the company has not accepted any fixed deposits within the meaning of Section 73 of the Act and the rules made there under.

#### **HUMAN RESOURCE**

Human Resources (HR) department is a critical component for employee well-being in any business. Being the backbone of the company, HR department does a lot of planning and analysis to ensure that not only employees but also the employer's goals and visions are met. HR always uses strategic and comprehensive approach to manage people, workplace culture and environment.

The HR function plays a vital role in moulding an organization to a point where they receive **"Great Place to Work"**. The company has already being recognized as The Great Place to Work for 2 consecutive years, and in the F.Y. 2019-20 it has added one more feather in its hat by being awarded **"Great Workplace"** for the third time in a row. This proves that HR leaves no stone unturned to ensure in making it an employee friendly workplace.

During the year, emphasizing the importance of technology and ease of work, the Company implemented Darwinbox HRMS which has enabled it to shift all its people related task onto the digital platform and has given employees the freedom to access HR / people related tasks through the mobile app. The ease of configuration and seamless integration with other business ERPs has been the USP of this product. The intuitive UX has ensured that it connects well with the employee making it user-friendly and thereby enabling the organization to achieve its people agenda.

The company believes in people development and hence creates lot of learning opportunity for its employees. The company focusses on Learning and Development of employees to ensure they move ahead with time and learn new advancements on regular basis. The HR department organizes multiple training programs based on training needs round the year across all its various locations. It also plans specialized Cross-Functional Trainings, POSH Awareness Session for female employees and training interventions like UTKARSH – Adani Behavioural Competency Framework across various locations.

At Adani Wilmar it is all about its employees and clients. HR always comes up with new initiatives where every employee can be a part. It also understands that an employee's health is very important hence organizes sports event every year. This year one such initiative was the "Agri Cricket League" organized by the company. 10 teams from across India participated in the 5-day event which turned out to be the biggest sports event of the company. Apart from this, separate sports events are also being organized at all plants, zones and Corporate Office.

Our employees are valuable to us and as a responsible function, HR organizes events to recognize their efforts and felicitate them with Long Service awards, Spot Recognition and Annual Awards. The existing HR team of the company is much more responsible and focused on adding value to the strategic utilization of its employees and ensuring that employee programs are impacting the business in positive and measurable ways.

#### **PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES**

During the year under review, the company has granted inter-corporate loans in compliance of Section 186 of the Act, the details of which have been provided in the notes to the financial statements. The company has neither given guarantees or provided security nor made any investment pursuant to the provisions of Section 186 of the Act during the year under review.

#### **SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES**

As on 31<sup>st</sup> March 2020, the company had two subsidiaries within the meaning of Section 2(87) of the Act namely, Golden Valley Agrotech Pvt. Ltd. and AWL Edible Oils and Foods Pvt. Ltd. and five associate companies within the meaning of Section 2(6) of the Act, namely Vishakha Polyfab Pvt. Ltd., AWN Agro Pvt. Ltd., KOG – KTV Food Products (India) Pvt. Ltd., KTV Health Food Pvt. Ltd. and Gujarat Agro Infrastructure Mega Food Park Pvt. Ltd. There has been no change in the nature of business of these subsidiary and associate companies.

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules framed thereunder, consolidated financial statements of the company and its subsidiaries have been prepared and a separate statement containing the salient features of financial statements of subsidiaries and associates in Form AOC - 1 forms part of the consolidated financial statements.

The annual financial statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and

subsidiary companies seeking such information on all working days during business hours.

### DIRECTORS

Pursuant to the requirements of sub - section (6) of Section 152 of the Act and Articles of Association of the company, Mr. Pranav V. Adani (DIN: 00008457) and Mr. Gurpreet Singh Vohra (DIN: 08470394) are liable to retire by rotation and being eligible, offer themselves for re-appointment. Board recommends re-appointment of Mr. Pranav V. Adani and Mr. Gurpreet Singh Vohra as Directors of the company, liable to retire by rotation.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, state the following:

- that in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2020 and of the profit of the company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### MEETINGS OF THE BOARD

The Board of Directors met 5 (five) times during the year under review on 23<sup>rd</sup> May 2019, 17<sup>th</sup> June, 2019, 13<sup>th</sup> September, 2019, 10<sup>th</sup> November, 2019 and 12<sup>th</sup> February, 2020. The maximum time gap between any two meetings was not more than 120 days.

The attendance of each Director at the Board Meetings held during the year is as under:

Name of Directors	Meetings	
	Held	Attended
Mr. Rajesh S. Adani <sup>1</sup>	2	-
Mr. Kuok Khoon Hong	5	3
Mr. Pranav V. Adani	5	4
Mr. Atul Chaturvedi	5	4
Mr. Angshu Mallick <sup>1</sup>	2	1
Mr. T.K. Kannan	5	5
Mr. Rahul Kale <sup>1</sup>	2	-
Dr. Chitra Bhatnagar <sup>2</sup>	2	1
Mr. Shyamal S. Joshi <sup>2</sup>	2	1
Dr. Malay Mahadevia <sup>3</sup>	4	2
Mr. Ashish Rajvanshi <sup>3</sup>	4	2
Ms. Teo La-Mei <sup>3</sup>	4	2
Mr. Gurpreet Singh Vohra <sup>3</sup>	4	2

<sup>1</sup>Mr. Rajesh S. Adani, Mr. Angshu Mallick and Mr. Rahul Kale resigned as Directors w.e.f. 17<sup>th</sup> June, 2019.

<sup>2</sup>Dr. Chitra Bhatnagar and Mr. Shyamal Joshi resigned as Independent Directors w.e.f. 17<sup>th</sup> June, 2019

<sup>3</sup>Dr. Malay Mahadevia, Mr. Ashish Rajvanshi, Ms. Teo La-Mei and Mr. Gurpreet Singh Vohra were appointed as Directors w.e.f. 17<sup>th</sup> June, 2019.

In compliance with the Act read with rules made thereunder, where permitted, Directors are provided the facility to join the proceedings of the meeting through video conferencing.

### BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise has been carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

### POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act is made available on the company's website, [www.adaniwilmar.com](http://www.adaniwilmar.com).

## INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

A proper and adequate system of internal control, commensurate with the size and nature of its business is integral to the company's corporate governance. Some key features of your company's internal control system comprise the following:

- Adequate documentation of policies, guidelines, authorities and approval procedure viz. Standard Operating Procedure (SOP) and Delegation of Authority (DOA) etc. are in place for controlling of important functions of the company.
- Deployment of an organisation-wide SAP system covering its operations which is supported by a defined online authorizations.
- Strong Compliance Management with an online monitoring system.
- Management Audit department prepares Risk Based Internal Audit (RBIA) scope and is mutually accepted by functional heads/CFO/CEO.
- Review and evaluation of effectiveness of the existing processes, controls and compliances and ensuring adherence to policies and systems and mitigation of the operational risks perceived for each area under audit.
- Internal Audit findings and recommendations are placed before CEO / Dy. CEO / CFO on monthly / quarterly basis for action plan.

## RISK MANAGEMENT

The company has a formal risk assessment and management system which identifies risk areas, evaluates their consequences, initiates risk mitigation strategies and implements corrective actions where required.

## COMMITTEES OF THE BOARD

### a) Audit Committee

The Audit Committee comprises of Mr. Kuok Khoon Hong (DIN:00021957) as Chairman and Mr. Pranav V. Adani (DIN:00008457), Mr. T. K. Kanan (DIN:00020968) and Mr. Ashish Rajvanshi (DIN:07590913) as members. During the year under review, the committee met once on 12<sup>th</sup> February, 2020. The details of attendance of the members at the committee meeting held during the year are as under:

Name of Directors	Meetings	
	Held	Attended
Mr. Kuok Khoon Hong	1	1
Mr. Pranav V. Adani	1	1
Mr. T.K. Kanan	1	1
Mr. Ashish Rajvanshi	1	1

### b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Mr. T. K. Kannan (DIN: 00020968) as Chairman, Mr. Kuok Khoon Hong (DIN: 00021957), Mr. Pranav Adani (DIN: 00008457) and Dr. Malay Mahadevia (DIN: 00064110) as members.

The company has established a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other incidental matters.

The committee did not meet during the year under review.

### c) Corporate Social Responsibility Committee

Dr. Chitra Bhatnagar (DIN: 07146185) resigned as Director (Non-Executive, Independent) with effect from 17<sup>th</sup> June 2019. Pursuant to her resignation, Corporate Social Responsibility (CSR) Committee of the company comprised of Mr. Pranav V. Adani (DIN:00008457) as Chairman and Mr. Atul Chaturvedi (DIN:00175355) as its member.

Further, pursuant to restructuring of Board of Directors of the company, the CSR Committee was re-constituted on 13<sup>th</sup> September, 2019 to comprise of Mr. T. K. Kanan (DIN: 00020968) as Chairman and Mr. Pranav Adani (DIN: 00008457), Mr. Atul Chaturvedi (DIN:00175355) and Ms. Teo La-Mei (DIN: 08454097) as members.

The company has identified Primary Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development as the core sectors for CSR. The constitution, role and functions of the CSR committee are in conformity with the requirements of Section 135 of the Act and the rules made thereunder. The Annual Report on CSR activities is annexed herewith as "Annexure-A".

During the year under review, the committee met once on 23<sup>rd</sup> May, 2019.

The details of attendance of the members at the committee meeting held during the year are as under:

Name of Members	Meetings	
	Held	Attended
Mr. Pranav V. Adani	1	1
Mr. Atul Chaturvedi	1	-
Dr. Chitra Bhatnagar <sup>1</sup>	1	1
Mr. T. K. Kanan <sup>2</sup>	-	-
Ms. Teo La- Mei <sup>3</sup>	-	-

<sup>1</sup>Dr. Chitra Bhatnagar ceased to be member w.e.f. 17<sup>th</sup> June, 2019.

<sup>2&3</sup> Mr. T. K. Kanan and Ms. Teo-La Mei were appointed as members w.e.f. 13<sup>th</sup> September, 2019.

#### d) Management Committee

Pursuant to restructuring of Board of Directors, Management Committee has been reconstituted on 17<sup>th</sup> June, 2019 to comprise of Mr. Kuok Khoon Hong (DIN: 00021957) as Chairman and Mr. Pranav V. Adani (DIN: 00008457), Mr. T. K. Kannan (DIN: 00020968) and Mr. Ashish Rajvanshi (DIN: 07590913) as its members. Mr. Atul Chaturvedi (DIN: 00175355) ceased to be a member of the Management Committee w.e.f. 17<sup>th</sup> June, 2019.

During the year under review, the Management Committee met 9 (Nine) times on 5<sup>th</sup> April, 2019, 6<sup>th</sup> May 2019, 20<sup>th</sup> May, 2019, 28<sup>th</sup> September, 2019, 19<sup>th</sup> October, 2019, 6<sup>th</sup> December, 2019, 6<sup>th</sup> January, 2020, 22<sup>nd</sup> January, 2020 and 24<sup>th</sup> February, 2020 to discuss and approve routine businesses.

The details of attendance of the members at the committee meeting held during the year are as under:

Name of Members	Meetings	
	Held	Attended
Mr. Kuok Khoon Hong	6	-
Mr. Pranav V. Adani	9	9
Mr. Atul Chaturvedi <sup>1</sup>	3	3
Mr. T. K. Kannan	9	9
Mr. Ashish Rajvanshi	6	4

<sup>1</sup> Mr. Atul Chaturvedi ceased to be a member w.e.f. 17<sup>th</sup> June, 2019.

#### e) Sexual Harassment Committee

Sexual Harassment Committee comprises of Mr. T. K. Kannan (DIN: 00020968) as Chairman and Ms. Teo La Mei (DIN: 08454097) and Dr. Malay Mahadevia (DIN: 00064110) as members to discuss and address instances of reported sexual harassment, if any, at head office and across all plants of the company.

Sexual Harassment Committee did not meet during the year under review.

#### VIGIL MECHANISM / WHISTLE BLOWER POLICY

The company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees to

report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the policy.

#### PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made thereunder, the Sexual Harassment Committee is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

#### EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT - 9 is appended as "Annexure - B" and forms part of this Report.

#### RELATED PARTY TRANSACTIONS

All the related party transactions entered into during the financial year were in the ordinary course of business and on an arm's length pricing basis and none of the transactions with the related parties falls under the scope of Section 188(1) of the Act. However suitable disclosures as required by the Indian Accounting Standards (IND AS24) have been made in the notes to the financial statements.

#### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the company's future operations.

#### INSURANCE

The company has taken appropriate insurance for all assets against foreseeable perils.

#### AUDITORS

##### i) Statutory Auditors and Audit Report

M/s Shah Dhandharia & Co., Chartered Accountants (Firm Registration No: 118707W) hold office as the statutory auditors of the company till the conclusion of 24<sup>th</sup> Annual General Meeting to be held in the year 2023.

The company has received a certificate from M/s Shah Dhandharia & Co., Chartered Accountants (Firm Registration No: 118707W) to the effect that their appointment is within the prescribed limits under Section 141 of the Act read with rules made thereunder and that they are not disqualified to continue as statutory auditors of the company.

Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Act.

##### ii) Cost Auditors

The company has re-appointed M/s Dalwadi & Associates, Cost Accountants to conduct audit of cost

records of the company for the year ended 31<sup>st</sup> March, 2021. The cost audit report for the financial year 2018-19 was filed before the due date with the Ministry of Corporate Affairs. The company has maintained the cost accounts and records in accordance with Section 148 of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014.

### **iii) Secretarial Auditors and Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Act and the rules made thereunder as amended till date, the Board of Directors have appointed M/s SPANJ & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the company for the financial year 2019 -20. The Secretarial Audit Report for the F.Y. 2019-20 is annexed which forms part of this report as **"Annexure – C"**. There were no qualifications, reservation or adverse remarks given by Secretarial Auditor of the company.

### **PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 of the Act read with rules framed thereunder, as amended till date, in respect of employees of the company has been provided as **"Annexure – D"** and forms part of this report.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, as amended from time to time, is appended as **"Annexure – E"** and forms part of this report.

### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their sincere appreciation for significant contribution made by the employees at all the levels through their dedication, hard work and commitment, enabling the company to achieve good performance during the year under review.

Your Directors also express their deep sense of appreciation and gratitude for the valuable co-operation, continued and unstinted support extended by the Banks, Financial Institutions, Government Departments / Authorities, Customers, Suppliers and its joint venture partners viz., Adani Group, India and Wilmar Group, Singapore and look forward to having the same support in all future endeavors.

**By order of the Board  
For, Adani Wilmar Limited**

**Darshil Lakhia  
Company Secretary**

Date: 5<sup>th</sup> May, 2020  
Place: Ahmedabad

Registered Office:  
Fortune House,  
Nr. Navrangpura Railway Crossing,  
Ahmedabad - 380 009 Gujarat, India  
CIN: U15146GJ1999PLC035320



# ANNEXURE "A" - TO THE DIRECTORS' REPORT

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

### 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

The Company carried out / implemented its CSR activities / projects through Adani Foundation. The Company has identified Primary Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development as the core sectors for CSR activities. The CSR Policy has been uploaded on the website of the Company at <https://www.adaniwilmar.com>.

### 2. Composition of the CSR Committee:

- Mr. T. K. Kanan, Chairman
- Mr. Pranav Adani, Member
- Mr. Atul Chaturvedi, Member
- Ms. Teo La-Mei, Member

### 3. Average net profit of the Company for last three financial years:

Average net profit: ₹ 4966.30 Mn.

### 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company is required to spend ₹ 99.33 Mn. towards CSR.

### 5. Details of CSR spend for the financial year:

- a) Total amount spent for the financial year: ₹ 101.15 Mn.
- b) Amount unspent, if any: Nil
- c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs	Amount outlay (budget) project or programs wise (₹ in Mn.)	Amount spent on the projects or programs		Cumulative expenditure upto the reporting period (₹ in Mn.)	Amount Spent Direct or to through Implementing agency
			(1) Local area or other		Sub-heads:			
			(2) Specify the State and district where projects or Programmes was undertaken		(1) Direct Expenditure Projects of Programmes (₹ in Mn.)	(2)Over-heads (₹ in Mn.)		
1	Providing different education facilities	Education	Kawai, Rajasthan	3.00	2.95	0.00	9.09	Through Adani Foundation
2	Supporting various education activities		Godda / Jitpur, Jharkhand	11.60	11.59	0.00	13.50	Through Adani Foundation
3	Archery Coaching		Tiroda, Maharashtra	0.00	0.00	0.00	0.03	Through Adani Foundation
4	Eradicating Malnutrition	Community Health	Different districts & States of India	42.25	42.17	0.00	98.60	Through Adani Foundation
5	Serving people through Mobile Health Care Unit, health camp & poor patients support		Kawai Rajasthan	2.25	2.20	0.00	11.87	Through Adani Foundation
6	Serving people through Mobile		Tiroda, Maharashtra	6.50	6.50	0.00	13.58	Through Adani Foundation

	Health Care Units, health camp & poor patients support							
7	Serving people through Mobile Health Care Units, health camp & poor patients support		Shimla, Himachal Pradesh	2.00	2.13	0.00	2.13	Through Adani Foundation
8	Serving people through Mobile Health Care Units, health camp & poor patients support		Godda / Jitpur, Jharkhand	0.00	0.00	0.00	3.72	Through Adani Foundation
9	Medical Support for Covid-19		Gujarat	15.00	15.12	0.00	15.12	Through Adani Foundation
10	Training & Support to farmers and villagers	Sustainable Livelihood	Godda / Jitpur, Jharkhand	0.00	0.00	0.00	1.03	Through Adani Foundation
11	Activities to create and enhance livelihood		Kawai, Rajasthan	3.50	3.41	0.00	6.64	Through Adani Foundation
12	Contribution for creating Model Aanganwadis, Govt. school upliftment and water tank	Infrastructure Development	Kawai Rajasthan	13.00	13.33	0.00	14.89	Through Adani Foundation
13	Contribution for creating infrastructure facilities like Education, Drinking water etc.	Infrastructure Development	Godda-Jitpur, Jharkhand	0.00	0.00	0.00	4.38	Through Adani Foundation
14	Deepening of ponds in villages		Tiroda, Maharashtra	0.00	0.00	0.00	0.69	Through Adani Foundation
15	Sujalam Sufalam Abhiyaan (for deepening of ponds in villages)		Kadi, Gujarat	0.34	0.34	0.00	0.34	Direct
16	Providing sanitation Facilities	Community Health	Mundra, Gujarat	0.84	0.84	0.00	0.84	Direct
17	Towards Swachh Bharat Abhiyaan		Neemuch, Madhya Pradesh	0.01	0.01	0.00	0.01	Direct
18	Providing food packets during Covid-19 lockdown	Disaster Management	Bundi, Rajasthan	0.52	0.52	0.00	0.52	Direct
19	Providing goods during Covid-19 lockdown		Mundra, Gujarat	0.04	0.04	0.00	0.04	Direct
<b>Total</b>				<b>100.85</b>	<b>101.15</b>	<b>0.00</b>	<b>197.02</b>	

### Details of the CSR Initiatives

Adani Foundation is the Corporate Social Responsibility (CSR), sustainability and community outreach arm of Adani Group. Established in 1996, Adani Foundation aligns its mission with the Group philosophy of 'Growth with Goodness'. The Adani Foundation has been striving to create sustainable opportunities for the marginalized communities for over two decades now. Over the years, the focus has extended from geographies where the Adani Group operates its business, to regions that are in a dire need for timely and relevant interventions.

Today, the Adani Foundation reaches out to 3.4 million people annually from 2315 villages in 18 States across India. The success story of Adani Foundation is crafted through the communities who have taken ownership of the initiatives, ensuring that the impact is sustainable. This year, Adani Foundation has taken a leap towards the aim of developing an inclusive society, with specific attention to projects that benefit women, children, differently-abled people, SC / ST and tribal communities, fisher folk and farmers. It is doing so by facilitating quality education, enabling the youth with income-generating skills, promoting a healthy society and supporting infrastructure development.

### FORTUNE SUPOSHAN

Fortune SuPoshan is a community based management of malnutrition and anaemia. It aims to reduce the occurrence of malnutrition among children, reduce malnutrition and anaemia in adolescent girls and pregnant/lactating mothers as well as reproductive age group women. It supports the government's efforts in reducing Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR). With a life-cycle approach and community-based interventions, the project supports the Prime Minister's overarching scheme for holistic nutrition or POSHAN Abhiyaan or National Nutrition Mission.

Through 'SuPoshan Sangini' i.e. a village health volunteer, the project plays a pivotal role in spreading awareness, encouraging referral to government health programmes and promoting behavioural change among the target groups, thereby giving rise to a healthy community.

The SuPoshan Sanginis are trained to take anthropometric measurements and identify Severely Acute Malnutrition (SAM) & Moderate Acute Malnutrition (MAM) using 'Measurements of mid Upper Arm Circumference' (MUAC) tapes and 'Weight for Height' measurements. They work in tandem with existing government health functionaries at the village level for realising benefits of existing government

schemes, particularly 'Integrated Child development Scheme' (ICDS) and services of Health and Family Welfare.

Adani Wilmar's SuPoshan Project, is being implemented by Adani Foundation, across 12 States of India, reaching out to more than three lakh households. This community-based intervention has so far helped 23,351 malnourished children to achieve healthy status. The project has also helped mothers and women to understand their health issues and free themselves from anaemia through counselling and support, across 1,369 villages and urban slums. Adani Foundation adopts social and behavioural change communication strategies and nutrition support interventions like anthropometric screening, sneh shivirs, focused group discussions, knowledge disseminating through games, nutritious and iron rich recipes demonstration and development of kitchen garden, to bring about change in the way families look at food and nutrition.

### Foraying into aspirational districts:

Fortune SuPoshan is currently working in four aspirational districts in India, namely Narmada (Gujarat), Baran (Rajasthan), Vidisha (Madhya Pradesh) and Godda (Jharkhand). A total of 115 districts have been identified as aspirational districts by the Government of India owing to their poor human development index.

While in Godda and Baran, Fortune SuPoshan is impacting lives of those living in villages in the vicinity of the business establishment of Adani Group, Adani Foundation has adopted the entire district of Narmada with an aim to improve the levels of nourishment and anaemia among the women and children. Fortune SuPoshan covers all 5 blocks (Nandod, Garudeshwar, Tilakwada, Dediapada & Sagbada) of Narmada district reaching out to 617 villages of 221 gram panchayats in the district. Being predominantly a tribal district (81.5% tribal population), Narmada ranks low on nutritional parameters. As per National Family Health Survey (NFHS) – 4 2015-16, 53.6% children under the age of 5 years were underweight while 53.6% women were anaemic in Narmada. Adani Foundation took up the mantle of improving the status of malnourishment and anaemia among women and children by adopting the district under Fortune SuPoshan in late 2018. Traversing the difficult terrain and fighting the myths around nutrition in the area, the project reached out to 1,04,414 households through 195 SuPoshan Sanginis. About 588 children have been admitted to the Government's Nutrition Resource Centre (NRC) in the area, which is an increase of 45% from the previous years. 6,173 children shifted to normal status from undernourished status.

