

INDEPENDENT AUDITOR'S REPORT

To the Members of Adani Petronet (Dahej) Port Private Limited

Report on the Financial Statements

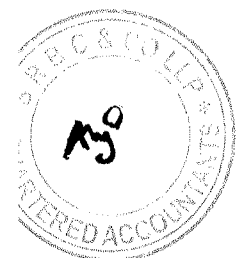
We have audited the accompanying financial statements of Adani Petronet (Dahej) Port Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



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- (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 26 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts - Refer Note 7 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E



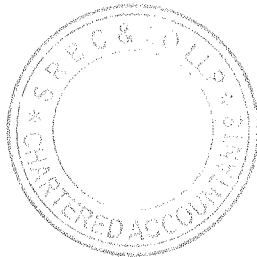
per Arpit K. Patel

Partner

Membership Number: 34032

Ahmedabad

April 23, 2015



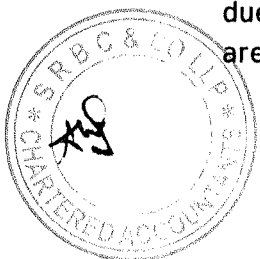
SRBC & CO LLP

Chartered Accountants

Annexure referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements of our report of even date

Re: Adani Petronet (Dahej) Port Private Limited (the "Company")

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- ii) a) The inventory of stores and spares has been physically verified by the management during the year. In our opinion, the frequency of such physical verification is reasonable.
- b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause (iii) (a) & (b) of the Order are not applicable to the Company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business, for the purchase of inventory and fixed assets and for rendering of services. The activities of the Company do not involve sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- v) The Company has not accepted any deposit from the public.
- vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the services of the Company.
- vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales tax, service tax, customs duty, excise duty, value added taxes, cess and other material statutory dues applicable to it. The provisions of wealth tax and employees' state insurance are not applicable to the Company.



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b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.

c) According to the records of the Company, the dues outstanding of service tax on account of dispute are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax	4,520.09	October 2007 to September 2011	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
		279.50	October 2011 to March 2013	Commissioner of Service Tax, Ahmedabad

d) According to the information and explanations given to us, the provisions of investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder are not applicable to the company.

- viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks and financial institution. The Company did not have any outstanding dues in respect of debenture holders during the year.
- x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.



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- xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E



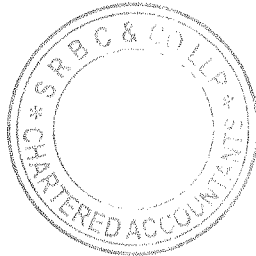
per Arpit K. Patel

Partner

Membership Number: 34032

Ahmedabad

April 23, 2015



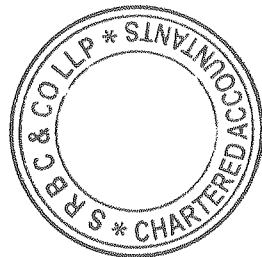
ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2015

PARTICULARS	Notes	March 31, 2015 ₹ In Lacs	March 31, 2014 ₹ In Lacs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	3	34,615.38	34,615.38
Reserves and surplus	4	12,887.67	4,338.04
Sub Total		47,503.05	38,953.42
NON-CURRENT LIABILITIES			
Long-term borrowings	5	48,556.79	58,212.66
Deferred tax liabilities (net)	6	7,359.95	-
Long-term provisions	7	7,406.88	7,528.09
Sub Total		63,323.62	65,740.75
CURRENT LIABILITIES			
Short-term borrowings	8	960.00	-
Trade payables	9	1,941.93	1,250.48
Other current liabilities	10	12,575.35	5,960.00
Short-term provisions	7	806.59	1,947.75
Sub Total		16,283.87	9,158.23
Total		1,27,110.54	1,13,852.40
ASSETS			
NON CURRENT ASSETS			
Fixed assets			
(i) Tangible assets	11	1,05,514.89	94,108.95
(ii) Intangible assets	11	98.36	90.19
(iii) Capital work-in-progress	34	2,752.54	1,768.24
Sub Total		1,08,365.79	95,967.38
Non-current investments	12	1,733.00	1,733.00
Loans and advances	13	4,934.88	1,124.67
Trade receivable	15	1,443.66	6,368.57
Other non current assets	16	113.03	428.91
Sub Total		1,16,590.36	1,05,622.53
CURRENT ASSETS			
Inventories	14	1,779.68	1,088.70
Trade receivables	15	7,143.13	4,042.33
Cash and bank balances	17	885.53	2,378.42
Loans & advances	13	339.54	543.65
Other current assets	16	372.30	176.77
Sub Total		10,520.18	8,229.87
Total		1,27,110.54	1,13,852.40
Summary of significant accounting policies.	2.1		

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S R B C & CO LLP
ICAI Firm Registration No.: 324982E
Chartered Accountants


per Arpit K. Patel
Partner
Membership No. 34032




Place : Ahmedabad
Date : April 23, 2015


For and on behalf of the Board of Directors of
Adani Petronet (Dahej) Port Private Limited

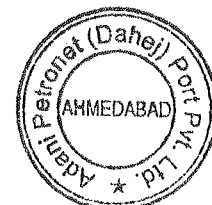

G.J. Rao
Managing Director
DIN: 01724002


Kamlesh Bhagia
Company Secretary

Place : Ahmedabad
Date : April 23, 2015


B. Ravi
Director
DIN: 00160891


Kapil Patel
Chief Financial Officer



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ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

PARTICULARS	Notes	March 31, 2015	March 31, 2014
		₹ In Lacs	₹ In Lacs
Revenue from operations	18	48,467.59	28,882.92
Other income	19	644.23	963.99
Total revenue		49,111.82	29,846.91
Expenses			
Operating expense	20	15,536.57	10,135.11
Employee benefits expense	21	1,049.99	928.19
Depreciation and amortisation expense	11	5,270.13	4,875.35
Finance cost	22	5,514.37	8,399.36
Other expense	23	1,622.97	1,056.51
Total expenses		28,994.03	25,394.52
Profit for the year before taxation		20,117.79	4,452.39
Tax expense:			
- Current tax - MAT		4,211.98	933.66
- Excess provision written back related to previous year		(25.73)	-
- Deferred tax charge		7,367.41	2,245.74
Profit for the year		8,564.13	1,272.99
Basic and diluted earnings per equity share (in ₹) of face value of ₹10 each	24	2.47	0.37
Summary of significant accounting policies.	2.1		

The accompanying notes are an integral part of the financial statements


As per our report of even date

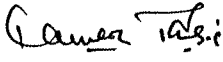
For S R B C & CO LLP
ICAI Firm Registration No.: 324982E
Chartered Accountants