**Our Reach:**

Fortune SuPoshan reached out to the most marginalised and vulnerable sections of the society with 92% of the beneficiaries living in villages, 55% of whom belonged to the Below Poverty Line families. SuPoshan Sanginis conducted 54,760 family counselling sessions, 50,036 Focussed Group Discussions and 4594 village events to spread the message of better nutrition to alleviate malnutrition and anaemia. 68,582 women and adolescent girls were screened for anaemia, out of which 11,252 were found to be anaemic. They were counselled about methods to improve their health condition by the SuPoshan Sanginis. In the year 2017, 951 adolescent girls and women achieved a healthy status through persistent engagement leading to awareness about iron-rich food and subsequent behavioural change. Development of kitchen garden was also encouraged among families to lead them towards nutrition security.

**EDUCATION****Holistic education:**

Adani Foundation is providing coaching and other facilities like educational kits and refreshments to students in Government Schools who are joining coaching classes under Prayatna project in preparation for entrance examinations for Jawahar Navodaya Vidyalayas. Its significance lies in the selection of talented rural children as the target group and the attempt to provide them with quality education comparable to the best residential school system.

In Kawai, Rajasthan 97 students from 26 Government schools have joined the classes and are taking lessons. Regular weekly tests are conducted to review the progress of students. Here, along with academics, Adani Foundation is also supporting the development of sportsmanship and competitive spirit through support to Government schools for district, state and national level sports tournaments. This year 15 schools were given financial assistance to promote sporting culture among students and contribute to their holistic development.

Three local cricket clubs at Dhara, Nimoda and Kawai village were given monetary assistance to nurture 853 players while 300 sports uniforms were distributed among players representing 10 schools. Many renovation programs are carried out in schools along with the help of teachers, students, and Panchayat members. Adani Foundation extended its support to Shree Sankar Shewa Shamiti, Jharkhand to run Ekal Vidyalaya in Godda, Jharkhand. Classes have commenced in 120 schools in remote tribal villages of Godda, Podaiyhat, Sunderpahari

and Boarijor blocks. Over 3600 students who were drop-outs are being given support to get back to continuing their formal education through this scheme.

**UDAAN**

The Udaan project is geared towards motivating the students of our country and igniting an entrepreneurial spirit in their lives. Under this project, a two-day exposure tour is organised, wherein school and college students are given an opportunity to visit the Adani Group's business establishments in Mundra and Hazira in Gujarat, Tiroda in Maharashtra, Kawai in Rajasthan, Dhamra in Odisha and Udupi in Karnataka to gain insight about its operations. A total of 3112 students and teachers from 46 institutions visited the Kawai Power Plant this year. So far, 3,48,831 students and teachers from 5261 institutions have visited the facilities across six locations.

**COMMUNITY HEALTH**

Bringing healthcare to remotest of regions, Adani Foundation's key focus is improving access to quality healthcare services for people belonging to the weaker sections of the society. In this pursuit, it runs Mobile Health Care Units (MHCUs) across the nation, several hospitals and clinics, and organises general as well as specialized health camps. Another significant step in this direction is providing special support to the differently-abled and elderly.

**Mobile Healthcare Unit:**

MHCUs are deployed by Adani Foundation with the objective of providing basic healthcare facilities to villages. The facilities provided include diagnostics service, medicines, consultation and referrals by certified doctors at the doorstep of the community members.

Adani Foundation is running its Mobile Healthcare Unit (MHCU) as well as a Health Centre at Sainj, Shimla reaching out to remote villages in Shimla and Kullu in Himachal Pradesh. 5092 patients were treated this year through these efforts. Adani Foundation operates two MHCUs in collaboration with HelpAge India in 50 villages of Tiroda, Maharashtra, which treated 64,932 people this year.

**SUSTAINABLE LIVELIHOOD DEVELOPMENT**

Adani Foundation's intervention to support sustainable livelihood generation is driven by the belief that a society made of empowered individuals with a decent standard of living leads to overall prosperity and development of the nation. The Foundation builds social capital by supporting initiatives towards preservation of traditional art and specific programmes are designed for fishermen

communities, farmers and cattle owners, youth and women.

#### **Livestock Development:**

With the support of the group companies, Adani Foundation initiated a Cattle Breed Improvement Programme (CBIP) in the villages of Kawai region in Baran district of Rajasthan. Taking into consideration the local needs of the cattle breeders and the availability of breedable cattle, two Integrated Livestock Development Centres (ILDCs) have been established in Kawai. Other supporting activities such as vaccination, deworming, infertility camps, castration, first aid and extension activities related to livestock development were carried out. These services were provided to the farmers at their doorsteps with the help of locally trained para-vet 'Gopal'. With an objective to increase the awareness and motivate farmers, 10 animal treatment camps were conducted this year. As part of fodder demonstration, fodder seed and fertilizer were distributed to 83 farmers. Preventive vaccination against H.S. & B.Q. was administered to cattle with the support of the Department of Animal Husbandry. Farmers were also provided training on agriculture, allied activities and exposure visits were organised for farmers in Kawai. Seed distribution was held and fruit plants were distributed to promote orchard development.

#### **RELIEF EFFORTS FOR COMBATING THE COVID19 PANDEMIC**

In line with the nation's battle against the highly contagious coronavirus, the Adani Foundation is standing in solidarity, and in every possible capacity, to support the people of India. It has contributed ₹100 Cr to the PM's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) and also contributed to State and District funds. Adani Foundation is sanitising public spaces in more than 93 villages of India.

Prior to the lockdown in India, awareness sessions and drives were conducted across various locations. At Vizhinjam, Kerala, 18 awareness sessions were conducted in which 840 people participated. At Raigarh and Raipur in Chhattisgarh, banners were made to spread the message of prevention against COVID-19 at 8 community places. At Dhamra, Odisha volunteers in two mobile vehicles engaged community members for 15 days to spread the information on preventive measures on coronavirus. The vehicles moved in 87 villages and its hamlets of 8 Gram Panchayats. Keeping the practice of social distancing in mind, at Mundra, Gujarat, 'Awaz De' a voice message campaign was started to make the people of 61 villages aware on COVID-19. The community

guardians engaged as Sanginis in Project Fortune SuPoshan, were actively involved in spreading awareness about hygiene and proper handwashing techniques.

Women's self-help groups aided by Adani's Skill Development Centres have produced more than 3.7 lakh masks for distribution across sites. Personal protection kits have been provided for the health workers and doctors at the SVP Hospital in Ahmedabad. Also, 100 ventilators are provided to the Ahmedabad Municipal Corporation followed with PPEs (Personal Protective Equipment) and N-95 Masks. GK General Hospital in Bhuj, the first ever hospital in India that is being run as a Public-Private-Partnership (PPP) endeavour between Government of Gujarat and Adani Foundation, is a designated coronavirus treatment centre in Kutch district. It is equipped with additional ventilators and facilities are being amped up on a regular basis to deal with the urgency of the situation.

Adani Foundation is feeding the marginalized sections of the society – such as the daily wagers – through community kitchens and canteens being run in various sites across the country where it is operational. More than 19,000 packets of food and ration have been distributed at Mundra (Gujarat), Godda (Jharkhand), Kawai (Rajasthan), Dhamra (Odisha) and Vizhinjam (Kerala) every day. More than 1.5 lakh labourers and people in the rural communities are given meals each day.

As working and learning remotely became the new reality, Adani Foundation run schools have initiated online classes for students. In a welcome move, Gyanodaya classes are being aired on Doordarshan Jharkhand from 11<sup>th</sup> May, 2020. This is benefitting 50 lakh students of classes 6<sup>th</sup> to 12<sup>th</sup> across the state. Since 2018, Adani Foundation's project Gyanodaya delivers digital education to schools in remotest areas using smart technology.

**T. K. Kanan**  
CEO, Managing Director &  
Chairman - CSR Committee  
DIN: 00020968

**Atul Chaturvedi**  
Director  
DIN: 00175355



# ANNEXURE "B" TO THE DIRECTORS' REPORT

## FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31<sup>st</sup>, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

CIN	U15146GJ1999PLC035320
Registration Date	22 <sup>nd</sup> January, 1999
Name of the Company	Adani Wilmar Limited
Category / Sub-Category of the Company	Company limited by shares
Address of the Registered office and contact details	Fortune House, Nr. Navrangpura Railway Crossing, Ahmedabad - 380009, Gujarat, India. Phone No. +91-79-25555650
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Link Intime India Pvt. Ltd. 5 <sup>th</sup> Floor, 506-508, Amarnath Business Centre- I (ABC-I), Nr. St. Xaviers College Corner, Off. C.G.Road, Navrangpura, Ahmedabad - 380009. Tel: +91-79-26465179 Email: ahmedabad@linkintime.co.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Name and description of main Products / Services	NIC Code of the Product / service	% to total turnover of the company
Sunflower oil, Cottonseed oil, Groundnut oil, Mustard oil, Palmolien, Ricebran oil, Soyabean oil, Sesame oil	10402	75%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	<b>Golden Valley Agrotech Pvt. Ltd.</b> 205, Harvey Complex, Nr. A One School, Subhash Chowk, Gurukul Road, Memnagar, Ahmedabad - 380 015, Gujarat.	U23200GJ2010PTC060954	Subsidiary	100.00	2(87)
2.	<b>AWL Edible Oils and Foods Private Limited</b> B-5 <sup>th</sup> Floor, C-Tower, MBC Park, Next to Hyper City Mall, Ghodbunder Road, Thane (West) - 400615, Maharashtra	U74999MH2018PTC311941	Subsidiary	100.00	2(87)
3.	<b>AWN Agro Pvt. Ltd.</b> Fortune House, Nr. Navrangpura Railway Crossing, Ahmedabad - 380009, Gujarat	U15143GJ2011PTC064651	Associate	50.00	2(6)

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
4.	<b>Vishakha Polyfab Pvt. Ltd.</b> 549/2, Village Vadsar, Taluka Kalol, Khatraj, Gandhinagar, Gujarat.	U17110GJ1993PTC020968	Associate	50.00	2(6)
5.	<b>KTV Health Food Pvt. Ltd.</b> No. 7/3, Arul Nagar Salai, R.V. Nagar (P.O.), Kodungaiyur, Chennai - 600 118, Tamil Nadu.	U15143TN2002PTC049397	Associate	50.00	2(6)
6.	<b>KOG-KTV Food Products (India) Pvt. Ltd.</b> No. 48/310, Thambu Chetty Street, Chennai - 600 001, Tamil Nadu.	U15142TN2004PTC068598	Associate	50.00	2(6)
7.	<b>Gujarat Agro Infrastructure Mega Food Park Pvt. Ltd.</b> Ground Floor, Khatau Building, 8, Alkesh Dinesh Mody Marg, Fort Mumbai - 400 001, Maharashtra	U15122MH2012PTC234967	Associate	26.00	2(6)

#### IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY AS ON 31<sup>ST</sup> MARCH, 2020)

##### i) Category-wise Share Holding

	Category of Shareholders	No of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A.</b>	<b>Promoter</b>									
<b>1</b>	<b>Indian</b>									
a)	Individuals / HUF	-	-	-	-	-	-	-	-	-
b)	Central Govt.	-	-	-	-	-	-	-	-	-
c)	State Govt.	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	5,71,41,443	6,000	5,71,47,443	50	5,71,41,443	6,000	5,71,47,443	50	-
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any Others	-	-	-	-	-	-	-	-	-
	<b>Sub Total(A)(1)</b>	<b>5,71,41,443</b>	<b>6,000</b>	<b>5,71,47,443</b>	<b>50</b>	<b>5,71,41,443</b>	<b>6,000</b>	<b>5,71,47,443</b>	<b>50</b>	<b>-</b>
<b>2</b>	<b>Foreign</b>									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	5,71,47,443	5,71,47,443	50	5,71,47,443	-	5,71,47,443	50	-
d)	Banks / FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub Total(A)(2)</b>	<b>-</b>	<b>5,71,47,443</b>	<b>5,71,47,443</b>	<b>50</b>	<b>5,71,47,443</b>	<b>-</b>	<b>5,71,47,443</b>	<b>50</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)</b>	<b>5,71,41,443</b>	<b>5,71,53,443</b>	<b>114,294,886</b>	<b>100</b>	<b>114,288,886</b>	<b>6,000</b>	<b>114,294,886</b>	<b>100</b>	<b>-</b>
<b>B.</b>	<b>Public shareholding</b>									
<b>1</b>	<b>Institutions</b>									
a)	Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b)	Banks / FI	-	-	-	-	-	-	-	-	-
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt.	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FI	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>									

	Category of Shareholders	No of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>2</b>	<b>Non-institutions</b>									
a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
i	Indian	-	-	-	-	-	-	-	-	-
ii	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals	-	-	-	-	-	-	-	-	-
i	Individuals shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c)	Other (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(2)</b>	-	-	-	-	-	-	-	-	-
	<b>Total Public Shareholding</b>									
	<b>(B) = (B)(1) + (B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C.</b>	<b>Shares held by Custodians for</b>									
	<b>GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>5,71,41,443</b>	<b>5,71,53,443</b>	<b>114,294,886</b>	<b>100</b>	<b>114,288,886</b>	<b>6,000</b>	<b>114,294,886</b>	<b>100</b>	<b>-</b>

## ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the company	% shares pledged / encumbered to total Shares	No. of Shares	% of total shares of the company	% shares pledged / encumbered to total Shares	
1	Adani Commodities LLP and its nominees	5,71,47,443	50%	-	5,71,47,443	50%	-	-
2	Lence Pte. Ltd.	5,71,47,443	50%	-	5,71,47,443	50%	-	-

## iii) Change in Promoters' Shareholding

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year				
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No change during the year.			
At the end of the year				

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of ADRS and GDRS)**

For each of the Top 10 Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	Nil			
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
At the end of the year				

**v) Shareholding of Directors and Key Managerial Personnel**

For each of the Top 10 Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Mr. Rajesh S. Adani	-	-	-	-
Mr. Kuok Khoon Hong	-	-	-	-
Mr. Pranav Adani <sup>1</sup>	1,000	-	1,000	-
Mr. T. K. Kanan	-	-	-	-
Mr. Atul Chaturvedi	-	-	-	-
Mr. Angshu Mallick	-	-	-	-
Mr. Rahul Kale	-	-	-	-
Mr. Shyamal S. Joshi	-	-	-	-
Dr. Chitra Bhatnagar	-	-	-	-
Dr. Malay Mahadevia	-	-	-	-
Mr. Ashish Rajvanshi	-	-	-	-
Mr. Gurpreet Singh Vohra	-	-	-	-
Ms. Teo La-Mei	-	-	-	-
Mr. Shrikant Kanhere, Chief Financial Officer	-	-	-	-
Mr. Darshil Lakhia, Company Secretary	-	-	-	-

<sup>1</sup>Shares held as nominee of Adani Commodities LLP.

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment (₹ in Mn \*)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	61,590	-	-	61,590
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	230	-	-	230
<b>Total (i+ii+iii)</b>	<b>61,820</b>	<b>-</b>	<b>-</b>	<b>61,820</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	5,140	-	-	5,140
• Reduction	-	-	-	-
Net Change	5,140	-	-	5,140
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	66,650	-	-	66,650
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	300	-	-	300
<b>Total (i+ii+iii)</b>	<b>66,950</b>	<b>-</b>	<b>-</b>	<b>66,950</b>

\*Figures have been rounded off to the nearest multiple.

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

(₹ in Mn)

Sr. No	Particulars of Remuneration	Kuok Khoon Hong Executive Chairman <sup>1</sup>	T. K. Kannan C.E.O. & Managing Director	Angshu Mallick Whole Time Director (Upto 17 <sup>th</sup> June 2019)	Total Amount
1	Gross salary				
	a) Salary as per provisions of section 17(1) of the Income-tax Act, 1961	-	39.59	3.12	42.71
	b) Value of perquisites under section 17(2) of Income-tax Act, 1961	-	0.31	0.06	0.37
	c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others (Provident Fund, & Superannuation)	-		0.26	0.26
	<b>Total</b>	<b>-</b>	<b>39.90</b>	<b>3.44</b>	<b>43.34</b>
<b>Ceiling as per the Act:</b> (₹ 608.80 Mn being 10% of net profits of the company computed as per Section 198 of the Companies Act, 2013.)					

<sup>1</sup>Mr. Kuok Khoon Hong, Executive Chairman is not drawing any remuneration from the company.

## B. Remuneration to other Directors:

(₹ in Mn)

Sr.	Particulars of Remuneration			Total Amount
1	<b>Independent Directors</b>	<b>Dr. Chitra Bhatnagar</b>	<b>Shyamal S. Joshi</b>	
	Fee for attending board, committee meetings <sup>1</sup>	0.02	0.01	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	0.02	0.01	-
2	<b>Other Non-Executive Directors</b>	<b>Pranav V. Adani</b>	<b>Atul Chaturvedi</b>	
	Fee for attending board, committee meetings	-	-	
	Commission	-	-	
	Others, please specify	-	-	
	Total (2)	-	-	
3	<b>Other Non-Executive Directors</b>	<b>Gurpreet Singh Vohra</b>		
	Fee for attending board, committee meetings	-	-	
	Commission	-	-	
	Others, please specify	-	-	
	Total (3)	-	-	



**B. Remuneration to other Directors:**

(₹ in Mn)

Sr.	Particulars of Remuneration			Total Amount
4	<b>Other Non-Executive Directors</b>	<b>Teo La-Mei</b>	<b>Malay Mahadevia</b>	
	Fee for attending board, committee meetings	-	-	
	Commission	-	-	
	Others, please specify	-	-	
	Total (4)	-	-	
5	<b>Other Non-Executive Directors</b>	<b>Ashish Rajvanshi</b>		
	Fee for attending board, committee meetings	-		
	Commission	-		
	Others, please specify	-		
	Total (5)	-		
	Total = (1+2+3+4+5)	0.02	0.01	
	<b>Total</b>	<b>0.02</b>	<b>0.01</b>	

<sup>1</sup>Mr. Shyamal S. Joshi and Dr. Chitra Bhatnagar resigned as Independent Directors of the company w.e.f 17<sup>th</sup> June 2019.

**C. Remuneration to key managerial personnel other than MD / manager / WTD**

(₹ in Mn)

Sr. No.	Particulars of Remuneration	Chief Financial Officer	Company Secretary	Total Amount
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.74	1.62	13.36
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.29	0.06	0.35
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission		--	
	- as % of profit	--	--	--
	- others, specify	--	--	--
5	Others (Provident Fund)	0.48	0.08	0.56
	<b>Total (A)</b>	<b>12.51</b>	<b>1.76</b>	<b>14.27</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

(₹ in Mn)

VIII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of penalty / punishment / compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. Company					
Penalty	None				
Punishment					
Compounding					
B. Directors					
Penalty	None				
Punishment					
Compounding					
C. Other Officers in default					
Penalty	None				
Punishment					
Compounding					

## ANNEXURE "C" TO THE DIRECTORS' REPORT

### Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31<sup>ST</sup>, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

**ADANI WILMAR LIMITED**

**CIN: U15146GJ1999PLC035320**

Regd. Off: Fortune House,

Near Navrangpura Railway crossing,

Ahmedabad - 380009

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Adani Wilmar Limited [CIN: U15146GJ1999PLC035320]** (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives in electronic form in online system due to nationwide lockdown on account of COVID 19 during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended on March 31<sup>st</sup>, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company in electronic form in online system due to nationwide lockdown on account of COVID 19 as per **Annexure I** for the **Financial Year ended on March 31<sup>st</sup>, 2020** according to the provisions of:

- i) The Companies Act, 2013 (Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

- vi) For review of Other sector specific laws as applicable to the Company, in view of the manufacturing units at diverse locations across the country, it was not feasible to review compliance management system prevailing in the company.

Moreover, it was noted that there were no instances requiring compliance with the provisions of the laws indicated at para (ii) and (v) mentioned herein above during the period under review as said regulations were not applicable to the company.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

However, it was noted that the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 were not applicable to the Company as securities of the Company are not listed on any recognized stock exchange.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned herein above. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under sector specific laws and regulations applicable to the Company, however due to lockdown on account of COVID 19 across the nation, physical verification was not possible.

**We further report that,** the Board of Directors of the Company is duly constituted with proper balance of the Executive Directors and the Non-executive Directors and Independent Directors. The changes in the composition of the Board that took place during the period under review as mentioned below were carried out in compliance with the provisions of the Act.

- a) During the period under review, Dr. Malay Mahadevia (DIN: 00064110), Mr. Ashish Rajvanshi (DIN: 07590913), Mr. Gurpreet Singh Vohra (DIN: 08470394) and Ms. Teo La-Mei (DIN: 08454097) were appointed as additional directors of the Company with effect from June 17<sup>th</sup>, 2019.
- b) During the period under review, Mr. Rajesh S. Adani (DIN: 00006322) resigned as Director, Mr. Angshu Mallick (DIN: 02481358) resigned as Whole Time Director, Mr. Shyamal Joshi (DIN: 00005766) resigned as Director (Non Executive, Independent), Dr. Chitra Bhatnagar (DIN: 07146185) resigned as Director (Non- Executive, Independent) and Mr. Rahul Kale (DIN: 07371083) resigned as Director of the Company with effect from the close of business hours on June 17<sup>th</sup>, 2019.
- c) During the period under review, Mr. Pranav V. Adani (DIN: 00008457) resigned as Managing Director of the Company and is continuing as Director of the Company with effect from the close of business hours on June 17<sup>th</sup>, 2019.
- d) During the period under review, Mr. Tinniyan Kalyansundaram Kanan (DIN: 00020968) who was a Whole Time Director of the Company, has been appointed as Managing Director of the Company with effect from the close of business hours on June 17<sup>th</sup>, 2019.
- e) During the period under review, Mr. Tinniyan Kalyansundaram Kanan (DIN: 00020968) has been appointed as Chief Executive Officer (CEO) of the Company with effect from 17<sup>th</sup> June, 2019.

Adequate notice is given to all the Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting Members' views are captured and recorded as part of the minutes, wherever required.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable sector specific laws, rules, regulations and guidelines referred herein above.

- a) During the period under review, the company has revised and enhanced borrowing powers of Board of Directors of the Company under Section 180(1)(c) of the Companies Act, 2013 upto an aggregate amount of ₹ 1,20,000 Million (Rupees One Lac Twenty Thousand Million) by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on October 7<sup>th</sup>, 2019.
- b) During the period under review, the company has revised and enhanced limits for creation of charge over the assets of the company under Section 180(1)(a) of the Companies Act, 2013 up to value not exceeding the limit approved by shareholders under Section 180(1)(c) of the Act by passing Special Resolution at the Extra Ordinary General Meeting of the Shareholders of the Company held on October 7<sup>th</sup>, 2019.

We further report that, due to nationwide lockdown on account of COVID 19, the secretarial audit was done on the basis of information provided by the Company in electronic mode. We were unable to conduct physical examination/verification of books, papers, minute books, forms and returns filed and other records maintained by the Company during the period under report.

Signature:

**Name of practicing C S: Nirali Patel**

Partner

**SPANJ & ASSOCIATES**

Company Secretaries

ACS / FCS No.: F9092

C P No.: 10644

Place: Ahmedabad

Peer Review Certi No.: 702/2020

Date: 5<sup>th</sup> May, 2020

UDIN No.: FO09092B000201812

Note: This report is to be read with our letter of even date which is annexed as Annexure II and forms an integral part of this report.

## ANNEXURE - I

### List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors, Audit Committee, Corporate Social Responsibility Committee, Management Committee etc. held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/ Records under the Companies Act and rules made there under.
5. Notice submitted to all the directors / members for the Board Meetings and Committee Meetings and General Meetings during the period under report.
6. Declarations received from the Directors of the Company pursuant to the provisions of 184 and 164 of the Companies Act, 2013.
7. e-Forms filed by the Company, from time-to-time, under applicable provisions of Companies Act, 2013 and attachments thereof during the period under report.
8. Various policies framed by the Company from time to time as required under the statutes applicable to the company.

## ANNEXURE - II

To,

The Members

**ADANI WILMAR LIMITED**

**CIN: U15146GJ1999PLC035320**

Regd. Off: FORTUNE HOUSE,  
NEAR NAVRANGPURA RAILWAY CROSSING,  
AHMEDABAD - 380009.

Sir,

Sub: Secretarial Audit Report for the Financial Year ended on March 31<sup>st</sup>, 2020

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. Due to nationwide lockdown on account of COVID 19, the secretarial audit was done on the basis of information provided by the Company in electronic mode. We were unable to conduct physical examination / verification of books, papers, minute books, forms and returns filed and other records maintained by the Company during the period under report.

Signature:

**Name of practicing C S: Nirali Patel**

Partner

**SPANJ & ASSOCIATES**

Company Secretaries

ACS / FCS No.: F9092

C P No.: 10644

Page Peer Review Certi No.: 702/2020

UDIN No.: FO09092B000201812

Place: Ahmedabad

Date: 5<sup>th</sup> May, 2020

## ANNEXURE "D" TO THE DIRECTORS' REPORT

Statement pursuant to Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time forming part of the Directors' Report for the year ended 31<sup>st</sup> March 2020.

Sr. No.	Name	Designation	Remuneration p.a. (₹ in Mn.)	Qualification	Experience (Years)	Date of commencement of employment	Age (Yrs.)	Previous Employment
<b>(A) Details of top ten employees in terms of remuneration drawn</b>								
1	T. K. Kanan	Chief Executive Officer & Managing Director	39.90	B.Com	39	01.04.2015	64	Wilmar Pte Ltd, Singapore
2	Angshu Mallick	Deputy Chief Executive Officer	34.18	PGDRM	32	15.03.1999	59	National Dairy Development Board
3	Saumin Sheth	Vice-President (Trading)	22.57	L.L.B.	24	01.10.1999	43	Jyoti Textiles Ltd.
4	Biplab Pakrashi	Sr. Vice-President	16.24	B.Sc(Hon), M.Sc, M.Sc (Applied), PGDRM	33	20.12.1999	57	Gujarat Co-operative Milk Marketing Federation Ltd.
5	Ajay Motwani	Head-Marketing	14.38	M.M.S.	20	29.12.2016	46	Dabur India
6	Ravindra Kumar Singh	Head-Technical	13.44	B. Tech	30	14.07.2003	53	Dhara NDDB
7	Shrikant Kanhere	Sr. Vice-President (F&A)	12.67	CA, ICWA	26	01.05.2013	53	Vodafone India, Rajasthan Circle
8	Pankaj Kumar	Sr. Vice President	11.50	PG Diploma	34	13.11.1999	57	NK Industries Limited
9	Sivakumar Nair	Chief Information Officer	11.43	Diploma in Computer Engineering	22	08.08.2017	49	Pfizer Limited
10	Rajneesh Bansal	Vice President	8.52	MBA	25	31.05.2004	50	Rasna Pvt. Ltd.
<b>(B) Personnel who are in receipt of remuneration aggregating not less than ₹ 1,02,00,000 per annum and employed throughout the financial year</b>								
1	T. K. Kannan	Chief Executive Officer & Managing Director	39.90	B.Com	39	01.04.2015	64	Wilmar Pte Ltd., Singapore
2	Angshu Mallick	Deputy Chief Executive Officer	34.18	PGDRM	32	15.03.1999	59	National Dairy Development Board
3	Saumin Sheth	Vice-President (Trading)	22.57	L.L.B.	24	01.10.1999	43	Jyoti Textiles Ltd.
4	Biplab Pakrashi	Sr. Vice-President	16.24	B.Sc (Hon), M.Sc, M.Sc (Applied), PGDRM	33	20.12.1999	57	Gujarat Co-operative Milk Marketing Federation Ltd.
5	Ajay Motwani	Head-Marketing	14.38	M.M.S.	20	29.12.2016	46	Dabur India
6	Ravindra Kumar Singh	Head-Technical	13.44	B.Tech	30	14.07.2003	53	Dhara NDDB

(contd...)

7	Shrikant Kanhere	Sr. Vice-President (F&A)	12.67	CA, ICWA	26	01.05.2013	53	Vodafone India, Rajasthan Circle
8	Pankaj Kumar	Sr. Vice-President	11.50	PG Diploma	34	13.11.1999	57	NK Industries Limited
9	Sivakumar Nair	Chief Information Officer	11.43	Diploma in Computer Engineering	22	08.08.2017	49	Pfizer Limited

**(C) Personnel who are in receipt of remuneration aggregating not less than ₹ 8,50,000 per month and employed for part of the financial year,:**

N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
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**Note:**

1. The above remuneration includes salaries, commission, contribution to Provident Fund, Medical reimbursement, LTC, bonus, if any and taxable value of all perquisites.
2. The nature of employment is contractual in all the above cases.
3. None of the employees is related to any Director of the company.
4. No individual employee is holding equivalent to or more than 2% of the outstanding shares of the company as on 31<sup>st</sup> March 2020.



## ANNEXURE "E" TO THE DIRECTORS' REPORT

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

#### A. Conservation of Energy:

##### a) The steps taken or impact on conservation of energy:

- Process Optimisation to improve operational efficiency.
- Variable frequency drives to conserve electrical power.
- Installation of energy saving equipments / devices.
- Energy audit and its implementation.
- Improve heat recovery through condensate recycling.
- Saving of electricity through installation of LED lighting.

##### b) The steps taken by the company for utilizing alternate sources of energy:

- Through open access the company is utilising solar energy in certain plants.
- The company is also saving energy to upgrade the process by means of automation in the various sections.
- The company is also looking forward to use wind based renewable energy in some of the plants.

##### c) The capital investment on energy conservation equipment:

- Adopting new technology is an ongoing process for the company. During the year, electrical power was reduced by replacing conventional lights with LED lights and installation of energy efficient equipments replacing the old ones.
- The company has upgraded/ installed efficient heat recovery system, steam traps, load designer motors, VFDs and O2 analysers, 5-star electrical appliances & motion sensors in process to conserve energy.

#### B. Technology Absorption:

##### (i) The efforts made towards technology absorption:

- Process upgradation with Technology Upgradation is important for development of an industry and to be ahead of the competitors

as it results in Quality Improvement, improvement in efficiency as well as cost saving. The company has adapted the latest technology to the best possible extent to make the product more cost effective and to attain high levels of quality standard.

- The benefits derived by the company for such adaptation have been evident in the reduction in costs, improvement in packaging, up-gradation in existing products and development of new products. It has thus helped the company in satisfying consumer needs synchronizing business requirement of introducing new products.
- The Company has successfully commissioned state of the art Single stage PET Bottle packing line of 1 ltr & 2 ltrs at Haldia and Mundra respectively.
- In the continuation of it's vision of upgrading the warehouse and packing lines, this year the Company has set up State-of-the-Art Shuttle based Racking system for the storage of packed goods at Mundra-unit-2 & Alwar. It has also initiated setting up this system at other locations to improve the storage space and man-movement and minimise driving hazards during peak operations to bring ease and in faster turnaround at its warehouses.
- The company has successfully commissioned state of the art Single stage Automatic tin manufacturing line of 40k/day capacity at Mundra.
- At Mundra plant, old manual carton plant has been replaced with the new automated carton plant to process 200 TPD papers.
- The Company has successfully commissioned automated jar filling line with case packer filling line at Krishnapatanam-Unit 2 and has also commissioned one automated Tin Filling Line with capper and top cover gluing unit at Krishnapatanam-Unit 1.
- The Company has commissioned Robotic Pick-N-Place technology for pouch at Mundra and Haldia locations to minimise labour intervention and packing / handling costs.

- The Company has also commissioned Robotic Palletiser technology for efficient & dent free movement while handling of filled tins at Mundra.
- The company has successfully accredited the highly stringent AIB audits conducted by the American Institute of Bakers under the requirements of the AIB International Consolidated Standards for Prerequisite and Food Safety Programs for 3 Lines - Packaging Section (Filling & Packaging) and Edible Oils across all the plants.

**(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:**

Improvement in process efficiency and substantial direct cost saving.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

- a) the details of technology imported;
- b) the year of import; **N.A.**
- c) whether the technology been fully absorbed;
- d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

**(iv) Expenditure incurred and initiatives taken on Research and Development (R&D):**

- R&D expenditure has not been accounted for separately.
- During the year 2019-20, the Company's Food R&D took off in real earnest even as the traditional stronghold of oils & fats remained its R&D cutting edge.
- Foreseeing the bright future of Ready to Cook (RTC), Instant & Ready to Eat (RTE) packed hygienic and nutritious foods in India, the Company has already developed and commercialized a range of traditional Indian porridge called "Khichdi", in various regional and international flavours.
- In line with its motto "For a healthy growing nation", the Company has developed a range of high protein instant soya nuggets soups in popular tastes and flavours, as healthy nutritious alternative to the hugely popular but unhealthy instant noodles.

- The Company has also started working on a diabetes friendly Low Glycemic Index white polished raw rice. It has also participated in innovation meets organized by the Company's MNC key accounts like Mondelez, Nestle and Kerry. In keeping with the Government policy directive to restrict trans fatty acids to 2% by year 2022, the Company has already reformulated all its oils and fats to conform to the tight TFA limits prescribed by the Government.

**(v) Initiatives pertaining to Occupational Health and Safety and Environment Management System:**

The Company has maintained reasonable performance toward key environmental, health, and safety goals for the benefit of its customers, employees, and neighbours. Some of the initiatives taken are as under:

**(a) Occupational Health and Safety:**

- Engaged the leadership team to drive the change required to the Company's safety culture through training safety walks, developing site safety champions and auditing sites to determine implementation effectiveness.
- Focus on high risk work and broaden the scope to align to reduce the major injuries circumstances the Company faces in its business. This includes establishing engineering controls, contractor safety management, emergency preparedness and OHS audits.
- The Company has developed a risk management culture where risk is consistently identified and controlled. Focus for EHS is the Contractor Management Standard, Incident Investigation and the High-Risk Work standards. This is done by also having complied to ISO 45001:2018 certification.
- In conjunction with technical team, the Company has initiated drive towards implementation of the Process Safety Management (PSM) system to all identified hazardous sites having hydrogenation process, solvent extraction process ammonia system set up and petroleum product stored.

**(b) Environment Management System:**

- Increased the environmental profile by trainings, developing environment friendly initiatives like energy saving via solar, waste reduction by process enhancement and having environmental campaigns.
- Increased the participation rates in environmental campaigns with a focus on Willmar Based Environment Standards and Spill Prevention Containment and Counter measures. These standards help to reduce the environment impact by our operational activities.
- Meeting and monitoring Legal compliances.
- Developed group and regional strategies to improve the quality of data and improve environmental performance.
- Managing and implementation of ISO 1400: 2015 standard across all the Company's sites.
- The Company has also introduced Enablon- an online incident reporting system at all sites and controls for high risk areas like fall from height and strengthening of traffic safety management system by maintaining prescribed high standards in respective areas.
- Incident Management System: Reporting of all incidents and closure of the same. Monitoring of all Incidence parameters visa EHS dashboard.
- EHS Modules: Rolled out EHS module in Enablon like Management of change, Audit Module - Continue rolling out Warehouse Self assessments and Risk module in 2020.
- Monthly Webinars - Continued delivery of monthly webinars to build user capability. Delivered region specific webinars to build regional network capability.

**(vi) Other Initiatives:**

- Developing Green Belt using own effluent treated water.
- Scarcity of water is a concerning reality and the environmental aspect in this regard has become a major priority that leads industries towards adoption of various methods that can reduce the generation of

waste water or can reuse this. Your company is committed towards minimising the environmental impact of its operations through adoption of sustainable practices and continuous improvement in environmental performance. R&D expenditure has not been accounted for separately.

- Developing Green Belt using own effluent treated water.
- Scarcity of water is a concerning reality and the environmental aspect in this regard has become a major priority that leads industries towards adoption of various methods that can reduce the generation of wastewater or can reuse this. Your company is committed towards minimizing the environmental impact of its operations through adoption of sustainable practices and continuous improvement in environmental performance. To achieve this objective, the company has envisaged to installed "Zero Liquid Discharge" plants in another five locations named Mangalore, Krishnapatnam Unit-1, Krishnapatnam-2, Nagpur & Kakinada.
- Besides, the company has also been considering the importance of technical performance standardization by recording & analysis of technical performances of plants. The company has initiated the implementation of Manufacturing Execution System (MES), Process Information Management System (PIMS) & PLC – SAP Integration to take a real stride of recording & analysing real time data to understand the technical performances & achieve targeted operational excellence with authentic data management.

**C Foreign Exchange Earnings and Outgo:**

The particulars relating to foreign exchange earnings earned in terms of actual inflow during the year and the Foreign Exchange Outgo during the year under review are as under:

(₹ in Mn)

Particulars	2019-20	2018-19
Foreign exchange earned	29,270.87	31,660.06
Foreign exchange outgo	1,25,034.06	1,17,700.77

# INDEPENDENT AUDITOR'S REPORT

## To the Members of ADANI WILMAR LIMITED

### Report on the audit of the Standalone Financial Statements

#### Opinion

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

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

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our not four report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Other Information

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Standalone Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A"

statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the Balance Sheet, the Statement of Profit and Loss, the Statement Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such

controls, refer to our separate report in "Annexure B";

g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has adequately disclosed the impact of pending litigations in its Standalone Financial Statements which may impact its financial position; Refer Note 33 to the financial statements;
- ii. The Company has made provision as at March 31, 2020, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of limit laid down under section 197 of the Act.

For, **SHAH DHANDHARIA & CO.**  
Chartered Accountants  
Firm Registration No.: 118707W

**Harshil Shah**  
Partner

Membership No.: 181748  
UDIN: 20181748AAAABB1017

Place: Ahmedabad  
Date : 5<sup>th</sup> May, 2020



## ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 of our Report of even date)

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
- (b) As explained to us, property, plant & equipment, according to the practice of the Company, are physically verified by the management at reasonable interval, in a phased verification manner. In our opinion, is reasonable looking to the size of the Company and the nature of its assets and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in Note 3 on Property, Plant and Equipment, to the financial statements, are held in the name of the company, except for lease hold assets.
- (ii) The inventories have been physically verified by the Management during the year at reasonable interval except in respect of goods in transit, which were verified with reference to subsequent receipts. In our opinion, the frequency of verification is reasonable. In case of materials lying with third parties, certificates confirming stocks have been received in respect of a substantial portion of the stocks held. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3(iii) (a) to (c) of the Order are not applicable.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of goods and service tax, duty of customs, income tax, employees' state insurance, provident fund, duty of excise and cess and other material statutory dues with the appropriate authorities.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of duty of customs, goods and service tax, income tax, employees' state insurance, provident fund and duty of excise, Cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company and information and explanation given to us, following statutory dues which have not been deposited on account of any dispute.

Name of the Statute	Nature of the Dues	Forum Where dispute is pending	Disputed Amount (₹ In Mn)*	Amount Paid Under Protest (₹ In Mn)	Period to which the amount Relates
Sales Tax Acts	Tax, Interest and Penalty	Commissioner	272.56	54.82	2006-2007 To 2017-2018
		Tribunal	87.60	34.04	2008-2009 To 2012-2013 & 2015-2016 To 2016-2017
		Hon'ble High Court	27.16	52.15	2008-2009 To 2010-2011
Entry Tax Acts	Tax, Interest and Penalty	Commissioner	232.78	1.19	2012-2013 To 2013-2014 & 2016-2017
		Tribunal	5.44	0.85	2005-2006 To 2007-2008 & 2012-2013
		Hon'ble High Court	0.09	-	2003-2004
Central Excise Act	Duty, Interest and Penalty	Tribunal	42.45	9.50	2012-2013 To 2013-2014
		Hon'ble High Court	189.57	-	2004-2005 & 2011-2012
Service Tax	Tax, Interest and Penalty	Commissioner	9.41	7.41	2017-2018
		Tribunal	55.53	-	2011-2012 & 2017-2018
Custom Act	Duty, Interest and Penalty	Commissioner	5.65	0.20	2001-2002, 2004-2005, 2006-2007, 2008-2009
		Tribunal	109.20	2.63	2007-2008 To 2008-2009, 2010-2011 & 2013-2014
		Hon'ble Supreme Court	377.55	1.16	2005-2006 To 2006-2007
Income Tax Act	Tax, Interest and Penalty	Assessing Officer	29.99	0.49	2017-2018
		Commissioner	31.98	25.58	2008-2009, 2010-2011, 2012-2013, 2015-2016 To 2016-2017
		Tribunal	13.79	-	2006-2007
		Hon'ble High Court	107.87	74.37	2005-2006 To 2006-2007, 2009-2010 To 2010-2011 & 2012-2013

(\*)Including Interest / Penalty where the notice specifies the same.

(viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues of loans or borrowings to any bank and to any financial institutions. The Company neither taken any loan from Government nor issued any debentures during the year under review.

(ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys

by way of initial public offer or further public offer (including debt instruments). The term Loans have been applied for the purpose for which they were obtained.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the

Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has been paid / provided in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of the Act and all the details of such transactions have been disclosed in standalone financial

statements as required by the applicable IndAS.

- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement of shares or not issued any fully or partly convertible debenture during the year under review. Accordingly the provisions of Clause 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him covered under Section 192 of the Act. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) 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 and accordingly, the provision so clause 3(xvi) of the Order are not applicable.

For, **SHAH DHANDHARIA & CO.**  
Chartered Accountants  
Firm Registration No.: 118707W

**Harshil Shah**  
Partner

Membership No.: 181748  
UDIN: 20181748AAAABB1017

Place: Ahmedabad  
Date: 5<sup>th</sup> May, 2020

## ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

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

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

#### **Opinion**

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

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

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts

and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal

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

For, **SHAH DHANDHARIA & CO.**  
Chartered Accountants  
Firm Registration No.: 118707W

Place: Ahmedabad  
Date : 5<sup>th</sup> May, 2020

**Harshil Shah**  
Partner  
Membership No.: 181748  
UDIN: 20181748AAAABB1017

**BALANCE SHEET** as at 31<sup>st</sup> March, 2020

(₹ in Mn)

Particulars	Notes	As at 31.03.2020	As at 31.03.2019
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	3	35,080.00	29,347.13
Capital Work in Progress		3,248.93	5,703.87
Right of Use Assets	3	2,330.88	-
Other Intangible Assets	3	181.81	189.18
Financial Assets			
(a) Investments	4	549.98	538.45
(b) Loans	5	207.96	218.78
(c) Other Financial Assets	6	117.15	7.03
Income Tax Asset (net)	32	9.92	32.91
Other Non Current Assets	7	1,314.46	2,001.02
<b>TOTAL NON-CURRENT ASSETS</b>		<b>43,041.09</b>	<b>38,038.37</b>
<b>CURRENT ASSETS</b>			
Inventories	8	38,264.30	40,415.87
Financial Assets			
(a) Trade Receivables	9	9,218.64	1,2615.33
(b) Cash and Cash Equivalents	10	3,458.37	780.08
(c) Bank balance other than (b) above	11	10,706.12	11,112.67
(d) Loans	12	550.97	508.53
(e) Other Financial Assets	13	2,961.04	2,337.14
Other Current Assets	14	8,058.09	8,090.73
<b>TOTAL CURRENT ASSETS</b>		<b>73,217.53</b>	<b>75,860.35</b>
<b>TOTAL ASSETS</b>		<b>1,16,258.62</b>	<b>1,13,898.72</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	15	1,142.95	1,142.95
Other Equity	16	22,980.58	19,046.32
<b>TOTAL EQUITY</b>		<b>24,123.53</b>	<b>20,189.27</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial Liabilities			
(a) Borrowings	17	11,463.90	9,646.93
(b) Other Financial Liabilities	18	3,306.43	2,425.31
Provisions	19	119.81	93.40
Deferred Tax Liabilities (Net)	32	3,902.32	2,814.33
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>18,792.46</b>	<b>14,979.97</b>
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
(a) Borrowings	20	10,148.29	7,762.25
(b) Trade Payables			
I. Total outstanding dues of Micro and Small Enterprises	21	60.80	1.78
II. Total outstanding dues other than (I) above	21	56,897.19	66,146.22
(c) Other Financial Liabilities	22	3,361.67	3,640.23
Other Current Liabilities	23	2,541.71	705.13
Provisions	24	189.23	145.74
Liabilities for Current Tax (Net)	32	143.74	328.13
<b>TOTAL CURRENT LIABILITIES</b>		<b>73,342.63</b>	<b>78,729.48</b>
<b>TOTAL LIABILITIES</b>		<b>92,135.09</b>	<b>93,709.45</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,16,258.62</b>	<b>1,13,898.72</b>

The accompanying notes form an integral part of the standalone financial statements.