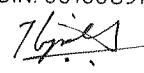
For and on behalf of the Board of Directors of
Adani Petronet (Dahej) Port Private Limited


per Arpit K. Patel
Partner
Membership No. 34032

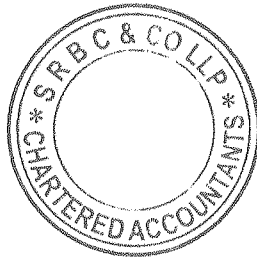

G.J. Rao
Managing Director
DIN: 01724002


B. Ravi
Director
DIN: 00160891

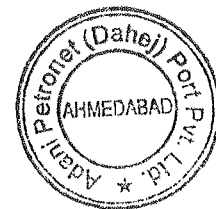

Kamlesh Bhagia
Company Secretary


Kapil Patel
Chief Financial Officer

Place : Ahmedabad
Date : April 23, 2015



Place : Ahmedabad
Date : April 23, 2015



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ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Particulars	March 31, 2015	March 31, 2014
	₹ in Lacs	₹ in Lacs
Cash flow from operating activities		
Profit before tax as per statement of profit and loss		
Adjustments for:	20,117.79	4,452.39
Loss on sale / discard of fixed assets (net)		
Excess provision written back	70.56	16.79
Depreciation and amortisation	(23.86)	(21.00)
Interest income	5,270.13	4,875.35
Income from dividend	(19.71)	(134.42)
Interest expense	(22.42)	(81.53)
Unrealised (gain)/loss on derivative swap contracts (net)	6,737.64	4,537.60
Bad debts for doubtful debts and other recoverables provided/(reversed)	(1,280.97)	3,818.28
	8.23	(2.04)
Operating profit before working capital changes	30,857.39	17,461.42
Movements in working capital :		
Decrease/(increase) in trade receivables		
(Increase) in inventories	1,824.11	(5,939.07)
(Increase)/Decrease in long term loans and advances	(690.98)	(638.94)
Decrease in short term loans and advances	(71.66)	1,508.75
Decrease/(increase) in other current assets	195.88	1,328.44
Increase/(Decrease) in trade payables	128.09	(443.51)
(Decrease) in other current liabilities	691.45	(301.22)
Increase in provisions	(1,245.89)	(879.59)
Cash generated from operations	18.61	4.58
Direct taxes paid (net)	31,707.00	12,100.86
Net cash flow from operating activities (A)	(4,435.60)	(2,299.85)
	27,271.40	9,801.01
Cash flows from investing activities		
Purchase of fixed assets (Including capital work In progress and capital advances)	(19,758.50)	(6,712.46)
Proceeds from sale of fixed assets		
Interest received	6.04	0.35
Purchase of investment in Mutual Fund	20.32	176.70
Proceeds from sale of investment in Mutual Fund	(15,747.42)	(11,881.53)
Income from dividend	15,747.42	11,881.53
Deposit/realisation of margin money	22.42	81.53
	(62.74)	763.40
Net cash inflow (used in) investing activities (B)	(19,772.46)	(5,690.48)
Cash flows from financing activities		
Proceeds long-term borrowing		
Repayment of long-term borrowings	618.95	
Proceeds from inter corporate deposit	(4,030.65)	(696.06)
Repayment of intercorporate deposit	7,110.00	
Interest paid	(6,150.00)	
	(6,594.52)	(4,567.50)
Net cash flow (used in) financing activities (C)	(9,046.22)	(5,263.56)
Net increase / (decrease) in cash & cash equivalents (A + B + C)	(1,547.28)	(1,153.03)
Cash & cash equivalents at the beginning of the year	2,216.09	3,369.12
Cash & cash equivalents at the end of the year (Refer note-17)	668.81	2,216.09

Notes :

Component of Cash and Cash equivalents

Cash on Hand

Balance with Schedule Banks :

On Current Accounts

Total cash and cash equivalents (Note-17)

Margin money deposits (restricted Cash) (Note-17)

Summary of significant accounting policies 2.1

The accompanying note are an integral part of the financial statements

(1) The Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

As per our report of even date

For S R B C & CO LLP

Firm Registration No.: 324982E

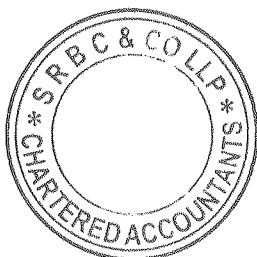
Chartered Accountants

Arpit K. Patel

per Arpit K. Patel

Partner

Membership No. 34032



Place : Ahmedabad

Date : April 23, 2015

For and on behalf of the Board of Directors of
Adani Petronet (Dahej) Port Private Limited

G.J. Rao

G.J. Rao

Managing Director

DIN: 01724002

Kamlesh Bhagia

Kamlesh Bhagia

Company Secretary

Place : Ahmedabad

Date : April 23, 2015

B. Ravi

B. Ravi

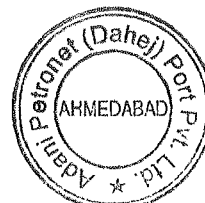
Director

DIN: 00160891

Kapil Patel

Kapil Patel

Chief Financial Officer



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1 Corporate information

Adani Petronet (Dahej) Port Private Limited ('APPPL', 'the Company', 'JVC'), is a joint venture between Petronet LNG Limited and Adani Ports and Special Economic Zone Limited. The JVC was formed for undertaking the development of a Solid Cargo Port Terminal ('the Project', 'SCPT') at Dahej, Gujarat for commercial use on a 30-year concession under the built-own-operate-transfer (BOOT) policy framework of the Gujarat Ports Policy, 1995. The Company has entered into Sub-Concession agreement with Gujarat Maritime Board and Petronet LNG Limited for development of Solid Cargo Port Terminal with effect from January 3, 2007 and the end date of the concession is January 2, 2035. The Gujarat Maritime Board had earlier granted Concession to Petronet LNG Limited to develop, operate and maintain Solid Cargo Port Terminal at Dahej on December 20, 2005.

The Commercial operations of the port facilities were commenced from September 1, 2010 although company continue to expand the port facilities to handle more cargo.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for the change in accounting policy explained below.

2.1 Summary of Significant Accounting Policies

a) Change in Accounting Policy

i) Depreciation on Fixed Assets

Till the year ended March 31, 2014, Schedule XIV of the Companies Act, 1956, prescribed requirements concerning depreciation of the Fixed Assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in following changes related to depreciation of fixed assets unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

ii) Useful lives and Depreciation rates

Till The year ended March 31, 2014, Depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to change depreciation at lower rates even if such lower rate were justified by the estimated useful life of the asset.

Schedule II of the Companies Act 2013 prescribes useful lives of the fixed assets which, in many cases are different from the lives prescribed under erstwhile Schedule XIV. However Schedule II allows companies to use higher / lower lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in financial statement.

Considering the applicability of Schedule II, the management has internally technically reestimated and changed, wherever necessary the useful lives and residual values of fixed assets to compute depreciation, to conform to the requirement of the Companies Act, 2013 and other consideration as applicable. In respect of intangibles, management has reestimated useful life of software applications from 3 years to 5 years.

Due to this change in useful lives and residual value of assets the depreciation charge of ₹ 14.50 lacs (net of deferred tax) has been recognised in the opening balance of retained earning for the assets where estimated remaining useful lives was NIL as at April 01, 2014, and the depreciation charge is lower by ₹ 252.01 lacs for the year ended March 31, 2015.

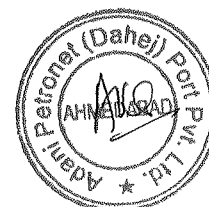
iii) Depreciation on assets costing less than ₹ 5000

Till year ended March 31, 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the Company was charging 100% depreciation on assets costing less than ₹ 5000 in the year of purchase. However Schedule II of the Companies Act, 2013 applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II to the Companies Act, 2013, the Company has changed its accounting policy for depreciation of assets costing less than ₹ 5000. As per the revised policy, the Company has depreciated such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy from accounting period commencing on or after April 01, 2014.