**As per our attached report of even date**

For, **SHAH DHANDHARIA & CO.**  
Chartered Accountants  
Firm Registration No.: 118707W

**HARSHIL SHAH**

Partner  
M. No.: 181748

Place : Ahmedabad

Date : 5<sup>th</sup> May, 2020**For and on behalf of the Board of Directors**

**T. K. KANAN**  
CEO & Managing Director  
DIN: 00020968

**SHRIKANT KANHERE**  
Chief Financial Officer

**PRANAV ADANI**  
Director  
DIN: 00008457

**DARSHIL LAKHIA**  
Company Secretary

Place : Ahmedabad

Date : 5<sup>th</sup> May, 2020



**STATEMENT OF PROFIT AND LOSS** for the year ended 31<sup>st</sup> March, 2020

(₹ in Mn)

Particulars	Notes	Year ended 31.03.2020	Year ended 31.03.2019
<b>INCOME</b>			
Revenue from Operations	25	2,96,570.36	2,88,022.09
Other Income	26	1,078.88	1,196.96
<b>TOTAL INCOME</b>		<b>2,97,649.24</b>	<b>2,89,219.05</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	27	2,24,045.08	2,19,404.81
Purchases of Traded Goods		25,739.05	31,661.53
Changes in Inventories of Finished Goods and Work-in-progress	28	4,697.48	351.92
Employee Benefit Expenses	29	2,235.03	2,062.03
Finance Costs	30	5,861.86	4,699.74
Depreciation and Amortization Expenses	3	2,418.69	1,818.80
Other Expenses	31	26,565.56	23,518.36
<b>TOTAL EXPENSES</b>		<b>2,91,562.75</b>	<b>2,83,517.19</b>
<b>Profit Before Tax</b>		<b>6,086.49</b>	<b>5,701.86</b>
<b>Tax Expense</b>	32		
(a) Current Tax		1,569.38	1,271.20
(b) Deferred Tax		602.35	754.03
(c) Adjustments of Tax relating to Earlier Years		(31.28)	24.97
<b>TOTAL TAX EXPENSE</b>		<b>2,140.45</b>	<b>2,050.20</b>
<b>Profit for the Year</b>		<b>3,946.04</b>	<b>3,651.66</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to Profit or loss in subsequent periods</b>			
Re-measurement (loss) on defined benefit plans		(18.09)	(13.82)
Income tax impact	32	6.32	4.83
<b>Total Other Comprehensive Income / (Loss) (Net of Tax)</b>		<b>(11.77)</b>	<b>(8.99)</b>
<b>Total Comprehensive Income for the Year</b>		<b>3,934.27</b>	<b>3,642.67</b>
<b>Earnings per Share (Face Value of ₹ 10/- each)</b>			
- Basic and Diluted (in ₹)	36	34.53	31.95

The accompanying notes form an integral part of the standalone financial statements.

**As per our attached report of even date**

For, **SHAH DHANDHARIA & CO.**  
Chartered Accountants  
Firm Registration No.: 118707W

**HARSHIL SHAH**

Partner  
M. No.: 181748

Place : Ahmedabad  
Date : 5<sup>th</sup> May, 2020

**For and on behalf of the Board of Directors**

**T. K. KANAN**  
CEO & Managing Director  
DIN: 00020968

**SHRIKANT KANHERE**  
Chief Financial Officer

**PRANAV ADANI**  
Director  
DIN: 00008457

**DARSHIL LAKHIA**  
Company Secretary

Place : Ahmedabad  
Date : 5<sup>th</sup> May, 2020

# STATEMENT OF CHANGES IN EQUITY for the year ended 31<sup>st</sup> March, 2020

## Part A: Equity Share Capital

(₹ in Mn)

Particulars	Amount
Balance as at 1 <sup>st</sup> April, 2019	1,142.95
Issue of Equity Shares	-
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>1,142.95</b>
Issue of Equity Shares	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>1,142.95</b>

## Part B: Other Equity

For the year ended 31<sup>st</sup> March, 2020

(₹ in Mn)

Particulars	Reserves and Surplus				Total
	Retained Earnings	Securities Premium	General Reserve	Amalgamation Reserve	
<b>Balance as at 1<sup>st</sup> April, 2019</b>	<b>12,229.25</b>	<b>4,538.90</b>	<b>1,500.00</b>	<b>778.17</b>	<b>19,046.32</b>
Profit for the Year	3,946.04	-	-	-	3,946.04
Other Comprehensive Income / (Loss) (Net of Tax)	(11.77)	-	-	-	(11.77)
<b>Total Comprehensive Income for the year</b>	<b>3,934.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,934.27</b>
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>16,163.51</b>	<b>4,538.90</b>	<b>1,500.00</b>	<b>778.17</b>	<b>22,980.58</b>

For the year ended 31<sup>st</sup> March, 2019

(₹ in Mn)

Particulars	Reserves and Surplus				Total
	Retained Earnings	Securities Premium	General Reserve	Amalgamation Reserve	
<b>Balance as at 1<sup>st</sup> April, 2018</b>	<b>8,586.58</b>	<b>4,538.90</b>	<b>1,500.00</b>	<b>778.17</b>	<b>15,403.65</b>
Profit for the Year	3,651.66	-	-	-	3,651.66
Other Comprehensive Income / (Loss) (Net of Tax)	(8.99)	-	-	-	(8.99)
<b>Total Comprehensive Income for the year</b>	<b>3,642.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,642.67</b>
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>12,229.25</b>	<b>4,538.90</b>	<b>1,500.00</b>	<b>778.17</b>	<b>19,046.32</b>

The accompanying notes form an integral part of the standalone financial statements.

### As per our attached report of even date

For, **SHAH DHANDHARIA & CO.**  
Chartered Accountants  
Firm Registration No.: 118707W

**HARSHIL SHAH**  
Partner  
M. No.: 181748

Place : Ahmedabad  
Date : 5<sup>th</sup> May, 2020

### For and on behalf of the Board of Directors

**T. K. KANAN**  
CEO & Managing Director  
DIN: 00020968

**SHRIKANT KANHERE**  
Chief Financial Officer

Place : Ahmedabad  
Date : 5<sup>th</sup> May, 2020

**PRANAV ADANI**  
Director  
DIN: 00008457

**DARSHIL LAKHIA**  
Company Secretary

# STATEMENT OF CASH FLOW for the year ended 31<sup>st</sup> March, 2020

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	<b>6,086.49</b>	<b>5,701.86</b>
Adjustment for:		
Depreciation and Amortization Expenses	2,418.69	1,818.80
Interest on Income Taxes Refund	(1.16)	(6.49)
Loss / (Profit) on Sale of Property, plant and Equipments (Net)	(0.09)	(0.61)
Sundry Balance Written back	15.13	-
Net Gain on sale / fair valuation of Investment at FVTPL	(1.82)	(23.78)
Gain on termination of Finance Lease Contract	(0.62)	-
Financial Guarantee	(10.03)	(9.97)
Unrealized Foreign Exchange Fluctuation Loss / (Gain)	3,653.28	(1,363.72)
Mark to Market (Gain) / Loss on Derivative Contracts	(1,606.59)	920.12
Loss of Inventory due to Fire / Theft / Accident	-	4.29
Bad Debts Written Off	-	3.34
Provision for Doubtful Debts	1.38	9.33
Provision for Doubtful Loans	-	18.62
Reversal of Other Incentives and Export Benefit	40.42	63.78
Finance Cost	4,171.56	3,449.66
Unamortisation of Ancillary Cost of Borrowings	(1.23)	(2.53)
Interest Income on Bank Deposits and Inter Corporate Deposits	(776.88)	(869.95)
<b>Operating Profit Before Working Capital Changes</b>	<b>13,988.53</b>	<b>9,712.75</b>
Adjustment for:		
(Increase) / Decrease in Inventories	2,151.57	(2,939.94)
(Increase) / Decrease in Trade Receivables	3,428.74	(528.53)
(Increase) in Financial Loans	(31.63)	(81.62)
(Increase) / Decrease in Financial Assets	120.35	(1,563.33)
(Increase) / Decrease in Other Assets	16.92	(3,191.97)
(Decrease) / Increase in Trade Payables	(12,445.96)	16,064.14
Increase in Provisions	51.81	6.65
Increase in Financial Liability	23.77	511.86
Increase in Other Liabilities	1,836.58	140.06
<b>Cash Generated From Operations</b>	<b>9,140.69</b>	<b>18,130.07</b>
Income Tax Paid (Net of Refunds)	(1,206.37)	(1,332.45)
<b>Net Cash Generated From Operating Activities</b> <b>A</b>	<b>7,934.32</b>	<b>16,797.62</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for Property, Plant, Equipment and Intangible Assets (Including Capital Work in Progress, Capital Advance, Capital Creditor and Retention Money)	(6,277.60)	(9,078.30)
Upfront payment for ROU Assets	(48.41)	-
Proceeds on Termination of ROU Assets (Net of Liability)	(0.61)	-
Proceeds from Sale of Property, Plant and equipment	0.81	1.42
Loans (given) / received back - Joint Ventures	-	(55.00)
Proceeds from / (Deposit in) Bank Deposits (Net) (including margin money deposits)	406.56	(1,271.77)
Net Gain on sale / fair valuation of Investment through Profit and Loss Statement	0.29	28.73
Interest Received	716.93	1020.35
<b>Net Cash (Used In) Investing Activities</b> <b>B</b>	<b>(5,202.03)</b>	<b>(9,354.57)</b>

# STATEMENT OF CASH FLOW for the year ended 31<sup>st</sup> March, 2020 (contd...)

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds / (Repayment) of Current Borrowings (Net)	2090.00	(10,483.29)
Proceeds from Non Current Borrowings	3,625.15	8,754.05
Repayment of Non Current Borrowings	(1,433.59)	(2,312.51)
Repayment of Lease Liabilities	(318.26)	-
Finance Cost Paid	(4,017.29)	(3,379.58)
<b>Net Cash (Used In) Financing Activities C</b>	<b>(53.99)</b>	<b>(7421.33)</b>
Net Increase In Cash and Cash Equivalents (A+B+C)	2,678.29	21.72
Cash and Cash Equivalents at the Beginning of the Year	780.08	758.36
<b>Cash and Cash Equivalents at the End of the Year (refer note 10)</b>	<b>3,458.37</b>	<b>780.08</b>
<b>Components of Cash and Cash Equivalents (refer note 10)</b>		
Cash on Hand	-	-
Balances with Banks:		
- In Current Account	3,458.37	780.08
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>3,458.37</b>	<b>780.08</b>

**Note:**

- a) The Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- b) Disclosure under para 44A as set out in Ind AS 7 on Statement of Cash Flows under The Companies (Indian Accounting Standard) Rules, 2017 (as amended) is given as below.

(₹ in Mn)

PARTICULARS	As at 31.03.2019	Cash Flows	Non Cash Changes		As at 31.03.2020
			Exchange Rate Difference Adjustment	Amortization of Ancillary Cost of Borrowings	
Non Current Borrowings (Including Current Maturity)	10,532.31	2,191.56	131.82	(1.23)	12,854.46
Current Borrowings	7,762.25	2,090.00	296.02	-	10,148.29
<b>Total</b>	<b>18,294.56</b>	<b>4,281.56</b>	<b>427.84</b>	<b>(1.23)</b>	<b>23,002.75</b>

(₹ in Mn)

PARTICULARS	As at 31.03.2018	Cash Flows	Non Cash Changes		As at 31.03.2019
			Exchange Rate Difference Adjustment	Amortization of Ancillary Cost of Borrowings	
Non Current Borrowings (Including Current Maturity)	4,085.51	6,441.54	7.79	(2.53)	10,532.31
Current Borrowings	18,354.66	(10,483.29)	(109.12)	-	7,762.25
<b>Total</b>	<b>22,440.17</b>	<b>(4,041.75)</b>	<b>(101.33)</b>	<b>(2.53)</b>	<b>18,294.56</b>

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

**As per our attached report of even date**

For, **SHAH DHANDHARIA & CO.**  
Chartered Accountants  
Firm Registration No.: 118707W

**HARSHIL SHAH**

Partner  
M. No.: 181748

Place : Ahmedabad  
Date : 5<sup>th</sup> May, 2020

**For and on behalf of the Board of Directors**

**T. K. KANAN**  
CEO & Managing Director  
DIN: 00020968

**SHRIKANT KANHERE**  
Chief Financial Officer

**PRANAV ADANI**  
Director  
DIN: 00008457

**DARSHIL LAKHIA**  
Company Secretary

Place : Ahmedabad  
Date : 5<sup>th</sup> May, 2020

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 1 CORPORATE INFORMATION

The financial statements comprise financial statements of Adani Wilmar Limited ("the Company" or "AWL") for the year ended 31<sup>st</sup> March 2020. The Company is a Joint venture between two global corporate, Adani group - the leaders in Energy & Private Infrastructure Conglomerate in India and Wilmar International - Singapore, Asia's leading Agri business group. The Company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at "Fortune House", Nr Navrangpura Railway crossing, Ahmedabad - 380009. The Company is primarily involved in the business of processing of oil seeds and refining of crude oil for edible and non edible use. The Company is also engaged in trading of various agro products. The Company sells its entire range of packed products under following Brands: Fortune, King's, Raag, Bullet, Fryola, Jubilee, Aadhaar, VIVO.

### Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other accounting principles generally accepted in India.

## 2 Significant accounting policies

### 2.1 Basis of preparation

The financial statements have been prepared on the historical cost basis except for derivative financial instruments, net defined benefit (asset) / liability and certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions (Rs.) as per the requirement of division II of Schedule III, unless otherwise stated.

### Current and non-current classification

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle or
- Held primarily for the purpose of trading or
- Expected to be realized 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 or
- It is held primarily for the purpose of trading or
- 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 respectively.

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and time between acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

### 2.2 Use of estimates and judgments

The preparation of financial statements in conformity with IND AS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognized in the periods in which the results are known / materialized. Estimates and underlying assumptions are reviewed on an ongoing basis.

### Key Sources of Estimation uncertainty:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### i) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### ii) **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### iii) **Taxes**

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. Significant management judgment is also required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

### iv) **Impairment of Non Financial Assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used.

### v) **Useful life of Property, Plant and Equipment**

Determination of the estimated useful life of property, plant and equipment and intangible assets and the assessment as to which components of the cost may be capitalized. Useful life of these

assets is based on the life prescribed in Schedule II to the Companies Act, 2013 or based on technical estimates, taking into account the Company's historical experience with similar assets, nature of the asset, estimated usage, expected residual values and operating conditions of the asset. Management reviews its estimate of the useful lives of depreciable / amortizable assets at each reporting date, based on the expected utility of the assets. The depreciation / amortization for future periods is revised if there are significant changes from previous estimates.

### vi) **Determination of lease term & discount rate**

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

### vii) **Recognition and measurement of Contingent liabilities, provisions and uncertain tax positions**

There are various legal, direct and indirect tax matters and other obligations including local and state levies, availing input tax credits etc., which may impact the Company. Evaluation of uncertain liabilities and contingent liabilities arising out of above matters and recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.



# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## viii) Investments made / Inter corporate deposits ("ICDs") given to subsidiaries, Joint ventures & Associate

In case of investments made and Inter corporate Deposits ("ICD") given by the company in its subsidiaries, the Management assesses whether there is any indication of impairment in the value of investments and ICDs. The carrying amount is compared with the present value of future net cash flow of the subsidiaries.

## ix) Recoverability of advances / receivables:

At each balance sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgment based on financial position of the counter-parties, market information and other relevant factors.

## x) Inventory Measurement

The measurement of inventory in bulk / loose form lying in tankages / yards is complex and involves significant judgment and estimate. The Company performs physical counts of above inventory on a periodic basis using internal / external experts to perform volumetric surveys and assessments, basis which the estimate of quantity for these inventories is determined. The variations, if any noted between book records and physical quantities of above inventories are evaluated and appropriately accounted in the books of accounts.

## 2.3 Summary of significant accounting policies

### a Property, plant and equipment

#### i. Recognition and measurement

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1<sup>st</sup> April, 2015 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalized along with respective asset.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment

comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Freehold land is carried at cost.

#### ii. Subsequent measurement

Subsequent expenditure related to an item of Property, Plant and Equipment are included in its carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are depreciated over the residual life of the respective assets. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

#### iii. Depreciation

Depreciation is recognized so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the Straight line method. The useful life of property, plant and equipment is considered based on life prescribed in Schedule II to the Companies Act, 2013. In case of major components identified, depreciation is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

#### iv. Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

### b Intangible Assets

#### i. Recognition and measurement

Intangible assets acquired separately are carried at cost less accumulated amortization and any accumulated impairment losses.

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

### ii. Amortization

Amortization is recognized on a Written straight line basis over their estimated useful lives. Estimated useful life of the Computer Software is 5 years.

### iii. Derecognition

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition are recognized in statement of profit and loss.

### c Capital Work in Progress

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction / erection of the capital project / property plant and equipment.

### d Financial Instruments

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

Trade receivables and debt securities issued are initially recognised when they originated.

### e Financial assets

#### Initial recognition and measurement

The Company recognizes financial asset in its balance sheet when it becomes a party to the contractual provisions of the instruments. All financial assets, except investment in subsidiaries, joint venture and associates are recognized initially at fair value.

On initial recognition, a financial assets is recognized at fair value. In case of financial assets which are recognized at fair value through profit and loss, its transaction cost are recognized in profit and loss. In other cases, the transaction cost are attributable to acquisition value of financial assets.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which the it is held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:

#### i) At amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give

rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These include trade receivables, finance receivables, balances with banks, short-term deposits with banks, other financial assets and investments with fixed or determinable payments. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as financial assets at fair value through profit and loss or for-sale fair value through profit and loss. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

#### ii) At fair value through Other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it meets both of the following conditions:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At present, the Company does not have any assets that are classified as Fair value through other comprehensive income (FVOCI).

#### iii) At fair value through profit and loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

Fair value changes related to such financial assets including derivative contracts are recognized in the statement of profit and loss.

#### Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

and accumulated in equity is recognized in statement of profit and loss if such gain or loss would have otherwise been recognized in statement of profit and loss on disposal of that financial asset.

## **Impairment of Financial assets**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss 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 Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

## **f Financial liabilities and equity instruments**

### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities

or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

### **Financial liabilities**

The Company recognizes financial liabilities in its balance sheet when it becomes a party to the contractual provisions of the instruments. All financial liabilities are measured at amortized cost using the effective interest method or at FVTPL.

### **Financial liabilities at amortized cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognized at the transaction cost, which is its fair value, and subsequently measured at amortized cost.

### **Financial liabilities at FVTPL**

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts, cross currency swaps, options, commodity contracts to hedge its foreign currency risks and commodity price risks, are recognized in the statement of profit and loss.

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in statement of profit and loss.

## g Derivative

### 1) Financial Instruments

#### Initial recognition and subsequent measurement

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

Any gains or losses arising from changes in the fair value of derivative financial instrument are recognized in the statement of profit and loss.

### 2) Commodity Contracts:

#### Initial recognition and subsequent measurement

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

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

Any gains or losses arising from changes in the fair value of commodity contracts are recognized in the

statement of profit and loss under the head "Raw Materials Consumed".

## h Fair value measurement

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

- In the principal market, or
- In the absence of a principal market, in the most advantageous market.

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

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

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

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

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

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's - accounting policies.

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

## i Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

### j Inventories

Inventories comprises of Raw material, finished goods, packing material, By products and other stores, spares & consumables.

Inventory of Raw material and finished goods are carried at the lower of the cost and net realizable value after providing for obsolescence and other losses where considered necessary. Inventory of By products are carried at net realizable value, while all the other inventories are carried at cost.

Cost of Raw material comprises all cost of purchase and other cost incurred in bringing inventories to their present location and condition. Cost of finished goods comprises of cost of raw material, labour and a proportion of manufacturing overheads.

Cost is determined using the moving weighted average cost method, while the net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and cost necessary to make the sale.

### k Foreign currencies

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

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

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.

Exchange differences are recognized in the statement of profit and loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to borrowing costs on those foreign currency borrowings.

### l Revenue

#### Revenue from Operations

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflect the consideration the Company expects to receive in exchange for those products or services. Revenue is measured at the fair value of consideration, net of returns, trade discount, cash discounts and rebates.

The Company operates a loyalty program for the customers and franchisees for the sale of goods. The customers accumulate credits for purchases made which entitles them to discount on future purchases. A contract liability for the achievement of target is recognized at the time of sale. Revenue is recognized when the contract obligation will be fulfilled.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Group performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

#### Other Incomes

- i) Revenue from services is recognized on rendering of services as per the terms of the contract.
- ii) Dividend is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.
- iii) Interest income is recognized on Effective Interest Rate (EIR) basis taking into account the amount outstanding and the applicable interest rate.
- iv) Income from Export benefit and incentives are classified as 'Other Operating Revenue' and is



## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

recognized based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realization and utilization of the credit under the scheme.

- v) Revenue from Insurance claims are accounted for in the year of claim lodged with the insurance company based on the surveyor assessment. However, claims whose recovery cannot be ascertained with reasonable certainty are accounted for on actual receipts basis.

### Contract Balances

#### Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional and is disclosed as "Unbilled Revenue" under Other Current Financial Assets.

#### Trade receivables

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

#### Contract Liability

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

### m Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

### n Employee benefits

Employee benefits include gratuity, compensated absences, contribution to provident fund, employees' state insurance and superannuation fund.

#### Short term employee benefits:

Short-term employee benefit obligations are recognized at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are received.

#### Post employment benefits:

#### i) Defined benefit plans:

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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

#### ii) Defined contribution plan:

Retirement benefit in the form of Provident Fund and Family Pension Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as a charge to the capital work-in-progress till the capitalization otherwise the same is charged to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue..

#### iii) Other Long-term Employee Benefits:

Other long term employee benefits comprise of compensated absences / leaves. Provision for Compensated Absences and its classifications

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method.

### o Taxation

Tax on Income comprises current and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

#### Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax (including Minimum Alternate Tax (MAT)) is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

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

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

#### Deferred tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is also recognized in respect of carried forward tax losses and tax credits subject to the assessment of reasonable certainty of recovery.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized

outside with the underlying items i.e either in the statement of other comprehensive income or directly in equity as relevant.

The Company recognizes tax credits in the nature of Minimum Alternate Tax (MAT) credit as an asset only to the extent that there is sufficient taxable temporary difference / convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the statement of profit and loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent the Company does not have sufficient taxable temporary difference / convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

### p Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for the effects of dividend, interest and other charges relating to the dilutive potential equity shares by weighted average number of shares plus dilutive potential equity shares.

### q Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is



## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

presented in the statement of profit and loss net of any reimbursement.

The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the company are not recognized in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Financial Statements unless the probability of an outflow of resources is remote. Contingent assets are not recognized but are disclosed in the notes where an inflow of economic benefits is probable.

### r Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Each Cash Generating Unit (CGU) represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized immediately in

statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Assets (other than goodwill) for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in statement of profit and loss.

### s Leases

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

- i) the contract involves the use of identified asset;
- ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and
- iii) the Company has right to direct the use of the asset.

#### Company as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities.

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognizes the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

### Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

### Operating lease

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term.

### t Investment in subsidiaries, joint ventures and associates

Equity investments in subsidiaries, joint ventures and associates are shown at cost less impairment, if any. The Company tests these investments for impairment in accordance with the policy applicable to 'Impairment of non-financial assets'. Where the carrying amount of an investment or CGU to which the investment relates is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognized in the Statement of Profit and Loss.

### u 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.

Cash and cash equivalents for the purpose of Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

### v Government Grant

Grants from the government are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grant will be received.

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

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2020

## 3: PROPERTY, PLANT AND EQUIPMENTS RIGHT OF USE AND INTANGIBLE ASSETS

### a) Tangible Assets

PARTICULARS	Tangible Assets											
	Free-hold Land	Lease-hold Land	Building			Office Equip-ment	Computer	Vehicles	Furniture	Electrical Fittings and Installation	Plant & Machinery	Total
			Factory	Office	Residence							
I. Gross Carrying Amount												
Balance as at 1 <sup>st</sup> April, 2018	1,879.27	662.76	3,425.61	826.52	281.16	170.72	115.51	40.92	68.01	791.77	17,989.42	26,251.66
Additions	129.27	830.48	1,434.70	31.89	-	79.91	39.80	1.70	18.20	599.98	5,284.86	8,450.80
Disposals / Adjustments	(170.53)	170.53	-	-	-	-	-	0.05	-	0.08	0.92	1.05
Balance as at 31 <sup>st</sup> March, 2019	2,179.07	1,322.72	4,860.31	858.41	281.16	250.63	155.31	42.57	86.21	1,391.67	23,273.36	34,701.40
Reclassified on account of adoption of Ind AS 116	-	(1,322.72)	-	-	-	-	-	-	-	-	-	(1,322.72)
Additions	74.15	-	2,177.00	75.68	55.50	28.90	15.97	8.75	25.23	952.56	5,694.74	9,108.48
Disposals / Adjustments	-	-	-	-	-	1.10	0.45	-	0.08	0.00	0.63	2.26
Balance as at 31 <sup>st</sup> March, 2020	2,253.22	-	7,037.31	934.10	336.66	278.43	170.83	51.32	111.36	2,344.23	28,967.47	42,484.92
II. Accumulated Depreciation												
Balance as at 1 <sup>st</sup> April, 2018	-	6.35	434.10	30.83	14.95	79.62	61.50	18.74	22.65	263.88	2,650.39	3,583.01
Depreciation expense	-	14.69	196.17	19.47	4.73	32.30	21.98	5.34	9.42	205.36	1,262.06	1,771.51
Disposals / Adjustments	-	-	-	-	-	-	-	0.01	-	0.08	0.16	0.25
Balance as at 31 <sup>st</sup> March, 2019	-	21.04	630.26	50.30	19.68	111.92	83.47	24.07	32.07	469.16	3,912.29	5,354.27
Reclassified on account of adoption of Ind AS 116	-	(21.04)	-	-	-	-	-	-	-	-	-	(21.04)
Depreciation expense	-	-	249.10	20.40	6.06	40.77	22.35	5.37	10.30	200.39	1,518.48	2,073.22
Disposals / Adjustments	-	-	-	-	-	0.94	0.36	-	0.06	-	0.18	1.54
Balance as at 31 <sup>st</sup> March, 2020	-	-	879.37	70.69	25.74	151.75	105.46	29.44	42.31	669.55	5,430.58	7,404.92
III. Net Carrying Amount												
As at 31 <sup>st</sup> March, 2019	2,179.07	1,301.67	4,230.05	808.12	261.47	138.71	71.83	18.50	54.13	922.51	19,361.07	29,347.13
As at 31 <sup>st</sup> March, 2020	2,253.22	-	6,157.94	863.40	310.92	126.67	65.37	21.88	69.05	1,674.68	23,536.89	35,080.00

**Note 1:** Information on Property, Plant and Equipment pledged as security by the Company (Refer Note 17)

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

### 3: PROPERTY, PLANT AND EQUIPMENTS RIGHT OF USE AND INTANGIBLE ASSETS

#### b) Right of Use

(₹ in Mn)

Particulars	Land	Warehouse Building	Office & Guest House Building	Plant & Machinery	Right of Way	Total
<b>I. Gross Carrying Amount</b>						
Balance as at 1 <sup>st</sup> April, 2019	41.48	447.50	226.01	3.42	40.16	758.57
Reclassified on account of adoption of Ind AS 116	1,322.72	-	-	-	-	1,322.72
Additions	344.94	237.50	4.50	-	-	586.94
Disposals / Adjustments	-	18.28	3.01	-	-	21.29
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>1,709.14</b>	<b>666.72</b>	<b>227.50</b>	<b>3.42</b>	<b>40.16</b>	<b>2,646.94</b>
<b>II. Accumulated Depreciation</b>						
Balance as at 1 <sup>st</sup> April, 2019	-	-	-	-	-	-
Reclassified on account of adoption of Ind AS 116	21.04	-	-	-	-	21.04
Amortization expense (Refer note 34)	26.81	217.61	49.17	3.42	3.62	300.63
Disposals / Adjustments	-	4.94	0.67	-	-	5.61
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>47.85</b>	<b>212.67</b>	<b>48.50</b>	<b>3.42</b>	<b>3.62</b>	<b>316.06</b>
<b>III. Net Carrying Amount</b>						
<b>As at 31<sup>st</sup> March, 2020</b>	<b>1,661.29</b>	<b>454.05</b>	<b>179.00</b>	<b>-</b>	<b>36.54</b>	<b>2,330.88</b>

#### c) Intangible Assets

(₹ in Mn)

Particulars	Computer Software	Total
<b>I. Gross Carrying Amount</b>		
<b>Balance as at 1<sup>st</sup> April, 2018</b>	<b>111.37</b>	<b>111.37</b>
Additions	178.06	178.06
Disposals / Adjustments	-	-
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>289.43</b>	<b>289.43</b>
Additions	44.34	44.34
Disposals / Adjustments	-	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>333.77</b>	<b>333.77</b>
<b>II. Accumulated Depreciation</b>		
<b>Balance as at 1<sup>st</sup> April, 2018</b>	<b>52.96</b>	<b>52.96</b>
Amortization expense	47.29	47.29
Disposals / Adjustments	-	-
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>100.25</b>	<b>100.25</b>
Amortization expense	51.71	51.71
Disposals / Adjustments	-	-
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>151.96</b>	<b>151.96</b>
<b>III. Net Carrying Amount</b>		
<b>As at 31<sup>st</sup> March, 2019</b>	<b>189.18</b>	<b>189.18</b>
<b>As at 31<sup>st</sup> March, 2020</b>	<b>181.81</b>	<b>181.81</b>

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 4: INVESTMENTS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>NON CURRENT INVESTMENTS</b>		
<b>Unquoted</b>		
<b>In Equity Shares of Subsidiaries (Valued at cost)</b>		
3,00,000 (previous year 3,00,000) fully paid Equity Shares of ₹ 10/- each of Golden Valley Agrotech Private Limited	3.00	3.00
10,000 (previous year 10,000) fully paid Equity Shares of ₹ 10/- each of AWL Edible Oils and Foods Private Limited	0.10	0.10
<b>In Equity Shares of Joint Ventures (Valued at cost)</b>		
37,56,150 (previous year 37,56,150) fully paid Equity Shares of ₹ 10/- each of Vishakha Polyfab Private Limited	109.88	109.88
50,05,000 (previous year 50,05,000) fully paid Equity Shares of ₹ 10/- each of AWN Agro Private Limited	250.05	250.05
Less: Diminution in the value of investment	250.05	250.05
	-	-
4,30,00,000 (previous year 4,30,00,000) fully paid Equity Shares of ₹ 1/- each of KOG KTV Food Products (India) Private Limited	187.11	182.11
1,12,525 (previous year 1,12,525) fully paid Equity Shares of ₹ 100/- each of K.T.V. Health Food Private Limited	199.92	194.92
<b>In Equity Shares of the Company (Valued at cost)</b>		
31,20,000 (previous year 31,20,000) fully paid Equity Shares of ₹ 10/- each of Gujarat Agro Infrastructure Mega Food Park Private Limited	31.20	31.20
1,25,000 (previous year 1,25,000) fully Paid Equity Shares of ₹ 10/- each of Federation of Oils Processors at Krishnapattanam	1.25	1.25
<b>In Preference Shares of the Company (Valued at fair value through Profit and Loss)</b>		
20,80,000 (previous year 20,80,000) fully paid 0% Non Cumulative Redeemable Preference Shares of ₹ 10/- each of Gujarat Agro Infrastructure Mega Food Park Private Limited	17.28	15.76
<b>Investment in Government Securities (Valued at cost)</b>		
(Lodged with Government Departments)		
National Saving Certificates	0.23	0.23
	<b>549.97</b>	<b>538.45</b>
Aggregate amount of Unquoted Investments	799.79	788.27
Aggregate Provision for diminution in the value of Investments	250.05	250.05

### Notes:

a) Value of Deemed Investment accounted in Joint Ventures in terms of fair valuation under Ind AS 109

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
KOG KTV Food Products(India) Private Limited	25.00	20.00
K.T.V. Health Food Private Limited	25.00	20.00
	<b>50.00</b>	<b>40.00</b>

b) Reconciliation of Fair value measurement of the investment in unquoted 0% Non Cumulative Redeemable Preference Shares

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
Opening Balance	15.76	20.80
Net Gain / (Loss) on fair valuation of Investment recognized in Statement of Profit and Loss	1.53	(5.04)
<b>Closing Balance</b>	<b>17.28</b>	<b>15.76</b>

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 5: LOANS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>NON CURRENT</b>		
<b>Unsecured, considered good</b>		
Security Deposit	207.96	218.78
	<b>207.96</b>	<b>218.78</b>

## 6: OTHER FINANCIAL ASSETS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>NON CURRENT</b>		
<b>Unsecured considered good</b>		
Bank Deposits with maturity over 12 months including Margin Money Deposit*	117.15	7.03
	<b>117.15</b>	<b>7.03</b>

\* Placed as margin for Bank Guarantee, Buyer's credit and Letter of Credit facilities.

## 7: OTHER NON CURRENT ASSETS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Unsecured, considered good</b>		
Capital Advances	397.55	1,059.41
Prepaid Expenses	13.06	16.78
Deposit with Government Authorities	775.59	796.56
Incentive Receivable	128.26	128.26
	<b>1,314.46</b>	<b>2,001.02</b>

## 8: INVENTORIES

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>(At lower of cost and net realizable value)</b>		
Raw Material (Including stock in transit of ₹ 1,217.49 Mn (previous year ₹ 2,396.23 Mn))	21,812.62	19,346.73
Finished Goods (Including stock in transit of ₹ 164.42 Mn (previous year ₹ 555.08 Mn))	14,075.80	18,769.23
Stores, Chemicals, Packing Materials, Fuel and Scheme Materials (Including stock in transit of ₹ 23.46 Mn (previous year ₹ 14.92 Mn))	2,122.49	2,042.46
By Products	253.39	257.45
	<b>38,264.30</b>	<b>40,415.87</b>

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 9: TRADE RECEIVABLES

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
Considered good - Secured	2,129.90	2,815.71
Considered good - Unsecured	7,088.74	9,799.62
Credit impaired	4.16	2.88
Less: Allowance for credit loss	(4.16)	(2.88)
	<b>9,218.64</b>	<b>12,615.33</b>

### Notes:

- a) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.
- b) Above balances with trade receivables include balances with related parties. (Refer Note 37).

## 10: CASH AND CASH EQUIVALENTS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Balances with Banks:</b>		
In Current Account		
- Rupee Account	840.36	767.65
- Foreign Currency Account	128.01	10.74
- Deposits with original maturity of less than three months	2,490.00	-
- Matured fixed deposits	-	1.69
	<b>3,458.37</b>	<b>780.08</b>

## 11: OTHER BANK BALANCE

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
Margin Money Deposits*	4,639.49	5,058.44
Other Earmarked Deposits**	6,066.63	6,054.23
	<b>10,706.12</b>	<b>11,112.67</b>

\*Placed as margin for Bank Guarantee, Buyer's credit and Letter of Credit facilities.

\*\*Lien marked against Overdraft Facilities.

## 12: LOANS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>CURRENT</b>		
<b>Unsecured considered good</b>		
Security Deposits	140.47	98.03
Loans to Related Parties (Refer Note 37)		
- Good	410.50	410.50
- Credit impaired	120.30	120.30
Less: Allowance for Doubtful Loans	(120.30)	(120.30)
	<b>550.97</b>	<b>508.53</b>



# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 13: OTHER FINANCIAL ASSETS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>CURRENT</b>		
<b>Unsecured, considered good</b>		
Interest Accrued But Not Due	180.31	120.35
Insurance Claim Receivable	15.79	49.23
Derivatives / Forward Contracts Receivables	2,734.47	2,129.49
Loans and Advances to Employees	21.36	13.98
Other Receivable		
- Good	9.11	24.09
- Credit Impaired	11.25	11.25
Less: Allowance for Credit Losses	(11.25)	(11.25)
	<b>2,961.04</b>	<b>2,337.14</b>

## 14: OTHER CURRENT ASSETS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Unsecured, Considered good</b>		
Advances Recoverable other than in cash	380.01	2,461.68
Prepaid Expenses	187.26	358.95
Export Benefit and Other Incentives Receivable	200.41	371.77
Licenses - Merchandise Exports from India Scheme	572.24	170.15
Balances / Deposits with Government Authorities	6,718.17	4,728.18
	<b>8,058.09</b>	<b>8,090.73</b>

## 15: EQUITY SHARE CAPITAL

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>AUTHORISED SHARE CAPITAL</b>		
36,27,60,000 (previous year 36,27,60,000) Equity Shares of ₹ 10/- each	3,627.60	3,627.60
	<b>3,627.60</b>	<b>3,627.60</b>
<b>ISSUED, SUBSCRIBED AND FULLY PAID-UP SHARE CAPITAL</b>		
11,42,94,886 (previous year 11,42,94,886) fully paid up Equity Shares of ₹ 10/- each	1,142.95	1,142.95
	<b>1,142.95</b>	<b>1,142.95</b>

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31.03.2020		As at 31.03.2019	
	Nos.	₹ in Mn	Nos.	₹ in Mn
At the beginning of the year	114,294,886	1,142.95	114,294,886	1,142.95
Change during the year	-	-	-	-
	114,294,886	1,142.95	114,294,886	1,142.95

### Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company the holder of the Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of Equity Shares held by the shareholders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

### Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31.03.2020		As at 31.03.2019	
	Nos.	% of Holding	Nos.	% of Holding
Adani Commodities LLP and its nominees	57,147,443	50%	57,147,443	50%
Lence Pte. Ltd.	57,147,443	50%	57,147,443	50%
<b>Total</b>	<b>114,294,886</b>	<b>100%</b>	<b>114,294,886</b>	<b>100%</b>

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 ownership of shares.

## 16: OTHER EQUITY

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Securities Premium</b>		
Opening Balance	4,538.90	4,538.90
Closing Balance	4,538.90	4,538.90
<b>General Reserve</b>		
Opening Balance	1,500.00	1,500.00
Closing Balance	1,500.00	1,500.00
<b>Amalgamation Reserve</b>		
Opening Balance	778.17	778.17
Closing Balance	778.17	778.17
<b>Retained Earnings</b>		
Opening Balance	12,229.25	8,586.58
Add: Profit for the year	3,946.04	3,651.66
Less: Re-measurement losses on defined benefit plans (net of tax)	(11.77)	(8.99)
Closing Balance	16,163.51	12,229.25
	<b>22,980.58</b>	<b>19,046.32</b>

### Notes:

- Security premium** represents the premium received on issue of shares over and above the face value of Equity Shares. Such amount is available for utilization in accordance of the Provisions of the Companies Act, 2013.
- The **general reserve** is used from time to time to transfer profit from retained earnings for apportion purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.
- Amalgamation reserve** represents the surplus arises in the course of amalgamation of wholly owned subsidiary companies. The said reserve shall be treated as free reserve available for distribution as per the scheme approved by Hon'ble Gujarat High Court.
- The portion of profits not distributed among the shareholders are termed as **Retained Earnings**. The Company may utilize the retained earnings for making investments for future growth and expansion plans or any other purpose as approved by the Board of Directors of the Company.

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 17: NON CURRENT BORROWINGS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Term Loans</b>		
From Banks ( Secured)		
- Foreign Currency Loan	1,470.93	1,400.39
- Rupee Loan	9,992.13	8,244.93
From Financial Institutions (Unsecured)	0.84	1.61
	<b>11,463.90</b>	<b>9,646.93</b>
Amount grouped under "Current maturities of Non Current Borrowings" (Refer Note 22)	1,390.57	885.38
	<b>12,854.47</b>	<b>10,532.31</b>

### Details of Security:

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Foreign Currency Loan:</b>		
Cooperative Rabo Bank U.A. Hong Kong, Repayment will commence after March 2020 [Refer Note 1]	1,532.22	1,400.39
<b>Rupee Loan:</b>		
Bank of India, Repayment commence from Dec 2012 [Note 2(i) & 2(ii)]	13.77	76.21
HDFC Bank Ltd., Repayment commence from June 2017 [Note 2(i) & 2(ii)]	164.40	246.59
IDFC Bank Ltd., Repayment commence from June 2016 [Note 2(ii)]	-	710.00
HDFC Bank Ltd., Repayment commence from September 2016 [Note 2(i) & 2(ii)]	560.00	747.50
RBL Bank Ltd., Repayment commence from June 2018 [Note 2(i) & 2(ii)]	284.82	400.40
RBL Bank Ltd., Repayment commence from June 2019 [Note 2(i) & 2(ii)]	750.00	1,000.00
Bank of Baroda, Repayment commence from April 2020 [Note 2(i) & 2(ii)]	2,440.00	2,440.00
EXIM Bank, Repayment commence from April 2020 [Note 2(i) & 2(ii)]	1,138.90	1,138.90
HDFC Bank Ltd., Repayment commence from April 2020 [Note 2(i) & 2(ii)]	1,220.00	1,220.00
Cooperative Rabo Bank U.A. Mumbai, Repayment commence from April 2020 [Note 2(i) & 2(ii)]	1,220.00	1,220.00
HDFC Bank, Repayment commence from December 2019 [Note 2(i) & 2(ii)]	600.00	-
AXIS Bank, Repayment commence from September 2020 [Note 2(i) & 2(ii)]	1,000.00	-
State Bank Of India, Repayment commence from June 2021 [Note 2(i) & 2(ii)]	2,000.00	-
Unamortized ancillary cost on Term Loan	(71.25)	(70.02)
<b>Financial Institutions Loan:</b>		
CISCO Capital, Repayment commence from July 2019	1.61	2.33
<b>Total (Current and Non Current Borrowing)</b>	<b>12,854.47</b>	<b>10,532.31</b>

### Maturity profile of borrowings outstanding:

(₹ in Mn)

Borrowings	Interest rate range as at 31.03.2020	Total carrying value	<1 year	1-5 years	>5 years
Foreign Currency Loan from Banks	4.80%	1,532.22	61.29	1,470.93	-
Rupee Loan from Banks	9.15% to 10.60%	11,391.89	1,344.24	9,504.35	543.30
Financial Institutions Loan	7.95%	1.61	0.77	0.84	-
<b>Total</b>		<b>12,925.72</b>	<b>1,406.30</b>	<b>10,976.12</b>	<b>543.30</b>

\*Excluding Unamortized ancillary cost on Term Loan of ₹ 71.25 Mn.

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## Notes:

### 1 ECB Term Loan is secured by:

- (i) First pari passu charge by way of equitable mortgage by deposit of title deeds in favor of SBICAP Trustee Company Limited in respect of immovable properties of the company wherever situated both present and future and hypothecation of all movable tangible assets of the Company both present and future.
- (ii) Second pari-passu charge by way of hypothecation in favor of SBICAP Trustee Company Ltd. of all inventories including stores and spares and book debts, receivables, advances and other current assets both present and future.
- (iii) First ranking exclusive charge over prepayment assets which include the prepayment account and prepayment amount of the company in respect of ECB term loan.

### 2 Rupee Term Loans are secured by:

- (i) First pari passu charge by way of equitable mortgage by deposit of title deeds in favor of SBICAP Trustee Company Limited in respect of immovable properties of the company wherever situated both present and future and hypothecation of all movable assets of the Company both present and future.
- (ii) Second pari-passu charge by way of hypothecation in favor of SBICAP Trustee Company Ltd. of all inventories including stores and spares and book debts, receivables, advances and other current assets both present and future. (except prepayment assets which include the prepayment account and prepayment amount of the company in respect of ECB term loan).

## 18: OTHER FINANCIAL LIABILITIES

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>NON CURRENT</b>		
Security Deposits from Customers and Others	2,518.14	2,424.51
Retention Money	0.51	0.80
Lease Finance Liability	787.78	-
	<b>3,306.43</b>	<b>2,425.31</b>

## 19: PROVISIONS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Non Current</b>		
Provision for Compensated Absences	119.81	93.40
	<b>119.81</b>	<b>93.40</b>

## 20: CURRENT BORROWINGS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>From Banks (Secured)</b>		
- Export Packing Credit	2,352.82	4,605.03
- Buyers Credit	5,078.95	-
- Overdraft Facility	1,372.77	3,157.22
- Working Capital Loan	1,343.75	-
	<b>10,148.29</b>	<b>7,762.25</b>

## Notes:

### 1 Working capital facilities are secured by:

- (i) First pari passu charge by way of hypothecation in favor of SBICAP Trustee Company Limited of all inventories including stores, spares, book debts, receivables, advances and other current assets of the company both present and future. (except prepayment assets which include the prepayment account and prepayment amount of the company in respect of ECB term loan).
- (ii) Second pari passu charge by way of equitable mortgage by deposit of title deeds in favor of SBICAP Trustee Company Limited in respect of immovable properties of the company wherever situated, both present and future and hypothecation of all movable assets of the Company both present and future.
- (iii) The rate of interest for above working capital facilities are as follows:  
 Buyers Credit (In Foreign Currency): Libor + spread i.e. from 2.73% to 2.93%.  
 Export Packing Credit: 8.15% to 9.00%  
 Overdraft Facility from Banks: 6.60% to 7.25%  
 Working Capital Loan: 6.60% to 7.25%

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

### 21: TRADE PAYABLES

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
Acceptances	43,649.87	43,293.85
Other than acceptances		
- Total outstanding dues of Micro and Small Enterprises (Refer Note 39)	60.80	1.78
- Total outstanding dues other than Micro and Small Enterprises*	13,247.31	22,852.37
	<b>56,957.98</b>	<b>66,148.00</b>

\*Balances with trade payables include balances with related parties. (Refer Note 37)

### 22: OTHER FINANCIAL LIABILITIES

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>CURRENT</b>		
Current Maturities of Non Current Borrowings (Refer Note 17)	1,390.57	885.38
Interest Accrued but not due on Borrowings	302.18	228.99
Financial Guarantee	0.30	0.33
Capital Creditors and Retention Money	1,305.37	1,539.35
Derivative Instruments / Forward Contracts Payable	39.41	921.62
Lease Finance Liability	250.93	-
Other Liabilities	72.91	64.56
	<b>3,361.67</b>	<b>3,640.23</b>

### 23: OTHER CURRENT LIABILITIES

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
Statutory Dues	139.48	266.43
Contract Liability		
- Advances from Customers	779.96	357.70
- Deferred Income of Loyalty Programme	51.57	81.00
Other Liabilities#	1,570.70	-
	<b>2,541.71</b>	<b>705.13</b>

#Amount represents provision for Social Welfare Surcharge paid under protest.