The change in accounting policy for depreciation of assets costing less than ₹ 5000 did not have any material impact on financial statements of the Company for the current year.

b) Use of estimates

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



c) Tangible fixed assets

- i) Fixed assets are stated at cost net of accumulated depreciation and impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalisation criteria are met directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such
- ii) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, 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) The company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining useful life of the asset. In accordance with MCA circular dated 09 August 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long term foreign currency monetary items pertaining to acquisition of a depreciable asset, for a period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference. The depreciation on such foreign exchange difference is recognised from first day of the financial year.
- iv) Gains or losses arising from derecognition/ sale proceeds of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.
- v) Insurance spares are capitalised as part of mother assets.

d) Expenditure during construction period, new project and substantial expansion

Expenditure directly relating to construction / development activity (net of income, if any) is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto, is charged to the statement of profit and loss.

e) Depreciation on tangible fixed assets

- i) Depreciation on fixed asset is calculated on Straight Line Method (SLM) based on the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013 except for the assets mentioned in para (ii) below for which useful lives technically estimated by the management.

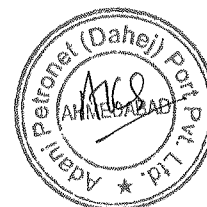
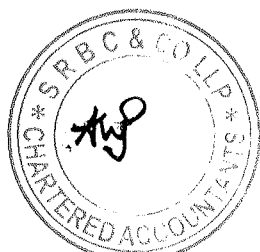
ii) Category	Assets	Estimated Useful Life
Lease Hold Land /Lease hold Land Development	Leasehold land/Leasehold land development	Over the balance period of Concession Agreement.
Marine Structures	Marine Structure	50 Years as per Concession Agreement.
Marine Structures	Pneumatic Fender	10 Years
Building	Building RCC Frame Structure	50 Years as per Concession Agreement.
Plant & Machinery	Steel Conveyor belt, Diesel Pile Hammer (construction equipment)	10 Years
Plant & Machinery	Concrete Pumps, Pipelines infrastructure for availing water connection from GIDC	5 Years
Building	Carpeted Roads – Other than RCC	10 Years
Tugs & Boats	Tugs	20 Years as per concession agreement

- iii) Insurance spares, whose use is expected to be irregular, are depreciated prospectively over the remaining useful lives of the respective mother assets.
- iv) At the end of the sub-concession agreement, all contracted immovable and movable assets shall be transferred to and shall rest in GMB for consideration equivalent to the Depreciable Replacement Cost (the 'DRC'). Currently DRC is not determinable, accordingly residual value of contract assets is considered to be the carrying value based on depreciation rates as per schedule II of the Companies Act, 2013 at the end of concession period.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortised on straight line basis over their estimated useful lives as follows:



Intangible Assets	Estimated Useful
Software	5 Years or useful life whichever is less
Right of use for land	10 Years

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

g) Impairment of tangible and intangible assets

i) The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the company estimates the asset's recoverable amount. The asset's recoverable amount is the higher of the asset's net selling price and value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset. In determining net selling price, relevant market transactions are taken in to account, if available. If no such transactions can be identified, an appropriate valuation model is used.

ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

h) Leases

Where the company is the lessee

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

i) Inventories

Stores and spares are valued at lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Net realizable value is the estimated at current procurement price in the ordinary course of the business.

j) Revenue recognition

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

Income from services

Revenue from port operations services, cargo handling and storage are recognized on proportionate completion method basis based on the service performed. The amount recognised as revenue is exclusive of service tax and education cess where applicable.

Dividends

Dividend is recognised when the share holders' right to receive payment is established on the balance sheet date.

Interest

Income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income also include interest earned from multi-year payment terms with customers and is included under the head " Other Income" in the statement of profit & loss.

k) Investments

Investments which are readily realisable and intended to be held for not more than a year from the date on which such investments are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

l) Foreign currency translation

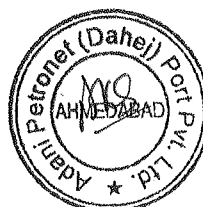
Foreign currency transactions

i) Initial recognition

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

ii) Conversion

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



iii) Exchange differences

The company accounts for exchange difference arising on translation/settlement of foreign currency monetary items as below:

1. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset.
2. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item.
3. All other exchange differences are recognised as income or as expenses in the period in which they arise.

For the purpose of 1 and 2 above, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 09, 2012 exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

iv) Forward Exchange Contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contracts is amortized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long term foreign currency monetary items, are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the period. Any gain/loss arising on forward contracts which are long term foreign currency monetary items is recognized in accordance with paragraph (iii) above.

v) Derivative instruments

The Company uses derivative financial instrument, such as principal only swap i.e. INR to foreign currency to take advantage of lower interest rate of foreign currency borrowings. In accordance with the ICAI announcement, derivative contracts are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

m) Borrowing cost

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

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

n) Retirement and Other employee benefits

i) Provident fund and superannuation fund

Retirement benefits in the form of Provident fund and Superannuation fund schemes are defined contribution schemes and the contributions are charged to the statement of profit and loss for the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

ii) Gratuity

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method at each year end. The company has taken an insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India ("LIC") to cover the gratuity liability of the employees and amount paid/payable in respect of the present value of liability for the past services is charged to the statement of profit and loss account every year. The difference, if any, between the actuarial valuation of the gratuity of the employees at the year end and the balance of the funds with LIC is provided for as liability in the books. Actuarial Gains/losses are immediately taken to the statement of profit and loss and are not deferred.

iii) Compensated leave benefits

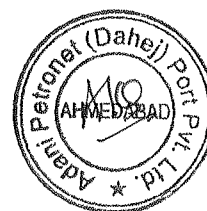
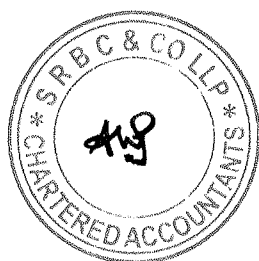
The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as current liability in the Balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Short term compensated absences are provided on estimated basis.

o) Income taxes

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

As per provision of the Income-tax Act, 1961 enacted in India, the company is eligible for a tax holiday under section 80IA for a block of 10 consecutive assessment years out of 15 year beginning of port operation. Current year is 5th year of company's operation and it has decided to start claiming tax holidays from financial year 2015-16 onwards.

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



ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2015

Deferred tax has been recognized in respect of timing difference, which reverse after the tax holiday period in the year in which the timing difference originate. For recognition of deferred tax, the timing difference which originate first are considered to reverse first. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it has no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the guidance note on accounting for credit available in respect of minimum alternative tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement."

p) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates.

q) Earnings per share

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

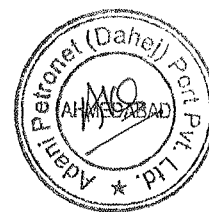
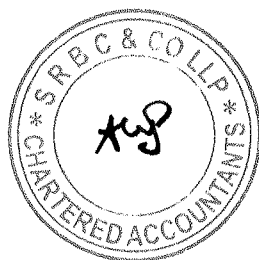
For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

r) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less and readily realisable.

s) Contingent liabilities

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



3 Share capital

Authorised shares

35,00,00,000 (Previous Year 35,00,00,000) equity shares of ₹ 10 each

Issued, subscribed and fully paid-up shares

34,61,53,846 (Previous Year 34,61,53,846) fully paid up equity shares of ₹10 each.