### 24: PROVISIONS

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>CURRENT</b>		
Provisions for Compensated Absences	62.15	47.79
Provisions for Gratuity	127.08	97.95
	<b>189.23</b>	<b>145.74</b>

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

### 25: REVENUE FROM OPERATIONS

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>I Sale of Products</b>		
Domestic Sales	266,589.22	255,359.80
Export Sales	29,270.87	31,660.06
	<b>295,860.09</b>	<b>287,019.86</b>
<b>II Other Operating Revenue</b>		
Export Benefit and Other Incentives	388.73	728.90
Sale of Scrap	180.17	141.89
Insurance Claim	115.23	116.91
Commission Income	26.14	14.53
	<b>296,570.36</b>	<b>288,022.09</b>

**Note 1:** The Company has recognized revenue of ₹ 438.70 Mn (31<sup>st</sup> March, 2019: ₹ 385.96 Mn) from the amounts included under advance received from customers (Contract Liability) at the beginning of the year. Refer Note 41 for Reconciliation of the amount of revenue recognized in the statement of profit and loss with the contracted price.

### 26: OTHER INCOME

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>Interest Income on</b>		
- Bank Deposits and Inter Corporate Deposits	776.88	869.95
- Customer Dues	93.17	88.10
- Taxes Refund	1.42	27.67
- Others	30.59	1.53
	<b>902.06</b>	<b>987.25</b>
<b>Other Non Operative Income</b>		
- Rent Income	0.38	0.52
- Profit on Sale of Property, Plant and Equipment (Net)	0.09	0.61
- Income from Pro Kabaddi Franchise		
Share in Franchise Income	60.89	79.33
Sale of Ticket	9.90	7.29
Sponsorship and Advertisement Income	15.50	67.55
	86.29	154.17
- Sundry Balance Written back	15.13	-
- Net Gain on sale / fair valuation of Investment at Fair Value Through Profit and Loss (Refer Note 1)	1.82	23.78
- Financial Guarantee	10.03	9.97
- Miscellaneous Income	63.08	20.66
	<b>1,078.88</b>	<b>1,196.96</b>

**Note 1:** Includes fair value gain of investment of ₹ 1.53 Mn in current year and loss of investment of ₹ 5.04 Mn in previous year.

### 27: COST OF MATERIALS CONSUMED

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Raw Material Consumed	214,075.72	209,235.07
Packing Material Consumed	9,969.36	10,169.74
	<b>224,045.08</b>	<b>219,404.81</b>

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 28: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>Finished Goods and By Products</b>		
Opening Stock	19,026.68	19,378.60
Closing Stock	14,329.20	19,026.68
	<b>4,697.48</b>	<b>351.92</b>

## 29: EMPLOYEE BENEFIT EXPENSES

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Salaries, Wages and Bonus	1,941.96	1,836.05
Contribution to Provident and Other Funds	101.59	89.15
Gratuity Expenses	41.94	36.36
Workmen and Staff Welfare Expenses	149.54	100.47
	<b>2,235.03</b>	<b>2,062.03</b>

## 30: FINANCE COSTS

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Interest on Loans, Trade Credits and Others	3,723.45	3,051.24
Interest on Finance Lease (Refer note 34)	71.22	-
Bank and Other Finance Charges	376.89	398.42
Fair Value Changes on Interest Rate Swap	9.86	-
Exchange Difference regarded as an Adjustment to Borrowing Costs	1,680.44	1,250.08
	<b>5,861.86</b>	<b>4,699.74</b>



# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 31: OTHER EXPENSES

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Consumption of Chemicals and Consumables	2,769.70	2,773.85
Power and Fuel	3,647.62	3,501.59
Labour Charges	817.58	760.12
Franchise Expenses	62.50	62.24
Storage Charges	546.05	396.19
Job Work Charges	477.55	438.31
Rates and Taxes	1,602.10	22.28
Factory and Office Expenses	490.59	378.65
Repairs and Maintenance:		
- Plant & Equipment	250.73	247.18
- Building	118.07	108.75
- IT Equipment	291.05	281.52
- Others	36.04	20.41
	695.89	657.86
Insurance	254.08	214.12
Rent Expenses (Refer Note No. 40)	133.94	351.70
Postage and Telephone	51.93	59.55
Printing and Stationery	23.44	21.60
Net foreign exchange loss / (gain)	1,534.57	1,181.01
Loss of Inventory due to Fire / Theft / Accident	-	4.29
Bad Debts Written Off	-	3.34
Provision for Doubtful Debts	1.38	9.33
Provision for Doubtful Loans	-	18.62
Electricity Expenses	26.98	21.46
Miscellaneous Expenses	22.64	1.42
Reversal of Other Incentives and Export Benefit	40.42	63.78
Payment to Auditors		
- Audit Fees	5.50	5.24
- Other Services	0.05	0.05
	5.55	5.29
Legal, Professional Fees and Subscription	406.87	288.63
Donation	2.13	51.20
Corporate Social Responsibility Expenses (Refer Note No. 42)	101.15	71.80
Directors sitting fees (Refer Note No. 37)	0.03	0.16
Travelling and Conveyance	264.28	266.23
Business Development and Promotion Expenses	2,849.63	1,879.32
Freight, Selling and Distribution Expenses	9,477.59	9,795.05
Brokerage, Commission and Service Charges	259.37	219.37
	<b>26,565.56</b>	<b>23,518.36</b>

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 32: INCOME TAX EXPENSE

The major component of income tax expenses are as under:

### (i) Tax Expense reported in the statement of Profit and Loss:

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>Current Income tax</b>		
Current tax charges	1,569.38	1,271.20
<b>Deferred Tax</b>		
Relating to origination and reversal of temporary differences	602.35	754.03
<b>Tax relating to earlier years</b>		
Impact of tax relating to earlier years	(31.28)	24.97
<b>Tax Expense reported in the Statement of Profit and Loss</b>	<b>2,140.44</b>	<b>2,050.20</b>
<b>Tax on Other Comprehensive Income ('OCI')</b>		
Deferred tax related to items recognized in OCI during the year	-	-
Tax impact on re-measurement gains on defined benefit plans	(6.32)	(4.83)
<b>Tax on Other Comprehensive Income ('OCI')</b>	<b>(6.32)</b>	<b>(4.83)</b>

### (ii) Balance Sheet:

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
Liabilities for Current Tax (net)	(143.74)	(328.13)
Taxes Recoverable (net)	9.92	32.91
	<b>(133.82)</b>	<b>(295.22)</b>

### (iii) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate:

(₹ in Mn)

Particulars	%	Year ended 31.03.2020	%	Year ended 31.03.2019
Profit Before Tax		6,086.49		5,701.86
Tax using company's domestic statutory tax rate	34.94	2,126.86	34.94	1,992.46
<b>Tax Effect of</b>				
Effect of change in Tax rates	-	-	-	-
Expenses not allowable under Tax laws	0.74	44.83	1.45	82.87
Adjustment in respect of previous years	(0.51)	(31.26)	(0.44)	(25.13)
<b>Effective tax rate</b>	<b>35.17</b>	<b>2,140.44</b>	<b>35.96</b>	<b>2,050.20</b>
<b>Tax expenses as per Books</b>		<b>2,140.45</b>		<b>2,050.20</b>

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

### (iv) Deferred Tax Liability (net) :

#### a) Major Components of Deferred Tax Liability / Asset (net) :

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
(Liability) on Accelerated depreciation for tax purpose	(3,734.62)	(3,170.16)
Asset on deferred revenue	1.33	2.10
Assets on Provision for Gratuity, Bonus and leave encashment	133.16	104.92
(Liability) on unamortized loan processing fees	(0.70)	(1.00)
(Liability) on Deemed Investment	(17.47)	(13.98)
Asset on fair valuation of investment	1.23	1.76
Asset on provision for doubtful loans & advances, receivables	47.42	46.98
Asset on provision for diminution in value of investment	87.38	87.38
(Liability) on Mark to Market gain	(627.25)	(574.14)
(Liability) on Donations	(17.47)	-
Lease assets net of lease liabilities	14.95	-
Assets on other adjustments	-	0.12
Assets on MAT Credit entitlement	209.72	701.69
	<b>(3,902.32)</b>	<b>(2,814.33)</b>

#### b) The gross movement in the deferred tax account are as follows:

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>Net deferred income tax asset at the beginning of the year</b>	<b>(2,814.33)</b>	<b>(2,030.28)</b>
<b>Tax (Expenses) / Income recognized in:</b>		
<b>Statement of Profit and Loss</b>		
Accelerated depreciation for tax purpose	(564.46)	(419.85)
Deferred revenue	(0.76)	2.10
Provision for Gratuity, Bonus and Leave encashment	34.56	13.44
Unamortized loan processing fees	0.29	0.74
Deemed Investment	(3.49)	(13.98)
Fair valuation of investment	(0.53)	1.76
Provision for doubtful loans & advances, receivables	0.44	9.77
Mark to Market gain	(53.12)	(574.14)
Donations	(17.47)	-
Lease assets net of lease liabilities	14.95	-
Other adjustments	(0.12)	(0.12)
MAT Credit entitlement	491.96	201.05
<b>Other Comprehensive Income</b>		
Employee Benefits Liability	(6.32)	(4.83)
<b>Net deferred income tax asset at the end of the year</b>	<b>(3,902.32)</b>	<b>(2,814.35)</b>

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

(v) The Company has following unutilized MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognized in the Balance Sheet at:

(₹ in Mn)

Financial Year	Amount	Expiry year
2016-17	209.72	2031-32
	<b>209.72</b>	

### 33: CONTINGENT LIABILITIES AND COMMITMENTS

#### (A) Contingent liabilities to the extent not provided for:

- a. The Company has imported plant and machinery for their Refinery Project under EPCG Scheme for which:
  - i) Export Obligation though completed but procedural relinquishments are pending of ₹ 181.35 Mn before Customs (previous year ₹ 137.09 Mn),
  - ii) Export Obligation of ₹ 3,441.65 Mn (previous year ₹ 3,522.33 Mn) is pending which is equivalent to 6 times of duty saved ₹ 573.61 Mn (previous year ₹ 587.06 Mn) for which export to be made in Six years.

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
b. Bank Guarantees favoring		
- Commercial Taxes	71.36	106.50
c. Corporate Guarantees on behalf of Joint Venture Companies	1,000.00	1,000.00
d. Disputed Customs Duty	492.40	496.31
e. Other Disputed matters:		
Commercial Taxes [net of BG given to department shown in (b)]	625.62	635.19
Income Tax	184.70	153.01
Service Tax & Excise Duty	296.96	302.06

- f. The Hon'ble Supreme Court (SC) has passed a judgment dated 28<sup>th</sup> February 2019, relating to components of salary structure to be included while computing the contribution to provident fund under the Employees Provident Fund Act, 1952. The Company's Management is of the view that there is considerable uncertainty around the timing, manner and extent in which the judgment will be interpreted and applied by the regulatory authorities. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any. Currently, the Company has not considered any impact in these financial statements.

#### Notes:

- i) In the matter of Disputed appeal, the amount of interest and penalty wherever not ascertainable the same has not been disclosed above.
- ii) Certain claims / show cause notices disputed have neither been considered as contingent liabilities nor acknowledged as claims, based on internal evaluation of the management.

#### (B) Commitments:

- a. Capital Commitments:

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
Estimated amount of contract remaining to be executed and not provided for (net of advance)	2,053.76	3,483.93

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

b. Other Commitments:

For lease and derivatives commitments, refer note 40 and 43 respectively.

### 34: EXPENSES DIRECTLY ATTRIBUTABLE TO CONSTRUCTION PERIOD

The following expenses which are specifically attributable to construction of project are included in Capital Work-in-Progress (CWIP) and in the case of an asset under construction, the same will be allocated / transferred to Property, Plant and Equipment.

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>Opening Balances</b>	<b>44.28</b>	<b>-</b>
<b>Additions:</b>		
Employee Benefits Expense	15.86	39.56
Finance Cost	146.39	14.88
Operating and Other Expenses	25.00	-
Trial run period income (Net of expense)	(94.44)	-
Amortization of Lease Assets	6.87	-
Interest of Lease Assets	4.95	-
Less:		
Capitalizations	117.29	10.16
<b>Closing Balances</b>	<b>31.62</b>	<b>44.28</b>

### 35: SEGMENT REPORTING

The Company's activities during the year revolve around processing of agro commodities. Considering the nature of the Company's business and operations, as well as, based on reviews of operating results by the chief operating decision maker there is only one reportable segment in accordance with the requirement of Ind AS 108 "Operating Segment" prescribed under Companies (Indian Accounting Standards) Rules 2015. Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected in the financial statements themselves as at and for the financial year ended 31<sup>st</sup> March, 2020.

### 36: EARNING PER SHARE

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Profit attributable to Equity Shareholders (₹ in Mn)	3,946.04	3,651.66
Weighted Average Number of Equity Shares Outstanding, during the year for Basic EPS	114,294,886	114,294,886
Nominal Value of Equity Shares (in ₹)	10	10
<b>Basic Earning per Share (in ₹)</b>	<b>34.53</b>	<b>31.95</b>
No of Weighted Average Equity Shares Outstanding during the year for diluted EPS	114,294,886	114,294,886
<b>Diluted Earning per Share (in ₹)</b>	<b>34.53</b>	<b>31.95</b>

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 37: RELATED PARTY DISCLOSURES

The management has identified the following entities and individuals as related parties of the Company for the year ended March 31, 2020 for the purpose of reporting as per Ind AS 24 - Related Party Transactions, which are as under:

### i) Name of related parties and description of relationship with whom transactions made during the year:

Name of the Related Party	Relationship
Adani Commodities LLP	Controlling Entity
Lence Pte Limited	
Adani Enterprises Limited	
Wilmar International Limited	
Golden Valley Agrotech Private Limited	Subsidiaries
AWL Edible Oils and Foods Private Limited	
AWN Agro Private Limited	
Vishakha Polyfab Private Limited	Joint Ventures
KOG-KTV Food Products (India) Private Limited	
KTV Health Food Private Limited	
Gujarat Agro Infrastructure Mega Food Park Private Limited	Associate
Aalst Chocolate Pte Limited	
Adani Agri Fresh Limited	Entities under common control
Adani Agri Logistics (Katiyar) Limited	
Adani Agri Logistics (MP) Limited	
Adani Agri Logistics Limited	
Adani Bunkering Private Limited	
Adani CMA Mundra Terminal Private Limited	
Adani Estates Private Limited	
Adani Finserve Private Limited	
Adani Foundation	
Adani Gas Limited	
Adani Green Energy (Tamil Nadu) Limited	
Adani Hazira Port Private Limited	
Adani Hospitals Mundra Private Limited	
Adani Infra (India) Limited	
Adani Infrastructure And Developers Private Limited	
Adani Institute For Education And Research	
Adani International Container Terminal Private Limited	
Adani Kandla Bulk Terminal Private Limited	
Adani Kattupalli Port Private Limited	
Adani Logistics Limited	
Adani Murmugao Port Terminal Private Limited	
Adani Petronet (Dahej) Port Private Limited	
Adani Ports and Special Economic Zone Limited	
Adani Power (Mundra) Limited	
Adani Power Limited	
Adani Properties Private Limited	
Adani Township & Real Estate Company Private Limited	
Adani Transmission (India) Limited	
Adani Transmission Limited	
Adani Vizag Coal Terminal Private Limited	
Adani Warehousing Services Private Limited	
Alfa Trading Limited	
Bangladesh Edible Oil Limited	
Dubois Natural Esters Sdn Bhd	
Global Amines Co. Pte Limited	
Karnavati Aviation Private Limited	
KTV Oil Mills Private Limited	

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

Name of the Related Party	Relationship
Maharashtra Eastern Grid Power Transmission Co Limited	Entities under common control
Marine Infrastructure Developers Private Limited	
MPSEZ Utilities Private Limited	
Mundra Solar PV Limited	
Natural Oleochemicals Sdn Bhd	
PGEO Marketing Sdn Bhd	
PT. Wilmar Nabati, Indonesia	
Pyramid Wilmar Private Limited	
Shantikrupa Estates Private Limited	
Shree Renuka Sugars Limited	
Shun Shing Edible Oil Limited	
The Adani Harbour Services Private Limited	
The Dhamra Port Company Limited	
Tsh-Wilmar Sdn Bhd	
Wilmar (China) Oleo Co. Limited	
Wilmar Europe Trading B.V.	
Wilmar Highpolymer Material (Lianyungang) Co. Limited	
Wilmar Japan Co. Limited	
Wilmar Marketing Clv Co. Limited	
Wilmar Nutrition (Jiangsu) Co. Limited	
Wilmar Oils And Fats Africa (Pty) Limited	
Wilmar Oleo North America LLC	
Wilmar Spring Fruit Nutrition Products (Jiangsu) Co. Limited	
Wilmar Surfactant Material (Lianyungang) Co. Limited	
Wilmar Trading (Asia) Pte Limited	
Wilmar Trading Pte Limited	
Yihai Kerry (Beijing) Trading Co. Limited	
Mr. Kuok Khoon Hong <sup>1</sup> - Executive Chairman	Directors and Key Managerial Personnel
Mr. T. K. Kanan <sup>2</sup> - CEO & Managing Director	
Mr. Pranav V. Adani <sup>3</sup> - Director	
Dr. Malay Mahadevia <sup>4</sup> - Director	
Mr. Ashish Rajvanshi <sup>4</sup> - Director	
Mr. Gurpreet Singh Vohra <sup>4</sup> - Director	
Ms. Teo La-Mei <sup>4</sup> - Director	
Mr. Atul Chaturvedi - Director	
Mr. Rajesh S. Adani <sup>5</sup> - Chairman	
Mr. Angshu Mallick <sup>5</sup> - Whole Time Director	
Mr. Rahul Kale <sup>5</sup> - Director	
Mr. Shyamal S. Joshi <sup>6</sup> - Independent Director	
Dr. Chitra Bhatnagar <sup>6</sup> - Independent Director	
Mr. Shrikant Kanhere - Chief Financial Officer	
Mr. Darshil Lakhia - Company Secretary	

1. Mr. Kuok Khoon Hong has been designated as Executive Chairman w.e.f. 17<sup>th</sup> June, 2019.
2. Mr. T. K. Kanan, CEO & Whole Time Director has been designated as CEO & Managing Director w.e.f. 17<sup>th</sup> June, 2019.
3. Mr. Pranav Adani resigned as Managing Director and is continuing as Director (Non Executive) w.e.f. 17<sup>th</sup> June, 2019.
4. Dr. Malay Mahadevia, Mr. Ashish Rajvanshi, Mr. Gurpreet Singh Vohra and Ms. Teo La-Mei were appointed as Directors w.e.f. 17<sup>th</sup> June, 2019.
5. Mr. Rajesh S. Adani resigned as Chairman, Mr. Angshu Mallick resigned as Whole Time Director and Mr. Rahul Kale resigned as Director w.e.f. 17<sup>th</sup> June, 2019.
6. Mr. Shyamal S. Joshi and Dr. Chitra Bhatnagar resigned as Independent Directors w.e.f. 17<sup>th</sup> June, 2019.

### Notes:

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



# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## (ii) Nature and volume of Transactions with related parties:

(₹ in Mn)

Nature of Transactions	Name of Company	Year ended 31.03.2020	Year ended 31.03.2019
Purchase of Goods	<b>Entities under common control:</b>		
	Aalst Chocolate Pte Limited	-	9.36
	Adani Infra (India) Limited	-	8,153.19
	Adani Ports and Special Economic Zone Limited	81.34	76.03
	Adani Power (Mundra) Limited	0.22	-
	Adani Properties Private Limited	-	511.64
	Alfa Trading Limited	1,243.90	1,515.47
	Bangladesh Edible Oil Limited	-	37.46
	Global Amines Co. Pte Limited	1.08	-
	Natural Oleochemicals Sdn Bhd	220.56	-
	PGEO Marketing Sdn Bhd	1,173.08	2,235.42
	Shree Renuka Sugars Limited	58.96	-
	Tsh-Wilmar Sdn Bhd	-	280.43
	Wilmar Trading (Asia) Pte Limited	1,479.13	643.15
	Wilmar Trading Pte Limited	31,223.63	33,595.92
	<b>Total</b>	<b>35,481.90</b>	<b>47,058.07</b>
	<b>Controlling Entity:</b>		
	Adani Enterprises Limited	35.87	3,866.55
	<b>Total</b>	<b>35.87</b>	<b>3,866.55</b>
	<b>Subsidiaries:</b>		
	Golden Valley Agrotech Private Limited	-	39.63
	<b>Total</b>	<b>-</b>	<b>39.63</b>
	<b>Joint Venture:</b>		
	KTV Health Food Private Limited	361.25	176.47
	Vishakha Polyfab Private Limited	908.13	928.30
	<b>Total</b>	<b>1,269.38</b>	<b>1,104.77</b>
Purchase of Assets / Upfront Charges for right	<b>Entities under common control:</b>		
	Adani Agri Fresh Limited	0.27	0.70
	Mundra Solar PV Limited	4.77	74.61
	Yihai Kerry (Beijing) Trading Co. Limited	-	14.92
	Adani Hazira Port Private Limited	-	0.19
	Adani Ports and Special Economic Zone Limited	6.07	813.65
	<b>Total</b>	<b>11.11</b>	<b>904.07</b>
	<b>Joint Venture:</b>		
	KTV Health Food Private Limited	-	6.22
	<b>Total</b>	<b>-</b>	<b>6.22</b>
Purchase of License (MEIS / SEIS)	<b>Entities under common control:</b>		
	Adani CMA Mundra Terminal Private Limited	112.90	-
	Adani Hazira Port Private Limited	1,157.57	325.14
	Adani International Container Terminal Private Limited	298.55	371.97
	Adani Kandla Bulk Terminal Private Limited	141.92	45.71
	Adani Kattupalli Port Private Limited	139.17	22.58
	Adani Logistics Limited	539.78	-
	Adani Murmugao Port Terminal Private Limited	90.82	25.83

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## (ii) Nature and volume of Transactions with related parties: (contd...)

(₹ in Mn)

Nature of Transactions	Name of Company	Year ended 31.03.2020	Year ended 31.03.2019
	Adani Petronet (Dahej) Port Private Limited	448.02	137.36
	Adani Ports and Special Economic Zone Limited	1,461.07	917.42
	Adani Vizag Coal Terminal Private Limited	21.25	-
	Marine Infrastructure Developers Private Limited	85.90	-
	Mundra Solar PV Limited	118.78	53.21
	The Adani Harbour Services Private Limited	1,203.31	-
	The Dhamra Port Company Limited	552.98	372.19
	<b>Total</b>	<b>6,372.02</b>	<b>2,271.41</b>
Sale of Goods	<b>Entities under common control:</b>		
	Adani Agri Fresh Limited	-	0.29
	Adani Infrastructure And Developers Private Limited	-	679.05
	Adani Ports and Special Economic Zone Limited	0.02	-
	Adani Transmission Limited	-	8,271.46
	Alfa Trading Limited	-	17.46
	Bangladesh Edible Oil Limited	57.41	71.52
	Pyramid Wilmar Private Limited	11.63	13.70
	Shantikrupa Estates Private Limited	-	0.01
	Shree Renuka Sugars Limited	-	3,669.87
	Shun Shing Edible Oil Limited	2.39	-
	Wilmar (China) Oleo Co. Limited	2,334.40	-
	Wilmar Europe Trading B.V.	12.86	53.01
	Wilmar Highpolymer Material (Lianyungang) Co. Limited	92.11	1,662.90
	Wilmar Japan Co. Limited	529.75	642.22
	Wilmar Marketing Clv Co. Limited	8.37	-
	Wilmar Nutrition (Jiangsu) Co. Limited	96.23	55.29
	Wilmar Oils and Fats Africa (Pty) Limited	1.82	-
	Wilmar Oleo North America LLC	461.33	298.92
	Wilmar Spring Fruit Nutrition Products (Jiangsu) Co. Limited	-	69.30
	Wilmar Trading (Asia) Pte Limited	3,620.42	3,409.64
	Wilmar Trading Pte Limited	88.95	144.17
	<b>Total</b>	<b>7,317.69</b>	<b>19,058.81</b>
	<b>Controlling Entity:</b>		
	Adani Enterprises Limited	0.27	-
	<b>Total</b>	<b>0.27</b>	<b>-</b>
	<b>Subsidiaries:</b>		
	Golden Valley Agrotech Private Limited	-	341.62
	<b>Total</b>	<b>-</b>	<b>341.62</b>
	<b>Joint Venture:</b>		
	KTV Health Food Private Limited	771.13	174.75
	<b>Total</b>	<b>771.13</b>	<b>174.75</b>
Lease Rent Paid	<b>Entities under common control:</b>		
	Adani Ports and Special Economic Zone Limited	9.87	6.57
	Adani Power (Mundra) Limited	-	2.05
	<b>Total</b>	<b>9.87</b>	<b>8.62</b>

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## (ii) Nature and volume of Transactions with related parties: (contd...)

(₹ in Mn)

Nature of Transactions	Name of Company	Year ended 31.03.2020	Year ended 31.03.2019
	<b>Controlling Entity:</b>		
	Adani Enterprises Limited	6.00	6.00
	<b>Total</b>	<b>6.00</b>	<b>6.00</b>
Rent Paid	<b>Entities under common control:</b>		
	Adani Power (Mundra) Limited	0.24	-
	Adani Properties Private Limited	7.48	-
	<b>Total</b>	<b>7.72</b>	<b>-</b>
	<b>Controlling Entity:</b>		
	Adani Enterprises Limited	4.75	-
	<b>Total</b>	<b>4.75</b>	<b>-</b>
Rent Received	<b>Entities under common control:</b>		
	Maharashtra Eastern Grid Power Transmission Co Limited	-	0.11
	Mundra Solar PV Limited	0.38	0.38
	<b>Total</b>	<b>0.38</b>	<b>0.49</b>
	<b>Subsidiaries:</b>		
	Golden Valley Agrotech Private Limited	-	0.03
	<b>Total</b>	<b>-</b>	<b>0.03</b>
Rendering of Services	<b>Entities under common control:</b>		
	Adani Agri Fresh Limited	1.50	-
	Adani Finserve Private Limited	-	2.50
	Alfa Trading Limited	0.74	-
	Global Amines Co. Pte Limited	0.19	1.33
	Natural Oleochemicals Sdn Bhd	0.55	1.77
	Shree Renuka Sugars Limited	6.00	-
	Wilmar (China) Oleo Co. Limited	-	0.08
	Wilmar Surfactant Material (Lianyungang) Co. Limited	9.18	-
	Wilmar Trading Pte Limited	13.96	3.59
	<b>Total</b>	<b>32.12</b>	<b>9.27</b>
Receiving of Services	<b>Entities under common control:</b>		
	Adani Agri Fresh Limited	1.16	1.90
	Adani Estates Private Limited	-	3.54
	Adani Gas Limited	0.01	0.04
	Adani Hazira Port Private Limited	137.71	0.71
	Adani Hospitals Mundra Private Limited	1.14	3.23
	Adani Institute For Education And Research	0.27	-
	Adani International Container Terminal Private Limited	0.30	0.03
	Adani Kandla Bulk Terminal Private Limited	-	9.25
	Adani Logistics Limited	134.30	114.84
	Adani Ports and Special Economic Zone Limited	364.64	366.77
	Adani Township & Real Estate Company Private Limited	0.70	11.75
	Adani Warehousing Services Private Limited	-	1.25
	Dubois Natural Esters Sdn Bhd	0.10	0.08
	KTV Oil Mills Private Limited	0.15	-
	Wilmar Surfactant Material (Lianyungang) Co. Limited	-	8.33
	Wilmar Trading (Asia) Pte Limited	2.37	-

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## (ii) Nature and volume of Transactions with related parties: (contd...)

(₹ in Mn)

Nature of Transactions	Name of Company	Year ended 31.03.2020	Year ended 31.03.2019
	Wilmar Trading Pte Limited	-	0.79
	<b>Total</b>	<b>642.85</b>	<b>522.51</b>
	<b>Controlling Entity:</b>		
	Adani Enterprises Limited	314.80	20.17
	Wilmar International Limited	138.60	4.50
	<b>Total</b>	<b>453.40</b>	<b>24.67</b>
	<b>Subsidiaries:</b>		
	Golden Valley Agrotech Private Limited	2.43	1.71
	<b>Total</b>	<b>2.43</b>	<b>1.71</b>
	<b>Joint Venture:</b>		
	KTV Health Food Private Limited	5.35	25.54
	<b>Total</b>	<b>5.35</b>	<b>25.54</b>
Interest Received	<b>Joint Venture:</b>		
	KOG-KTV Food Products (India) Private Limited	8.63	8.61
	KTV Health Food Private Limited	7.45	9.95
	Vishakha Polyfab Private Limited	28.39	24.14
	<b>Total</b>	<b>44.47</b>	<b>42.70</b>
Reimbursement of Expenses	<b>Entities under common control:</b>		
	Adani Power (Mundra) Limited	-	0.14
	Wilmar Japan Co. Limited	-	0.18
	Wilmar Trading Pte Limited	-	6.39
	<b>Total</b>	<b>-</b>	<b>6.71</b>
	<b>Subsidiaries:</b>		
	Golden Valley Agrotech Private Limited	4.81	32.98
	<b>Total</b>	<b>4.81</b>	<b>32.98</b>
Loan Given	<b>Joint Venture:</b>		
	KTV Health Food Private Limited	250.00	200.00
	Vishakha Polyfab Private Limited	500.00	55.00
	<b>Total</b>	<b>750.00</b>	<b>255.00</b>
Loan Received Back	<b>Joint Venture:</b>		
	KTV Health Food Private Limited	250.00	200.00
	Vishakha Polyfab Private Limited	500.00	-
	<b>Total</b>	<b>750.00</b>	<b>200.00</b>
Capital contribution Given	<b>Subsidiaries:</b>		
	AWL Edible Oils and Foods Private Limited	-	0.10
	<b>Total</b>	<b>-</b>	<b>0.10</b>
Employee Liability transfer to Related Party	<b>Entities under common control:</b>		
	Adani Agri Logistics Limited	-	*
	Adani Green Energy (Tamil Nadu) Limited	-	1.22
	Adani Ports and Special Economic Zone Limited	-	0.28
	Adani Power Limited	-	1.17
	Adani Properties Private Limited	-	0.02
	Adani Transmission (India) Limited	-	0.91
	Karnavati Aviation Private Limited	-	0.09
	Maharashtra Eastern Grid Power Transmission Co Limited	-	0.72

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## (ii) Nature and volume of Transactions with related parties: (contd...)

(₹ in Mn)

Nature of Transactions	Name of Company	Year ended 31.03.2020	Year ended 31.03.2019
	Mundra Solar PV Limited	-	0.59
	<b>Total</b>	<b>-</b>	<b>5.00</b>
	<b>Controlling Entity:</b>		
	Adani Enterprises Limited	-	0.54
	<b>Total</b>	<b>-</b>	<b>0.54</b>
	<b>Subsidiaries:</b>		
	Golden Valley Agrotech Private Limited	-	0.67
	<b>Total</b>	<b>-</b>	<b>0.67</b>
Employee Liability transfer from Related Party	<b>Entities under common control:</b>		
	Adani Agri Logistics (Katihar) Limited	-	0.07
	Adani Agri Logistics (MP) Limited	-	0.05
	Adani Agri Logistics Limited	-	0.52
	Adani Green Energy (Tamil Nadu) Limited	-	0.02
	Adani Ports and Special Economic Zone Limited	-	0.67
	Adani Power (Mundra) Limited	-	0.12
	Adani Transmission (India) Limited	-	0.02
	Mundra Solar PV Limited	-	0.08
	<b>Total</b>	<b>-</b>	<b>1.56</b>
	<b>Controlling Entity:</b>		
	Adani Enterprises Limited	-	4.28
	<b>Total</b>	<b>-</b>	<b>4.28</b>
Employee Loan transfer from Related Party	<b>Entities under common control:</b>		
	Adani Ports and Special Economic Zone Limited	-	0.22
	<b>Total</b>	<b>-</b>	<b>0.22</b>
	<b>Controlling Entity:</b>		
	Adani Enterprises Limited	-	0.46
	<b>Total</b>	<b>-</b>	<b>0.46</b>
Employee Loan transfer to Related Party	<b>Entities under common control:</b>		
	Adani Agri Logistics Limited	-	0.04
	Adani Green Energy (Tamil Nadu) Limited	0.09	-
	Adani Township & Real Estate Company Private Limited	0.28	-
	<b>Total</b>	<b>0.37</b>	<b>0.04</b>
Corporate Responsibility Payment	<b>Entities under common control:</b>		
	Adani Foundation	99.40	71.70
	<b>Total</b>	<b>99.40</b>	<b>71.70</b>
Sitting Fees to Non Executive Directors	Mr. Shyamal S. Joshi	0.01	0.10
	Dr. Chitra Bhatnagar	0.02	0.06
	<b>Total</b>	<b>0.03</b>	<b>0.16</b>
Remuneration	Mr. T.K. Kanan	39.90	43.29
	Mr. Angshu Mallick (upto 17 <sup>th</sup> June 2019)	3.44	34.04
	Mr. Atul Chaturvedi	-	22.88
	Mr. Shrikant Kanhere	12.51	11.91
	Mr. Darshil Lakhia	1.76	1.62
	<b>Total</b>	<b>57.61</b>	<b>113.74</b>

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## Terms and conditions of transactions with related parties:

- Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables except for Corporate Guarantees to Joint Venture as mentioned in Note 33.
- Remuneration does not include Provision for Leave Encashment and Gratuity as it is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified.
- All above figures are net of taxes wherever applicable.

## (iii) The amount of outstanding items pertaining to related parties as at 31<sup>st</sup> March 2020 are:

(₹ in Mn)

Particulars	Name of Company	As at 31.03.2020	As at 31.03.2019
Due From	<b>Entities under common control:</b>		
	Adani Agri Logistics (Katihar) Limited	-	0.07
	Adani Agri Logistics (MP) Limited	-	0.05
	Adani Agri Logistics Limited	-	0.56
	Adani Bunkering Private Limited	0.09	0.09
	Adani Hazira Port Private Limited	0.76	-
	Adani Infrastructure And Developers Private Limited	-	456.58
	Bangladesh Edible Oil Limited	-	11.91
	MPSEZ Utilities Private Limited	-	0.05
	Pyramid Wilmar Private Limited	2.82	2.86
	Wilmar (China) Oleo Co. Limited	115.18	-
	Wilmar Highpolymer Material (Lianyungang) Co. Limited	-	140.72
	Wilmar Japan Co. Limited	57.10	36.88
	Wilmar Marketing Clv Co. Limited	1.74	-
	Wilmar Nutrition (Jiangsu) Co. Limited	3.43	7.73
	Wilmar Oleo North America LLC	55.81	75.73
	Wilmar Trading (Asia) Pte Limited	-	301.40
	<b>Total</b>	<b>236.93</b>	<b>1,034.63</b>
	<b>Subsidiaries:</b>		
	Golden Valley Agrotech Private Limited	120.51	199.75
	<b>Total</b>	<b>120.51</b>	<b>199.75</b>
	<b>Joint Venture:</b>		
	AWN Agro Private Limited	-	0.28
	KOG-KTV Food Products India P Limited	0.01	-
	KTV Health Food Private Limited	0.75	57.75
	<b>Total</b>	<b>0.76</b>	<b>58.03</b>
	<b>Due From Total</b>	<b>358.20</b>	<b>1,292.41</b>
Due to	<b>Entities under common control:</b>		
	Adani Agri Fresh Limited	-	0.59
	Adani Gas Limited	-	0.01
	Adani Green Energy (Tamil Nadu) Limited	-	1.20

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## (iii) The amount of outstanding items pertaining to related parties (contd...)

(₹ in Mn)

Particulars	Name of Company	As at 31.03.2020	As at 31.03.2019
	Adani Hospitals Mundra Private Limited	0.03	0.36
	Adani Infra (India) Limited	-	456.26
	Adani International Container Terminal Private Limited	0.01	-
	Adani Logistics Limited	19.88	18.11
	Adani Ports and Special Economic Zone Limited	516.53	710.33
	Adani Power (Mundra) Limited	0.27	0.29
	Adani Power Limited	-	1.17
	Adani Properties Private Limited	8.09	0.02
	Adani Township & Real Estate Company Private Limited	0.75	0.84
	Adani Transmission (India) Limited	-	0.88
	Alfa Trading Limited	1,254.51	6.39
	Global Amines Co. Pte Limited	1.08	0.19
	Karnavati Aviation Private Limited	-	0.09
	Maharashtra Eastern Grid Power Transmission Co Limited	-	0.72
	Mundra Solar PV Limited	8.50	28.10
	Natural Oleochemicals Sdn Bhd	17.05	-
	PT. Wilmar Nabati, Indonesia	-	0.01
	Wilmar Europe Trading B.V.	1.79	-
	Wilmar Trading (Asia) Pte Limited	37.26	-
	Wilmar Trading Pte Limited	6,299.17	12,783.60
	<b>Total</b>	<b>8,164.92</b>	<b>14,009.16</b>
	<b>Controlling Entity:</b>		
	Adani Enterprises Limited	1.20	39.67
	Wilmar International Limited	68.10	5.64
	<b>Total</b>	<b>69.30</b>	<b>45.31</b>
	<b>Joint Venture:</b>		
	AWN Agro Private Limited	1.19	-
	Vishakha Polyfab Private Limited	20.05	154.59
	<b>Total</b>	<b>21.24</b>	<b>154.59</b>
	<b>Due To Total</b>	<b>8,255.46</b>	<b>14,209.06</b>
Deposit Receivable	<b>Entities under common control:</b>		
	Adani Ports and Special Economic Zone Limited	18.50	18.50
	<b>Deposit Receivable Total</b>	<b>18.50</b>	<b>18.50</b>
Unsecured Loan	<b>Joint Venture:</b>		
	AWN Agro Private Limited	120.30	120.30
	KOG-KTV Food Products (India) Private Limited	82.00	82.00
	KTV Health Food Private Limited	63.50	63.50
	Vishakha Polyfab Private Limited	265.00	265.00
	<b>Unsecured Loan Total</b>	<b>530.80</b>	<b>530.80</b>

(\* represents value less than ₹ 50,000)



## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

### Loans to Joint Ventures:

Particulars	As at 31.03.2020	Max. Balance	As at 31.03.2019	Max. Balance
<b>Joint Venture:</b>				
AWN Agro Private Limited	120.30	120.30	120.30	120.30
KOG-KTV Food Products (India) Private Limited	82.00	82.00	82.00	82.00
KTV Health food Private Limited	63.50	263.50	63.50	263.50
Vishakha Polyfab Private Limited	265.00	415.00	265.00	265.00

### 38: EMPLOYEE BENEFITS

The Company has made provision in the accounts for Gratuity based on actuarial valuation. The particulars under the Ind AS 19 "Employee Benefits" furnished below are those which are relevant and available to the Company for this year.

#### a) Contributions to Defined Contribution Plan, recognized as expense for the year are as under: (₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Provident Fund	91.83	81.99
Super Annuation Fund	1.88	2.19
<b>Total</b>	<b>93.71</b>	<b>84.18</b>

#### b) Defined Benefit Obligations:

The Company has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The scheme is funded with Life Insurance Corporation of India (LIC) and SBI Life Insurance Company Limited in form of a qualifying insurance policy for future payment of gratuity to the employees.

Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset - liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

**Investment Risk:** These Plans invest in long term debt instruments such as Government securities and highly rated corporate bonds. The valuation of which is inversely proportionate to the interest rate movements. There is risk of volatility in asset values due to market fluctuations and impairment of assets due to credit losses.

**Interest Risk:** The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Government securities. A decrease in yields will increase the fund liabilities and vice-versa.

**Longevity Risk:** The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary Risk:** The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

(₹ in Mn)

PARTICULARS	Gratuity (Funded)	
	Year ended 31.03.2020	Year ended 31.03.2019
<b>I. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation</b>		
Liability at the beginning of the Year	253.32	223.04
- Current Service Cost	34.48	29.78
- Interest Cost	19.29	17.33
- Employee Transfer in / transfer out (net)	-	(0.68)
- Benefit paid	(17.27)	(21.01)
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	(1.67)	(0.70)
- Change in financial assumptions	16.67	3.22
- Experience variance (i.e. Actual experience vs assumptions)	3.10	2.33
<b>Present Value of Defined Benefits Obligation at the end of the Year</b>	<b>307.91</b>	<b>253.32</b>
<b>ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan Assets</b>		
Fair Value of Plan assets at the beginning of the Year	155.36	137.99
Investment Income	11.83	10.76
Return on plan asset excluding amount recognized in net interest expenses	-	(8.97)
Employer's Contributions	30.91	28.31
Benefit paid	(17.27)	(12.73)
<b>Fair Value of Plan assets at the end of the Year</b>	<b>180.83</b>	<b>155.36</b>
<b>iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets</b>		
Present Value of Defined Benefit Obligations at the end of the Year	307.91	253.32
Fair Value of Plan assets at the end of the Year	180.83	155.36
<b>Net Asset / (Liability) recognized in balance sheet as at the end of the year</b>	<b>(127.08)</b>	<b>(97.96)</b>
<b>iv. Gratuity Cost for the Year</b>		
Current service cost	34.48	29.78
Interest cost	19.29	17.33
Investment income	(11.83)	(10.76)
<b>Net Gratuity cost</b>	<b>41.94</b>	<b>36.36</b>
<b>v. Other Comprehensive income</b>		
Change in demographic assumptions	(1.67)	(0.70)
Change in financial assumptions	16.67	3.22
Experience variance (i.e. Actual experience vs assumptions)	3.10	2.33
Return on plan assets, excluding amount recognized in net interest expense	-	8.97
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>18.09</b>	<b>13.82</b>
<b>vi. Actuarial Assumptions</b>		
Discount Rate (per annum)	6.70%	7.60%
Annual Increase in Salary Cost	8%	8%
Mortality Rate During employment	100% of IALM 2012-14	100% of IALM 2006-08
Normal retirement age	58 Years	58 Years
Attrition Rate	11%	10%

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

### vii. Sensitivity Analysis

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

(₹ in Mn)		
Particulars	As at 31.03.2020	As at 31.03.2019
Defined Benefit Obligation (Base)	307.91	253.32

(₹ in Mn)				
Particulars	As at 31-03-2020		Aa at 31-03-2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	19.40	(17.39)	16.25	(14.55)
(% change compared to base due to sensitivity)	6.3%	(5.6%)	6.4%	(5.7%)
Salary Growth Rate (- / + 1%)	(17.34)	18.97	(14.63)	16.03
(% change compared to base due to sensitivity)	(5.6%)	6.2%	(5.8%)	6.3%
Attrition Rate (- / + 50%)	11.37	(7.52)	3.96	(3.04)
(% change compared to base due to sensitivity)	3.7%	(2.4%)	1.6%	(1.2%)
Mortality Rate (- / + 10%)	0.03	(0.03)	0.01	(0.01)
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

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.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

### viii. Effect of Plan on Entity's Future Cash Flows

#### a) Funding arrangements and Funding Policy

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

#### b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is ₹162.31 Mn (previous year ₹127.79 Mn).

#### c) Maturity Profile of Defined Benefit Obligation

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 6 years (31<sup>st</sup> March 2019: 6 years). The expected maturity analysis of gratuity benefits is as follows:

Expected cash flows over the next (valued on undiscounted basis):			(₹ in Mn)
Particulars	As at 31.03.2020	As at 31.03.2019	
1 year	57.29	44.60	
2 to 5 years	137.84	117.00	
6 to 10 years	138.11	122.86	
More than 10 years	162.03	161.16	

### ix. Risk Exposure and Asset Liability Matching

Through its defined benefit plan of Gratuity, the Company is exposed to its number of risks, viz. asset volatility, changes in return on assets, inflation risks and life expectancy. The Company has purchased insurance policy, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The Insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

### c) Compensated absences / leaves

Other long term employee benefits comprise of compensated absences / leaves, which are recognized based on actuarial valuation. The actuarial liability for compensated absences as at the year ended 31<sup>st</sup> March, 2020 is ₹ 181.97 Mn (31<sup>st</sup> March 2019: ₹ 141.19 Mn).