Total issued, subscribed and fully paid-up share capital

March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
35,000.00	35,000.00
35,000.00	35,000.00
34,615.38	34,615.38
34,615.38	34,615.38

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March 31, 2015		March 31, 2014	
	No. in Lacs	₹ in Lacs	No. in Lacs	₹ in Lacs
At the beginning of the year	3,461.54	34,615.38	3,461.54	34,615.38
New shares issued during the year				
At the end of the year	3,461.54	34,615.38	3,461.54	34,615.38

b. 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 holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries / associates are as below:

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Adani Ports and Special Economic Zone Limited, the holding Company and its nominees		
25,61,53,846 equity shares (Previous Year 25,61,53,846) of 10 each fully paid	25,615.38	25,615.38

d. Details of shareholders holding more than 5% shares in the Company

	March 31, 2015		March 31, 2014	
	No. in Lacs	% Holding	No. in Lacs	% Holding
Equity shares of ₹ 10 each fully paid				
Adani Ports and Special Economic Zone Ltd, the holding company and its nominees	2,561.54	74.00%	2,561.54	74.00%
Petronet LNG Limited, Joint Venturer	900.00	26.00%	900.00	26.00%

4 Reserves and surplus

Surplus in the statement of profit and loss

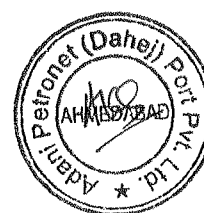
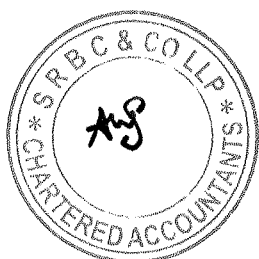
Balance as per last financial statements

Depreciation charged to retained earning (net of deferred tax of ₹ 7.46 lacs)

Profit for the year

Closing balance

March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
4,338.04	3,065.05
(14.50)	-
8,564.13	1,272.99
12,887.67	4,338.04



5 Long-term borrowings

	Non-current portion		Current maturities	
	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Term loans				
Foreign currency term loans from banks (Refer note- a,d,e)	18,188.43	20,844.30	3,691.72	2,099.30
Indian rupee loan from bank (Refer note - b, d, e)	30,368.36	37,368.36	7,000.00	2,000.00
Bills under foreign currency letter of credits from banks (Refer note - c) (Unsecured)	-	-	516.12	-
	48,556.79	58,212.66	11,207.84	4,099.30
The above amount includes				
Secured borrowings	48,556.79	58,212.66	10,691.72	4,099.30
Unsecured borrowings	-	-	516.12	-
	48,556.79	58,212.66	11,207.84	4,099.30
Amount disclosed under the head "other current liabilities" (Refer note 10)	-	-	(11,207.84)	(4,099.30)
Total	48,556.79	58,212.66	-	-

Notes :

(a) Foreign currency loans carries interest in the range of LIBOR plus 3.78 % to 5.00%. The loans are repayable in 38 to 40 quarterly installments each from the date of obligation of loan.

(b) Indian Rupee loan carries interest @ SBIPLR + 1.75% p.a. The loan is repayable in 16 quarterly installments of ₹ 500 lacs each from 30 June 2011 till 30 June 2015 and balance in 24 quarterly installments of ₹ 1,750 lacs each along with interest, starting from 30 September 2015 till 30 September 2020.

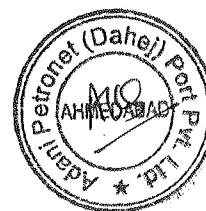
(c) Letter of Credit carries interest in the range of EURIBOR plus 50-55 basis points.

(d) Loans are secured by way of first pari passu charge by way of first mortgage of all the immovable assets of the Company, both present and future and are further secured by hypothecation of movable assets, both present and future of the Company. Charge on all the assets has been created through agreement in favour of IDBI Trusteeship Services Limited acting on behalf of all the lenders

(e) Holding company has pledged 103,845,853 equity shares (Previous year 103,845,494 equity shares) of the Company to IDBI Trusteeship Services Limited (Trust to all lenders) representing 30% shares of the Company.

6 Deferred tax liabilities (net)

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Deferred tax liability		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	7,359.95	4,705.81
Gross deferred tax liability	7,359.95	4,705.81
Deferred tax asset		
Unabsorbed depreciation under the Income Tax Act, 1961	-	4,969.26
Unabsorbed business loss under the Income Tax Act, 1961	-	650.69
Expenditure disallowed under Section 43B of the Income Tax Act, 1961	-	20.58
Gross deferred tax asset	-	5,640.53
Limited to the value of gross deferred tax liabilities	7,359.95	4,705.81
Net deferred tax liabilities	7,359.95	-



ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2015

7 Provisions

	Long Term		Short Term	
	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Provision for compensated absences			56.10	37.49
Provision for mark to market losses on derivative contracts	7,406.88	7,528.09	750.49	1,910.26
	7,406.88	7,528.09	806.59	1,947.75

Note: Short term provision on mark to market losses on derivative contracts represents losses on contracts whose maturities is due for settlement in 12 months period.

8 Short-term borrowings

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Inter corporate Deposits (Unsecured) (Refer note below)	960.00	-
	960.00	-

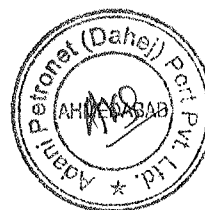
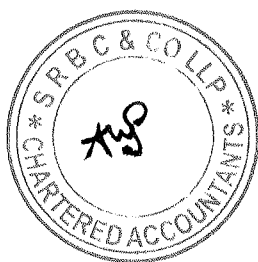
Note: Inter corporate deposit is received from Adani Ports and Special Economic Zone Ltd., the holding Company, at the interest rate of 11.75%.

9 Trade payables

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Trade payables (Refer note 33 for details of dues to micro, small and medium enterprises)	1,941.93	1,250.48
	1,941.93	1,250.48

10 Other current liabilities

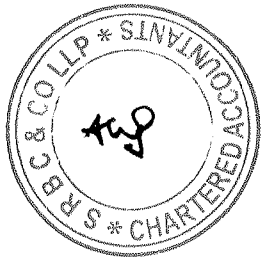
	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Current maturities of long-term borrowings (Refer note 5)	11,207.84	4,099.30
Unearned revenue	38.16	113.33
Statutory dues	51.03	37.94
Advance from customers	8.94	1,055.15
Security deposits from contractors/suppliers	4.10	10.00
Interest accrued but not due on borrowings	151.37	8.25
Capital creditors, retention money and other	1,113.91	480.47
Book over draft	-	155.56
	12,575.35	5,960.00



Adani Petronet Dahej Port Pvt Ltd
Notes to financial statement for the year ended March 31, 2015
Note 11 - Fixed Assets