### 39: DUES TO MICRO AND SMALL ENTERPRISES

Under the Micro Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 2<sup>nd</sup> October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below.

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
The Principal amount and the interest remaining unpaid to any supplier as at the end of accounting year:		
- Principal	60.80	1.78
- Interest	Nil	Nil
The amount of interest paid by the buyer under the Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
The amount of interest due and payable for the year (where the principal has been paid but interest under the Act not paid);	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of accounting year; and	Nil	Nil
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

### 40: LEASES

#### i) Transition to Ind AS 116 Leases:

The Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified Ind AS 116 Leases ('Ind AS 116') which replaces the existing lease standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective 1<sup>st</sup> April, 2019, the Company has adopted Ind AS 116 - Leases and applied the standard to all lease contracts existing on 1<sup>st</sup> April, 2019 using the modified retrospective method. The Company has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments / accruals recognized in the balance sheet as on 31<sup>st</sup> March, 2019. There is no impact on retained earnings as on 1<sup>st</sup> April, 2019.

"The Company has elected below practical expedients on transition to Ind AS 116:

1. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
2. Applied the exemption not to recognize right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.
4. Elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Company relied on its assessment made applying Ind AS 17 Leases.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration."

The Company has adopted Ind AS 116, effective annual reporting period beginning 1<sup>st</sup> April, 2019 and applied the standards to its leases, prospectively, applying the standards on initial application without making any adjustment to opening balance of retained earnings.

The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.

The weighted average incremental borrowing rate applied to lease liabilities as at 1<sup>st</sup> April, 2019 is 9.70%.

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

### ii) The movement in Lease liabilities during the year ended 31<sup>st</sup> March, 2020

(₹ in Mn)

Particulars	Land Building	Warehouse Building	Office & Guest House Building	Plant & Machinery	Right of Way	Total
Balance as at 1 <sup>st</sup> April, 2019 (adoption of Ind AS 116)	41.48	447.50	226.01	3.42	40.16	758.56
Additions on account of transition on April 01, 2019	-	-	-	-	-	-
Additions during the year	296.53	237.50	4.50	-	-	538.53
Terminated during the year	-	13.84	2.45	-	-	16.29
Finance costs incurred during the year (refer note 30 & 34)	8.68	44.62	19.29	0.08	3.50	76.17
Payments of Lease Liabilities	15.17	238.85	56.19	3.50	4.55	318.26
<b>Balance as at 31<sup>st</sup> March, 2020 (refer note 18 &amp; 22)</b>	<b>331.51</b>	<b>476.93</b>	<b>191.16</b>	<b>-</b>	<b>39.11</b>	<b>1038.71</b>

### iii) The carrying value of the Rights-of-use and depreciation charged during the year - Refer Note 3 (b)

#### iv) Amount Recognised in Profit & Loss Account during the Year

(₹ in Mn)

Particulars	As at 31-03-2020
Expenses relating to short-term leases, Low value assets & variable lease payments	133.94
	<b>133.94</b>
<b>v) Amounts recognized in statement of cash flows</b>	
Cash Flow From Investing Activities	
Upfront payment for ROU Assets	(48.41)
Proceeds on Termination of ROU Assets (Net of Liability)	(0.61)
Cash Flow From Financing Activities	
Repayment of Lease Liabilities	(318.26)
	<b>(367.28)</b>
<b>vi) Maturity analysis of lease liabilities</b>	
Maturity Analysis of contractual undiscounted cash flows	
Less than one year	261.05
One to five years	622.88
More than five years	1,453.28
<b>Total undiscounted lease liabilities</b>	<b>(2,337.21)</b>
<b>Balances of Lease Liabilities</b>	
Non-Current lease liabilities	787.78
Current lease liabilities	250.93

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 41: CONTRACT BALANCES

Reconciliation the amount of revenue recognized in the statement of profit and loss with the contracted price: (₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Revenue as per contracted price	297,295.50	288,081.51
<b>Adjustments</b>		
Returns	1,040.36	576.48
Discounts, Promotional Schemes etc.	395.05	485.17
Revenue from contract with customers	<b>295,860.09</b>	<b>287,019.86</b>

## 42: CORPORATE SOCIAL RESPONSIBILITY

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

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Amount required to be spent as per Section 135 of the Companies Act, 2013	99.33	71.76
Amount Spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	101.15	71.80
<b>Total</b>	<b>101.15</b>	<b>71.80</b>

## 43: FINANCIAL INSTRUMENTS, FAIR VALUE MEASUREMENTS, FINANCIAL RISK AND CAPITAL MANAGEMENT

### A) Financial Assets and Liabilities

The Company's principal financial assets include loans and trade receivables, investments, cash and cash equivalents and other receivables. The Company's principal financial liabilities other than derivatives comprise of borrowings, provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and projects.

### B) Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

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

Level-2: Inputs are other than quoted prices included within Level-1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level-3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

### C) Disclosure of fair value measurement and fair value hierarchy for financial assets and liabilities

The following tables summarizes carrying amounts of financial instruments by their categories and their levels in fair value hierarchy for each year end presented.

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

As at 31<sup>st</sup> March, 2020

(₹ in Mn)

Particulars	Refer Note	Fair Value through profit or loss		Total cost
		Level-2	Amortized	
<b>Financial Assets</b>				
Investments	4	17.28	32.68	49.96
Cash and cash equivalents	10	-	3,458.37	3,458.37
Other Bank Balance	11	-	10,706.12	10,706.12
Trade Receivables	9	-	9,218.64	9,218.64
Loans	5 & 12	-	758.94	758.94
Derivative Assets	13	2,734.47	-	2,734.47
Other Financial assets	6 & 13	-	343.72	343.72
<b>Total</b>		<b>2,751.75</b>	<b>24,518.47</b>	<b>27,270.22</b>
<b>Financial Liabilities</b>				
Borrowings	17 & 20	-	21,612.18	21,612.18
Trade Payables	21	-	56,957.98	56,957.98
Derivative Liability	22	39.41	-	39.41
Other Financial Liabilities (Other than Derivative liability)	18 & 22	-	6,628.69	6,628.69
<b>Total</b>		<b>39.41</b>	<b>85,198.85</b>	<b>85,238.26</b>

As at 31<sup>st</sup> March, 2019

(₹ in Mn)

Particulars	Refer Note	Fair Value through profit or loss		Total cost
		Level-2	Amortized	
<b>Financial Assets</b>				
Investments	4	15.76	32.68	48.44
Cash and cash equivalents	10	-	780.08	780.08
Other Bank Balance	11	-	11,112.67	11,112.67
Trade Receivables	9	-	12,615.33	12,615.33
Loans	5 & 12	-	727.31	727.31
Derivative Assets	13	2,129.49	-	2,129.49
Other Financial assets (Other than Derivative Assets)	6 & 13	-	214.69	214.69
<b>Total</b>		<b>2,145.25</b>	<b>25,482.76</b>	<b>27,628.01</b>
<b>Financial Liabilities</b>				
Borrowings	17 & 20	-	17,409.18	17,409.18
Trade Payables	21	-	66,148.00	66,148.00
Derivative Liability	22	921.62	-	921.62
Other Financial Liabilities (Other than Derivative liability)	18 & 22	-	5,143.92	5,143.92
<b>Total</b>		<b>921.62</b>	<b>88,701.10</b>	<b>89,622.72</b>



# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## Note:

- a) Investment excludes Investment in Subsidiaries, Joint Ventures and Associates.
- b) Carrying amounts of current financial assets and liabilities as at the end of the each year presented approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other non-current financial assets and liabilities subsequently measured at amortized cost is not significant in each of the year presented.

## D) Financial Instruments and Financial Risk Review

The company's Financial Risk management is an integral part of how to plan and execute its business strategies. The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

In the ordinary course of business, the Company is mainly exposed to risks resulting from interest rate movements (Interest rate risk), Commodity price changes (Commodity risk) and exchange rate fluctuation (Currency risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Company's senior management oversees the management of these risks.

### (i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: Commodity risk, interest rate risk, currency risk and price risk.

#### a) Commodity risk

The price of agriculture commodities are subject to wide fluctuations due to unpredictable factors such as weather, government policies, change in global demand and global production of similar and competitive crops. During its ordinary course of business, the value of company's open sale and purchase commitments and inventory of raw material changes continuously in line with movement in the prices of the underlying commodities. To the extent that its open sales and purchase commitments do not match at the end of each business day, the company is subjected to price fluctuations in the commodities market.

While the company is exposed to fluctuations in agricultural commodities prices, its policy is to minimize its risks arising from such fluctuations by hedging its sales either through direct purchases of similar commodity or through futures contracts on the commodity exchanges.

In the course of hedging its sales either through direct purchases or through futures contracts, the company may also be exposed to the inherent risk associated with trading activities conducted by its personnel. The company has in place a risk management system to manage such risk exposure.

#### b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Company's risk management activities are subject to the management, direction and control of Treasury Team under the framework of Risk Management Policy for interest rate risk. The treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and mitigated in accordance with the Company's policies and risk objectives.

For Company's total borrowings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
Total Borrowings	23,002.75	18,294.56
% of borrowings out of above bearing variable rate of interest	100%	100%

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

In case of fluctuation in interest rates by 50 basis points and all other variable were held constant, the Company's profit for the year would increase or decrease as follows:

(₹ in Mn)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
50 bps increase would decrease the profit before tax by	(115.01)	(91.47)
50 bps decrease would Increase the profit before tax by	115.01	91.47

### c) Currency risk

The company operates internationally and portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies.

The company evaluates exchange rate exposure arising from foreign currency transactions and company follows established risk management policies including the use of derivatives like foreign exchange forward and options to hedge exposure to foreign currency risks.

#### i) Particulars of Foreign Currency Derivatives outstanding as at Balance Sheet date.

( Foreign Currency in Mn)

Sr. No.	Particulars	Purpose	As at 31.03.2020	As at 31.03.2019
1	Forward Contract to Sell EURO	Hedging of Trade Receivables	4.29	5.55
2	Forward Contract to Buy USD	Hedging of Trade Credits, Acceptances & Loan	353.16	452.76
3	Option Contract to Buy USD	Hedging of Trade Credits & Acceptances	14.81	-

Derivative financial instruments such as foreign exchange contracts are used for hedging purpose and not as trading or speculative instrument.

#### ii) Particulars of unhedged foreign currency exposures as at Reporting date.

(Foreign Currency in Mn.)

Particulars	As at 31.03.2020			As at 31.03.2019		
	USD	EURO	GBP	USD	EURO	GBP
Trade Receivable	16.67	-	-	34.84	-	-
Trade Payable	242.74	0.45*	-	231.29	1.32*	-
Loan Payable	36.52	-	-	-	-	-
Interest Payable	2.70	-	-	2.97	-	-

(\*represents value less than 50,000)

#### iii) Foreign Currency Sensitivity Analysis

5% Increase or decrease in foreign exchange rates will have following impact on Profit before tax.

(₹ in Mn.)

Particulars	2019-20		2018-19	
	5% Increase	5% Decrease	5% Increase	5% Decrease
1) USD	(1,003.67)	1,003.67	(679.28)	679.28
2) EURO	(1.86)	1.86	(5.13)	5.13
"Increase / (decrease ) in profit or loss"	(1,005.53)	1,005.53	(684.41)	684.41

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

### iv) Closing rates

Currency	As at 31.03.2020	As at 31.03.2019
INR / USD	75.50	69.50
INR / EURO	82.00	77.25
INR / GBP	93.25	90.50

### i) Price risk

The Company's exposure to price risk is the investment in mutual funds and classified in the balance sheet as fair value through profit or loss. Management monitors the prices closely to mitigate its impact on profit and cash flows. Since these investments are insignificant, the exposure to equity price changes is minimal.

### ii) Credit risk

Credit risk refers to the risk that a counter party or customer will default on its contractual obligations resulting in a loss to the Company. Financial instruments that are subject to credit risk principally consist of Loans, Trade and Other Receivables, Cash & Cash Equivalents, Investments and Other Financial Assets. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of counter parties on continuous basis with appropriate approval mechanism for sanction of credit limits.

### Other Financial Assets

Credit risk from balances with banks, financial institutions and investments is managed by the Company's treasury team in accordance with the Company's risk management policy. Cash and cash equivalents and Bank deposits are placed with banks having good reputation, good past track record and high quality credit rating.

### Trade Receivables

Credit risk on receivables is limited as almost majority of credit sales are against security deposits, advances, cheques and guarantees of banks of national standing. Moreover, given the diverse nature of the Company's businesses trade receivables are spread over a number of customers with no significant concentration of credit risk.

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' are those that have not been settled within the terms and conditions that have been agreed with that customer.

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

### Movement in expected credit loss allowance on trade receivables

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
Opening Balance of Credit Losses	2.88	4.80
Changes during the year	1.27	(1.92)
Closing Balance of Credit Losses	4.16	2.88

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

### (iii) Liquidity risk

Liquidity risk refers the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

#### Maturity profile of financial liabilities:

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

As at 31<sup>st</sup> March, 2020

(₹ in Mn)

Particulars	Refer Note	Less than 1 year	1 to 5 year	More than 5 years	Total
Borrowings	17, 20 & 22	11,554.59	10,976.12	543.30	23,074.01
Trade Payables	21	56,957.98	-	-	56,957.98
Lease Finance Liability	18 & 22	261.05	622.88	1,453.28	2,337.21
Other Non Current Financial Liabilities	18	-	2,518.66	-	2,518.66
Derivative Instruments	22	39.41	-	-	39.41
Other Current Financial Liabilities	22	1,680.76	-	-	1,680.76
		<b>70,493.79</b>	<b>14,117.66</b>	<b>1,996.58</b>	<b>86,608.03</b>

As at 31<sup>st</sup> March, 2019

(₹ in Mn)

Particulars	Refer Note	Less than 1 year	1 to 5 year	More than 5 years	Total
Borrowings	17, 20 & 22	8,660.75	7,240.12	2,463.72	18,364.59
Trade Payables	21	66,148.00	-	-	66,148.00
Lease Finance Liability	18 & 22	-	-	-	-
Other Non Current Financial Liabilities	18	-	2,425.31	-	2,425.31
Derivative Instruments	22	921.62	-	-	921.62
Other Current Financial Liabilities	22	1,833.23	-	-	1,833.23
		<b>77,563.59</b>	<b>9,665.43</b>	<b>2,463.72</b>	<b>89,692.74</b>

### E) Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. The capital structure of the Company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain creditors and market confidence.

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

The Company monitors capital using gearing ratio, which is net debt (borrowing less cash and bank balances) divided by total capital plus debt.

(₹ in Mn)

Particulars	As at 31.03.2020	As at 31.03.2019
Total Borrowings (Note 17,20 & 22)	23,002.75	18,294.56
Less: Cash and Bank Balances (Note 10 & 11)	14,164.48	11,892.75
Net Debt (A)	8,838.27	6,401.81
Total Equity (B)	24,123.53	20,189.27
Total Equity and Net Debt (C) = A + B	32,961.80	26,591.08
Gearing Ratio (A/C)	27%	24%

Management monitors the return on capital, as well as the level of dividends to equity shareholders. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. No changes were made in the objectives, policies or processes for managing capital during the years ended 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2019.

### 44: PURSUANT TO PARA B14 OF IND AS 112, DISCLOSURE OF INTEREST IN OTHER ENTITIES, FOLLOWING IS THE DISCLOSURE RELATING TO JOINT VENTURES OF THE ENTITY.

#### Jointly Controlled Entities

The aggregate amount of assets, liabilities, income and expenditure of the Joint Ventures are as given below: (₹ in Mn)

Particulars	KOG KTV Food Products (India) Private Limited		K.T.V. Health Food Private Limited	
	2019-20 (Unaudited)	2018-19 (Audited)	2019-20 (Unaudited)	2018-19 (Audited)
% of ownership interest	50%	50%	50%	50%
Liabilities	2,602.12	4,201.70	7,153.34	8,084.56
Assets	3,707.01	4,879.30	8,932.18	9,314.21
Income	9,902.60	12,070.80	24,303.54	27,458.71
Expenditure	9,475.36	12,008.70	23,754.35	27,227.85
Profit / (Loss) for the year	427.24	62.10	549.19	230.86
Contingent Liabilities (net)	70.39	70.90	9.68	4.68
Capital Commitments	2.53	-	0.40	1.75

(₹ in Mn)

Particulars	Vishakha Polyfab Private Limited		AWN Agro Private Limited	
	2019-20 (Unaudited)	2018-19 (Audited)	2019-20 (Unaudited)	2018-19 (Audited)
% of ownership interest	50%	50%	50%	50%
Liabilities	2,271.04	1,684.63	270.55	270.80
Assets	3,232.61	2,497.58	7.24	7.93
Income	2,840.82	3,133.18	-	-
Expenditure	2,692.21	3,014.85	0.44	0.75
Profit / (Loss) for the year	148.61	118.33	(0.44)	(0.75)
Contingent Liabilities (net)	5.14	6.72	1.32	1.32
Capital Commitments	20.60	1,127.50	-	-

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March 2020

## 45: OTHER NOTES

- a) i) Sales Tax incentive benefits of ₹ Nil (previous year ₹ 29.11 Mn ) under IIPP 2010-2015 scheme have been recognized on the accrual basis.
- ii) Electricity Duty benefit under Fiscal Incentive Scheme under FIIP (R) 2013 of ₹ NIL (previous year ₹ 0.40 Mn ) has been recognized on accrual basis.
- iii) Sales Tax Incentives of ₹ 40.42 Mn (previous year ₹ NIL Mn) and Export Incentive of ₹ NIL (previous year ₹ 63.78 Mn ) recognized in earlier years on accrual basis have been reversed as management does not expect realization of the same.
- b) Property, plant and equipment installed and put to use have been certified by the management and relied on by the auditor being a technical matter.
- c) The company has continued to franchise own team in Kabaddi named Gujarat Fortune Giants in Pro-Kabaddi League to promote indigenous sports and healthy lifestyle. The related expenses are accounted based on it's nature in the Statement of Profit and Loss.

**46:** Details of Loans given, Investments made and Guarantee given or security provided covered u/s 186 (4) of the Companies Act, 2013 are given under respective heads (refer notes 5, 12 and 33).

**47:** On 20<sup>th</sup> September, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 1<sup>st</sup> April, 2019, subject to certain conditions. The Company has decided not to opt the reduced corporate tax rates effective from 1<sup>st</sup> April, 2019.

**48:** Due to outbreak of COVID-19 globally and in India, the Company's management has made initial assessment of impact on business and financial risks on account of COVID-19. Considering that the Company is in the business of manufacturing of Essential commodities, the management believes that the impact of this outbreak on the business and financial position of the Company will not be significant. The management does not see any medium to long term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they falls due.

## 49: Event occurring after the Balance Sheet date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and / or reporting of any of these events and transactions in the financial statements. As of 5<sup>th</sup> May, 2020, there are no subsequent events to be recognized or reported that are not already disclosed.

## 50: Approval of Financial Statements

The financial statements of the Company for the year ended 31<sup>st</sup> March, 2020 were authorized for issue in accordance with a resolution of the directors on 5<sup>th</sup> May, 2020.

### As per our attached report of even date

For, **SHAH DHANDHARIA & CO.**  
Chartered Accountants  
Firm Registration No.: 118707W

#### HARSHIL SHAH

Partner  
M. No.: 181748

Place : Ahmedabad  
Date : 5<sup>th</sup> May, 2020

### For and on behalf of the Board of Directors

**T. K. KANAN**  
CEO & Managing Director  
DIN: 00020968

**SHRIKANT KANHERE**  
Chief Financial Officer

Place : Ahmedabad  
Date : 5<sup>th</sup> May, 2020

**PRANAV ADANI**  
Director  
DIN: 00008457

**DARSHIL LAKHIA**  
Company Secretary

NOTES



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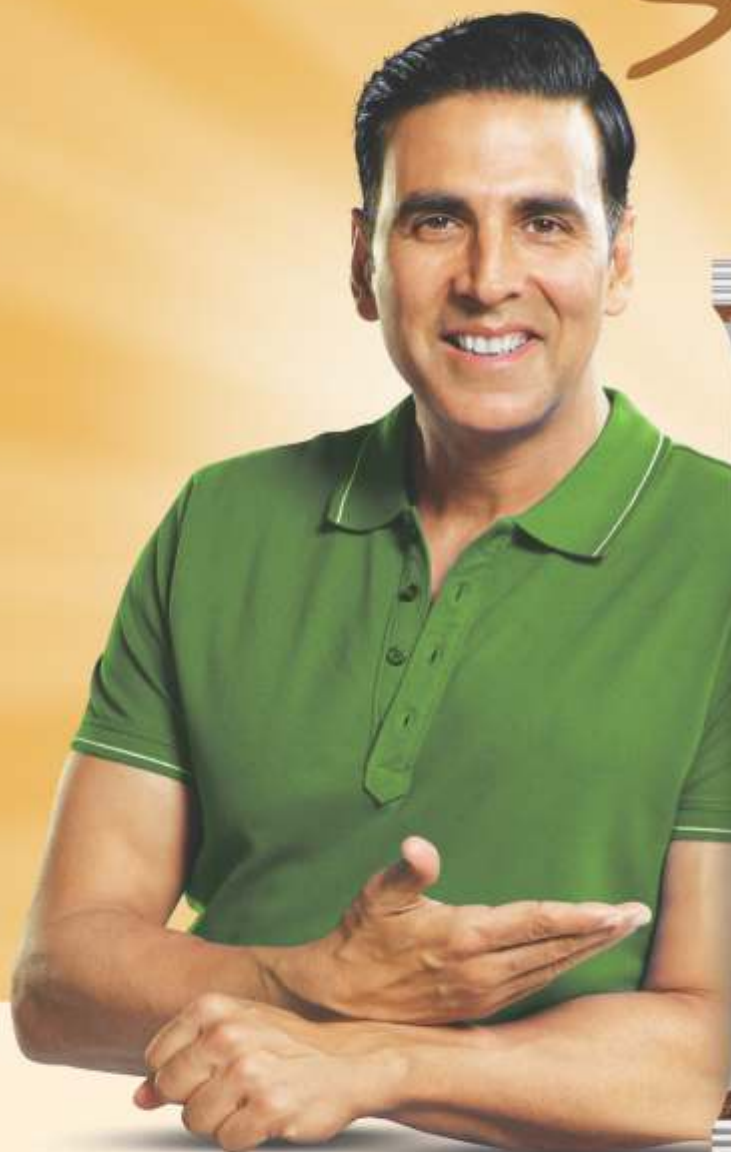
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