Particulars	Gross Block					Depreciation/amortisation				Net block	
	April 1, 2014	Additions	Deductions / Adjustments	Adjustment for foreign Exchange	March 31, 2015	April 1, 2014	During the year	Adjusted in retained earning	Deductions / adjustments	March 31, 2015	March 31, 2014
Tangible assets											
Freehold land	128.74	-	-	-	128.74	-	-	-	-	128.74	128.74
Leasehold land (Refer note b,c,f and note 36 (b))	1,766.21	109.70	385.06	-	1,490.85	129.15	28.91	-	-	1,343.12	1,637.06
Leasehold land development	613.91	557.52	-	-	1,171.43	78.20	42.87	-	10.33	1,050.36	535.71
Building	13,148.32	1,439.49	-	-	14,764.31	1,048.50	695.71	-	-	13,019.97	12,099.82
Plant & machinery (Refer note e)	34,174.54	13,330.23	-	176.50	47,670.66	4,185.06	2,800.73	0.13	6,985.79	40,684.87	29,989.48
Furniture & fixtures	117.22	2.60	-	-	119.82	37.03	11.19	-	-	71.48	80.19
Office equipments	116.91	226.06	-	-	342.84	22.75	45.53	-	-	262.87	94.16
Computer equipment	318.84	17.26	-	-	336.10	104.22	92.61	-	0.03	229.28	214.62
Vehicles (Refer note a below)	159.18	507.38	-	-	642.69	50.95	67.98	-	-	543.91	108.23
Tugs and boats (Refer note a below)	5,468.95	-	-	-	5,468.95	1,198.70	237.45	-	20.15	4,032.80	4,270.25
Railway tracks and sidings	1,885.93	-	-	-	1,904.27	181.36	127.21	-	-	1,595.70	1,704.57
Marine structures	48,823.11	-	-	18.34	49,326.75	5,576.99	1,097.97	-	-	42,651.79	43,246.12
TOTAL	1,06,721.86	16,190.24	409.06	864.37	1,23,367.41	12,612.91	5,248.16	21.96	30.51	1,05,514.89	94,108.95
Intangible assets											
Software	71.62	30.14	-	-	101.76	39.36	12.32	-	-	50.08	32.26
Right of use of land (Refer note d)	96.53	-	-	-	96.53	38.60	9.65	-	-	48.25	57.93
TOTAL	168.15	30.14	-	-	198.29	77.96	21.97	-	-	98.36	90.19
Total	1,06,890.01	16,220.38	409.06	864.37	1,23,565.70	12,690.87	5,270.13	21.96	30.51	1,05,613.25	94,199.14
Previous year	96,242.74	6,867.35	20.50	3,800.42	1,06,890.01	7,818.88	4,875.35	-	3.36	12,690.87	94,199.14

(a) Following assets which are being purchased by the company are in process of registration in the name of company: Tugs ₹ 5,468.95 lacs (Previous Year ₹ 5,468.95 lacs) and accumulated depreciation ₹ 1,436.13 lacs (Previous Year ₹ 1,198.70 lacs) Vehicles ₹ 487.56 lacs and accumulated depreciation ₹ 45.58 lacs
(b) GIDC has allotted 17.78 hectare of land on lease for upfront consideration of ₹ 1048.44 to the Company for the period of 99 years, for setting up of railway siding area for bulk cargo including goods dispatched staking yard and port infrastructure, for which lease agreement is pending to be concluded with GIDC. GIDC handed over the land to Company and consideration paid is capitalised in the books as leasehold land.
(c) Leasehold land includes 38 hectare of forest land amounting to ₹ 442.38 lacs allotted to the Company by Ministry of Environment and Forests.
(d) GIDC has allotted 11.70 hectare of land on right to use basis for the period of 10 years for developing facilities for the project having gross value of ₹ 96.53 lacs (previous year ₹ 96.53 lacs).
(e) Plant and Machinery includes electrical installation of ₹ 869.19 lacs and accumulated depreciation of ₹ 155.20 lacs (previous year ₹ 869.19 lacs and accumulated depreciation of ₹ 97.59 lacs) for setting up of 66 KVA infrastructure facilities for providing power connection to the port facilities.
(f) The company had been allotted 11.53 hectares of GIDC land and 13.57 hectare other land on operating lease for development of port infrastructure.



ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2015

12 Non-current investments

Trade investments (valued at cost unless stated otherwise)
Unquoted equity shares

1,73,30,000 (Previous Year - 1,73,30,000) fully paid
Equity Shares of ₹ 10 each of Bharuch Dahej
Railway Company Limited (Refer note 31)

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
	1,733.00	1,733.00
	1,733.00	1,733.00
Aggregate cost of Un-quoted investment	1,733.00	1,733.00

13 Loans and advances

Unsecured considered good, unless stated otherwise

Capital Advances (Refer note 1)
Advances recoverable in cash or kind (Refer note 36)
Advances recoverable in cash or kind -Doubtful

Provision for doubtful advances

Other loans and advances

Dues from related parties
Advance income tax (net of provision for taxation)
Prepaid expenses
Loans to employees
Cenvat credit receivable
Deposits others
Gratuity fund (Refer note 32)

	Non-Current		Current	
	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Capital Advances (Refer note 1)	3,369.73	182.48	-	-
Advances recoverable in cash or kind (Refer note 36)	471.95	170.00	149.20	316.75
Advances recoverable in cash or kind -Doubtful	-	-	8.23	-
Provision for doubtful advances	3,841.68	352.48	157.43	316.75
	3,841.68	352.48	(8.23)	-
Other loans and advances			149.20	316.75
Dues from related parties	-	-	30.47	11.71
Advance income tax (net of provision for taxation)	974.58	725.23	-	-
Prepaid expenses	-	-	43.15	33.44
Loans to employees	-	13.47	12.88	7.82
Cenvat credit receivable	101.80	-	95.40	150.43
Deposits others	16.82	33.49	3.37	-
Gratuity fund (Refer note 32)	-	-	5.07	23.50
	4,934.88	1,124.67	339.54	543.65

Note: 1 The company has received bank guarantee of ₹ 2,995.30 lacs (previous year ₹ 25.04 lacs) against capital advances.

14 Inventories (valued at lower of cost and net realisable value)

Stores and spares

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
	1,779.68	1,088.70
	1,779.68	1,088.70

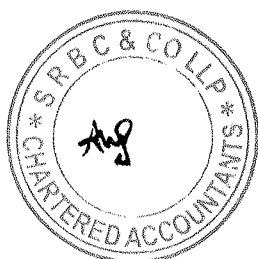
15 Trade receivables

Unsecured considered good unless stated otherwise

Outstanding for a period exceeding six months from the date they are due for payment
Other receivables

	Non-Current		Current	
	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Outstanding for a period exceeding six months from the date they are due for payment	-	-	662.43	598.35
Other receivables	1,443.66	6,368.57	6,480.70	3,443.98
	1,443.66	6,368.57	7,143.13	4,042.33

Includes Rs 2,737.60 lacs (previous year Rs 9,567.14 lacs) contractually collectable on deferred basis (including where receivable period extended).



ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2015

16 Other assets

	Non-Current		Current	
	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Non current bank balances (Refer note 17)	29.22	20.87	-	-
Interest accrued on deposits and loans	-	-	3.30	3.91
Interest accrued on trade receivables	83.81	408.04	75.09	172.86
Accrued revenue	-	-	293.91	-
	113.03	428.91	372.30	176.77

17 Cash and bank balances

	Non-Current		Current	
	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Cash and cash equivalents				
Balances with banks:				
On current accounts	-	-	668.81	2,216.09
Other bank balances			668.81	2,216.09
Margin Money Deposit	29.22	20.87	216.72	162.33
	29.22	20.87	216.72	162.33
Amount disclosed under non-current assets (Refer note 16)	(29.22)	(20.87)		
	-	-	885.53	2,378.42

18 Revenue from operations

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Port services and cargo handling income	48,465.08	28,880.14
Other operating income	2.51	2.78
	48,467.59	28,882.92

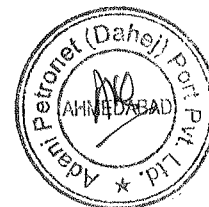
19 Other income

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Rent Income	3.45	43.64
Dividend from current investment	22.42	81.53
Interest income from:		
Bank deposits	19.71	134.42
Customer and other	539.32	596.33
Unclaimed liabilities / excess provision written back	23.86	21.00
Realised foreign exchange gain	-	10.56
Insurance claim received	-	68.67
Miscellaneous income	35.47	7.84
	644.23	963.99

20 Operating expenses

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Cargo handling expenses	5,601.93	3,118.35
Locomotive hire charges	243.00	298.37
Railway operating expense	116.63	30.49
Customer claims #	972.02	1,042.13
Tug and pilotage charges	244.85	277.95
Repairs to plant & machinery	296.02	206.37
Stores, spares and consumables	1,317.23	687.72
Fire and safety expense	121.11	106.98
Maintenance dredging	25.12	20.35
Power & fuel	3,514.85	2,413.87
Water front royalty	2,148.46	1,360.86
Port dues charges	935.35	571.67
	15,536.57	10,135.11

Includes earlier year expenses of ₹904.23 lacs (in previous year ₹618.27 lacs)



21 Employee benefit expense

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Salaries, wages and bonus	819.15	721.14
Contribution to provident fund	41.16	39.91
Contribution to superannuation fund	1.03	0.33
Gratuity (Refer note 32)	22.24	10.09
Workmen and staff welfare expenses	166.41	156.72
	1,049.99	928.19

22 Finance costs

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Interest on		
- Term loan	5,842.63	5,379.40
- Buyers credit	2.62	131.80
- Others	99.37	-
Bank and other finance charges	57.70	43.56
(Gain)/loss on derivative swap contracts (net)	(487.95)	2,844.60
	5,514.37	8,399.36

23 Other expenses

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Rent	3.11	3.61
Rates and taxes	126.28	128.39
Insurance	90.81	106.77
Payment to auditors (refer note 1 below)	12.40	11.08
Other repairs and maintenance	86.88	54.67
Legal and professional expenses	253.25	50.51
IT Support services	74.53	30.62
Travelling and conveyance	174.28	134.42
Land lease rent	283.09	355.61
Repairs to buildings	45.38	47.76
Loss on sale / discard of fixed assets (net)	70.56	16.79
Exchange differences (net)	14.28	-
Communication expenses	11.77	16.89
Donations (refer note 2 below)	116.00	0.90
Provision for doubtful advances and debts	8.23	(2.04)
Miscellaneous expenses	252.12	100.53
	1,622.97	1,056.51

Note: 1

Payment to auditor

As auditor:

	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Audit fee	12.00	11.00
Other services (certification fees)	0.40	-
Reimbursement of expenses	-	0.08
	12.40	11.08

Note: 2

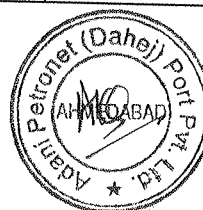
The company has incurred Rs 51 lacs towards payment of corporate social responsibilities to Adani Foundation.

24 Earnings per share (EPS)

Particulars	March 31, 2015 ₹ in Lacs	March 31, 2014 ₹ in Lacs
Profit as per statement profit and loss account for calculation of EPS	8,564.13	1,272.99
Weighted average number of equity shares in calculating basic and diluted EPS	3,461.54	3,461.54
Basic and diluted earnings per share (in ₹)	2.47	0.37

25 Capital commitments & other commitment

Particulars	(₹ In Lacs)	
	March 31, 2015	March 31, 2014
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	25,580.27	2,169.93



26 Contingent liabilities not provided for

		(₹ In Lacs)	
Sr.No	Particulars	March 31, 2015	March 31, 2014
a.	The Company has imported capital goods for its Solid Cargo Port Terminal Project under the Export Promotion Capital Goods Scheme of the Government of India at concessional rate of custom duty by undertaking obligation to export. Future outstanding export obligation under the scheme is pending of ₹ 19,582.75 Lacs (Previous Year ₹ 18,535.25 Lacs) which is equivalent to 6 to 8 times of duty saved ₹ 2491.49 lacs (previous year ₹ 2316.91 lacs) . The export obligation has to be completed by 2022-23. Based on Management assessment, the Company does not have probable liability in this matter.	2,491.49	2,316.91
b.	Commissioner of central excise and service tax, Ahmedabad has raised a demand against wrong availing of cenvat /service tax and education cess credits on inputs, capital goods and input services used for construction of port project for the period October 2007 to September 2010 and October 2010 to September 2011. The Company has filed an appeal before the customs, excise and service tax appellate tribunal against the demand order. The authorities have also levied penalty of the equivalent amount on the company and also levied interest. The amount disclosed are excluding penalty and interest. The Company has obtained legal opinion in the matter based on which the management is of the view that currently Company does not have any probable liability in the matter.	4,520.09	4,520.09
c.	Show cause cum demand notice received from Commissioner of service Tax for wrong availment of Cenvat credit / service tax credit and education cess on inputs, capital inputs and input services used for construction of port project for the period October 2011 to March 2013. The Company has obtained legal opinion in the matter based on which the management is of the view that currently the Company does not have any probable liability in the matter.	279.50	279.50

27 Supplementary statutory Information

a) Expenditure in foreign currency (accrual basis)

		(₹ In Lacs)	
Particulars	March 31, 2015	March 31, 2014	
Interest expense	1,093.59	1,327.79	
Others	3.71	5.56	

b) CIF value of imports:

		(₹ In Lacs)	
Particulars	March 31, 2015	March 31, 2014	
Stores and spares	400.07	216.36	
Capital goods	747.29	-	

c) Imported and indigenous stores and spares consumed

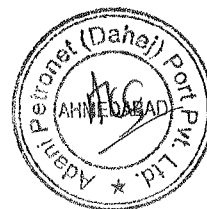
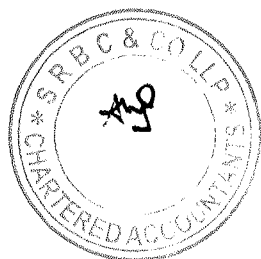
		(₹ In Lacs)			
Particulars	Consumption		% of Total Consumption		
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	
Imported	283.84	12.56	22%	2%	
Indigenous	1,033.40	675.11	78%	98%	
Total	1,317.23	687.67	100.00	100.00	

28 Leases

Assets taken under operating leases – Office space and guest houses for staff accommodation. During the year, the Company has incurred ₹ 3.11 Lacs. (Previous year ₹ 3.61 Lacs) towards lease rentals which have been charged to statement of profit and loss. The lease terms are generally from eleven to thirty three months and are renewable by mutual agreement. There is no sub-lease and the leases are cancellable in nature. There are no restrictions imposed by the lease arrangements. There is neither any contingent rent, nor any escalation clause in the lease agreements.

29 Segment information

The Company is primarily engaged in the business of developing, operating and maintaining the port and port based related infrastructure facilities. The entire business has been considered as a single segment in terms of Accounting Standard-17 on Segment Reporting issued by the Institute of Chartered Accountants of India. There being no business outside India, the entire business has been considered as single geographic segment.



ADANI PETRONET DAHEJ PORT PRIVATE LIMITED
Notes to the financials Statements for the year ended March 31, 2015

Note 30- Related Parties

Particulars	Name of Company
Ultimate Holding Company	Adani Enterprises Ltd
Holding Company	Adani Ports & Special Economic Zone Ltd
Joint Venturer	Petronet LNG Ltd.
Fellow Subsidiary	Adani Power Maharashtra Ltd
(with whom transactions has taken place)	Adani Power Rajasthan Ltd Adani Logistics Ltd Adani Power Dahej Ltd Chemoil Adani Pvt Ltd MPSEZ Utilities Pvt. Ltd Adani Vizag Coal Terminal Private Ltd Adani Hazira Port Pvt Ltd Adani Kandla Bulk Terminal Private Ltd
Key Management Personnel	Dr. Malay Mahadevia, Managing Director (Upto April 27, 2014) G.J. Rao, Managing Director (April 28, 2014 onwards)

Transactions	Name of Related Party	March 31,2015	March 31,2014
Sale of services	Adani Enterprises Ltd	14,210.05	11,721.51
	Adani Logistics Ltd	4,945.75	4,360.53
	Adani Power Maharashtra Ltd	7,626.96	3,309.56
	Adani Power Rajasthan Ltd	5,959.06	3,572.46
	Chemoil Adani Pvt Ltd	1.75	0.50
Other income-sale of scrap & sale of inventory	Adani Hazira Port Pvt Ltd	-	27.73
	Adani Power Dahej Ltd.	-	4.23
	Adani Kandla Bulk Terminal Private Ltd	3.60	32.85
Services availed	Adani Ports & Special Economic Zone Ltd	240.10	210.04
	Adani Enterprises Ltd	57.65	-
	Petronet LNG Ltd.	2.87	1.03
	MPSEZ Utilities Pvt. Ltd	0.25	-
Customer claim	Adani Enterprises Ltd	971.28	991.83
Purchase of goods/inventory	Adani Hazira Port Pvt Ltd	13.69	34.49
	Adani Ports & Special Economic Zone Ltd	-	7.98
	Adani Enterprises Ltd	-	63.42
	Adani Power Dahej Ltd	37.55	-
Purchase of assets	Adani Power Dahej Ltd	11,422.43	-
Interest expense	Adani Ports & Special Economic Zone Ltd	215.26	-
Interest income	Adani Power Maharashtra Ltd	146.16	354.98
	Adani Power Rajasthan Ltd	392.95	225.93
Rent income	Adani Enterprises Limited	1.20	1.20
Rent expenses	Adani Ports & Special Economic Zone Ltd	3.09	2.94
Donation	Adani Foundation	116.00	-
Inter-corporate deposit (taken)	Adani Ports & Special Economic Zone Ltd	7,110.00	-
Inter-corporate deposit (repaid)	Adani Ports & Special Economic Zone Ltd	6,150.00	-

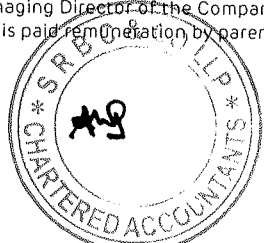
Closing Balance

		March 31,2015	March 31,2014
Trade Receivable (current and non current)	Adani Enterprises Ltd	520.83	907.86
	Adani Logistics Ltd.	450.56	63.08
	Adani Power Maharashtra Ltd	302.96	4,771.47
	Adani Power Rajasthan Ltd	6,091.86	3,714.11
	Adani Kandla Bulk Terminal Private Ltd	-	9.63
		7,366.21	9,466.15
Other Current and non current Assets	Adani Power Maharashtra Ltd	-	354.98
	Adani Power Rajasthan Ltd	158.90	225.93
		158.90	580.91
Loan & Advance(including advance receivable in cash and kind)	Adani Enterprises Ltd	25.21	1.26
	Adani Ports & Special Economic Zone Ltd	5.26	10.40
	Adani Hazira Port Pvt Ltd	-	0.05
		30.47	11.71
Trade Payable (including provisions)	Adani Enterprises Ltd	78.41	13.78
	Adani Hazira Port Pvt Ltd	12.31	34.01
	Adani Power Dahej Ltd	36.41	-
	Petronet LNG Ltd	2.87	-
	Adani Ports & Special Economic Zone Ltd	-	3.01
		130.00	50.80
Capital creditors	Adani Power Dahej Ltd	223.56	-
	223.56	-	
Inter corporate deposit (taken)	Adani Ports & Special Economic Zone Ltd	960.00	-
	960.00	-	
Advances from Customers	Adani Enterprises Ltd	-	197.45
	Adani Power Maharashtra Ltd	-	371.61
	Adani Power Rajasthan Ltd	-	426.82
		-	995.88

Notes:

(1) Outstanding bank guarantee facilities of ₹ 5,056.37 lacs (previous year ₹ 5,066.05 lacs) availed from the bank guarantee limits of parent company, Adani Ports and Special Economic Zone Ltd.

(2) Managing Director of the Company is in employment with the parent Company, Adani Ports and Special Economic Zone Ltd and he is paid remuneration by parent company.



31 Investment in Bharuch Dahej Railway Company Limited

The Company has entered into a participation agreement with Rail Vikas Nigam Limited, Gujarat Maritime Board, Gujarat Narmada Valley Fertilizers Company Limited, Dahej SEZ Limited, Hindalco Industries Limited-Unit Birla Copper and Jindal Infrastructure Industries Limited, on June 16, 2008 (Supplemental to shareholder agreement dated January 12, 2007) to acquire stake in Bharuch Dahej Railway Company Limited ('BDRCL'), a special purpose vehicle (SPV), for gauge conversion of Bharuch-Samni-Dahej Railway line between Bharuch and Dahej and subsequent operation and maintenance of the railway line and railway services thereon. The Company has investment of 17,330,000 (Previous year 17,330,000) equity shares of ₹ 1,733.00 Lacs (Previous year ₹1,733.00 Lacs) in BDRCL which is equivalent to 10.50% share capital of the Company.

32 Details of employee benefits

The company has a defined gratuity plan. Under the plan every employee who has completed at least five year of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Company of India (LIC) in form of a qualifying insurance policy with effect from, September 1, 2010 for future payment of gratuity to the employees.

The following tables summarise the component of the net benefits expenses recognised in the statement of profit and loss account and the funded status and amounts recognized in the balance sheet for the respective plan.

Gratuity

a) Net Employee benefit expenses (recognized in employee cost)

(₹ In Lacs)

Particulars	March 31, 2015	March 31, 2014
Current service cost	9.26	9.74
Interest cost on benefit obligation	3.05	2.10
Expected return on plan assets	(4.88)	(3.09)
Actuarial loss/(gain)	14.81	1.34
Net benefit expenses	22.24	10.09

Balance Sheet

b) Details of provision for gratuity

(₹ In Lacs)

Contribution to	March 31, 2015	March 31, 2014
Present value of defined benefit obligation	60.70	32.58
Fair value of plan assets	65.77	56.08
Surplus/ (deficit) of funds	5.07	23.50

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

(₹ In Lacs)

Particulars	March 31, 2015	March 31, 2014
Defined benefit obligation at the beginning of the year	32.58	25.46
Current service cost	9.26	9.74
Interest cost	3.05	2.10
Actuarial (gain) / loss on obligations	19.44	(0.91)
Benefits paid	(3.63)	(3.81)
Defined benefit obligation at the end of the year	60.70	32.58

d) Changes in fair value of plan assets are as follows:

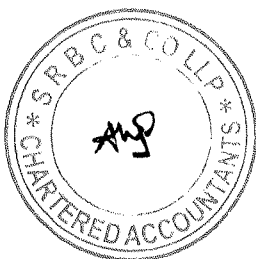
(₹ In Lacs)

Particulars	March 31, 2015	March 31, 2014
Opening fair value of plan assets	56.08	35.54
Expected return	4.88	3.09
Contributions by employer	0.18	19.27
Benefits paid	-	(1.459)
Actuarial gains / (losses)	4.63	(0.363)
Closing fair value of plan assets	65.77	56.08

e) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2015	March 31, 2014
Investments with insurer	100%	100%

* As the gratuity fund is managed by life insurance company, details of fund invested by insurer are not available with company



ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2015

f) The principle assumptions used in determining gratuity obligations are as follows:

Particulars	March 31, 2015	March 31, 2014
Discount rate	7.96%	9.38%
Expected rate of return on plan assets	7.96%	8.70%
Rate of escalation in salary (per annum)	8.50%	8.50%
Mortality	Indian assured mortality table 2006-08	Indian assured mortality table 2006-08
Attrition rate	10% for 4 years & below and 1% thereafter	10% for 4 years & below and 1% thereafter

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.

g) Amounts for the current and previous four years are as follows:

Particulars	(₹ In Lacs)				
	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	60.70	32.58	25.46	10.13	21.93
Plan assets	65.77	56.08	35.54	19.22	11.87
Surplus/(deficit)	5.07	23.50	10.08	9.09	(10.06)
Experience adjustments on plan liabilities (gain)/loss	9.21	5.27	6.58	(5.07)	-
Experience adjustments on plan assets gain / (loss)	4.63	(0.36)	(1.20)	0.09	-

* Information of experience adjustments on plan liabilities and assets are not available with the company for the year ended March 31, 2011

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

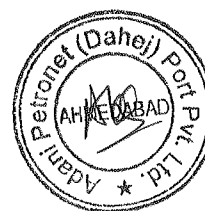
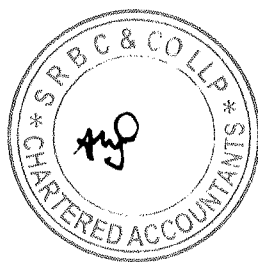
34 Capital work in progress includes

Particulars	March 31, 2015	March 31, 2014
	₹ in Lacs	₹ in Lacs
A Material and services (project expenditure)	1,142.81	1,143.21
B Capital inventory	1,609.73	625.03
Total capital work in progress (A + B)	2,752.54	1,768.24

35 Derivative instruments and unhedged foreign currency exposure

The Company had taken INR - foreign currency principal only swap (POS) / full Currency Swap (FCS) to take advantage of lower interest rate of foreign currency loan. The aggregate outstanding details of derivative transactions is as under:

Nature	Particulars of derivatives		Purpose
	March 31, 2015 (₹ In Lacs)	March 31, 2014 (₹ In Lacs)	
Principal only swap (INR-foreign currency)	31,800.51 (equivalent to USD 62.052 million)	30,688.75 (equivalent to USD 63.353 million)	Mitigate higher interest rate of INR loan against foreign currency loan with possible risk of principle currency losses.



ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2015

The details of foreign currency exposures those are not hedged by a derivative instrument or otherwise are as under:

Nature	As at March 31, 2015		As at March 31, 2014	
	Amount (₹ in Lacs)	Foreign currency (In Million)	Amount (₹ In Lacs)	Foreign currency (In Million)
Foreign currency loan	21,880.15	USD 35.01	22,943.60	USD 38.29
Bills under letter of credit	516.12	EURO 0.77	Nil	Nil
Interest accrued but not due	150.38	USD 0.24	8.25	USD 0.014
Interest accrued but not due	0.99	EURO 0.001	Nil	Nil

Closing rates as at March 31, 2015:

INR / USD = ₹ 62.50

INR / EURO = ₹ 67.19

Closing rates as at March 31, 2014:

INR / USD = ₹ 59.92

INR / EURO = ₹ 82.69

36 (a) In October, 1997 and August, 2001, a deposit of ₹ 50 lacs and ₹ 120 lacs, respectively, was made by Petronet LNG Limited (PLL), co-venturer, to Gujarat Industrial Development Corporation (GIDC) towards allotment of land for the development of port terminal. In financial year 2007-08, this deposit was assigned by PLL to the company on entering the sub-concession agreement on January 3, 2007 along with Gujarat Maritime Board (GMB). The Company has approached GIDC for recovery of these deposits and expects to settle the same based on communication with GIDC. The same has been classified as advance recoverable in cash or kind under loans and advances (refer note 13)

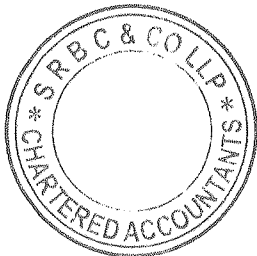
(b) GIDC has allotted the lease hold land of 5.49 hectare to the company vide offer cum allotment letter dated February 11, 2011 pending conclusion of lease agreement. Based on the company's application of voluntary surrender of land dated June 25, 2013, GIDC ordered to rescind the allotment of aforesaid land vide letter dated November 19, 2014. Accordingly the company has derecognised the value of land of ₹ 385.06 lacs accounted in the earlier years and has recognised receivable of ₹ 301.95 lacs to the extent of original cost of leasehold land as per GIDC rules. The company expects to recover ₹ 301.95 lacs from GIDC and has classified the same as advance recoverable in cash or kind under long term loans and advance. (refer note 13)

37 Previous years' figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For S R B C & CO LLP
 ICAI Firm Registration No.: 324982E
 Chartered Accountants

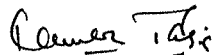

 per Arpit K. Patel
 Partner
 Membership No. 34032




Place : Ahmedabad
 Date : April 23, 2015

For and on behalf of the Board of Directors of
 Adani Petronet (Dahej) Port Private Limited


 G.J. Rao
 Managing Director
 DIN: 01724002


 Kamlesh Bhagia
 Company Secretary

Place : Ahmedabad
 Date : April 23, 2015


 B. Ravi
 Director
 DIN: 00160891


 Kapil Patel
 Chief Financial Officer

