

INDEPENDENT AUDITORS' REPORT

To the Members of Adani Kattupalli Port Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Adani Kattupalli Port Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the period August 14, 2015 to March 31, 2016, 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 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 control 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.

Auditors' 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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. 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



Adani Kattupalli Port Private Limited

Auditors' Report on Financial Statement for the year ended March 31, 2016

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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, 2016, its loss, and its cash flows for the period August 14, 2015 to March 31, 2016.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 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;
 - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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 2" to this report;



S R B C & CO LLP

Chartered Accountants

Adani Kattupalli Port Private Limited

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(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 does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/ E300003



per **Santosh Aggarwal**

Partner

Membership Number: 93669



Place of Signature: Ahmedabad

Date: April 28, 2016

Adani Kattupalli Port Private Limited

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

Re: Adani Kattupalli Port Private Limited

- (i) The Company does not have fixed assets as on the reporting date. Accordingly, the provisions of clause 3 (i) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company's business does not involve inventories accordingly the provisions of clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) 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 are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits 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 income-tax, service tax, sales tax, cess and other material statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, custom duty, excise duty, valued added tax are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service 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.



Adani Kattupalli Port Private Limited

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(c) According to the information and explanations given to us, there are no dues of income tax, service tax and cess which have not been deposited on account of any dispute.

- (viii) The Company has not taken any loan from financial institution or bank and has not issued debentures during the period; accordingly the provisions of clause 3(viii) of the Order are not applicable to the Company and hence not commented upon.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans during the period hence, reporting under clause 3 (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, The Company has not paid any managerial remuneration during the period and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.



S R B C & CO LLP

Chartered Accountants

Adani Kattupalli Port Private Limited

Auditors' Report on Financial Statement for the year ended March 31, 2016

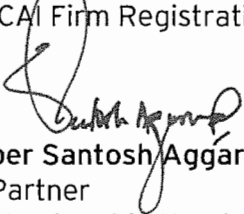
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- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per **Santosh Aggarwal**
Partner

Membership Number: 93669



Place of Signature: Ahmedabad

Date: April 28, 2016

Adani Kattupalli Port Private Limited

Auditors' Report on Financial Statement for the year ended March 31, 2016

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ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ADANI KATTUPALLI PORT PRIVATE LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

To the Members of Adani Kattupalli Port Private Limited

We have audited the internal financial controls over financial reporting of Adani Kattupalli Port Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

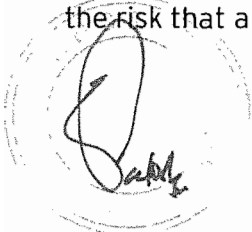
Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating



Adani Kattupalli Port Private Limited

Auditors' Report on Financial Statement for the year ended March 31, 2016

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effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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.



S R B C & CO LLP

Chartered Accountants

Adani Kattupalli Port Private Limited

Auditors' Report on Financial Statement for the year ended March 31, 2016

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Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E / E300003



per **Santosh Aggarwal**

Partner

Membership Number: 93669



Place of Signature: Ahmedabad

Date: April 28, 2016

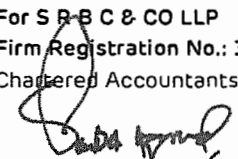
ADANI KATTUPALLI PORT PRIVATE LIMITED

Balance Sheet As At March 31, 2016

PARTICULARS	Notes	As at March 31, 2016 ₹ in Lacs
EQUITY AND LIABILITIES		
SHAREHOLDERS' FUNDS		
Share capital	3	5.00
Reserves and surplus	4	(6,367.27)
		<u>(6,362.27)</u>
NON-CURRENT LIABILITIES		
Long-term borrowings	5	9,090.00
Sub Total		<u>9,090.00</u>
CURRENT LIABILITIES		
Trade payables		-
-Total outstanding dues of micro and small enterprises		-
-Total outstanding dues of creditors other than micro and small enterprises		2,098.13
Other current liabilities	6	836.35
		<u>2,934.48</u>
		<u>5,662.21</u>
ASSETS		
NON CURRENT ASSETS		
Loans and advances	7	19.70
Sub Total		<u>19.70</u>
CURRENT ASSETS		
Trade receivables	8	886.50
Cash and bank balances	9	1,319.39
Loans and advances	7	3,436.62
		<u>5,642.51</u>
Total		<u>5,662.21</u>
Summary of significant accounting policies	2.1	

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

As per our report of even date

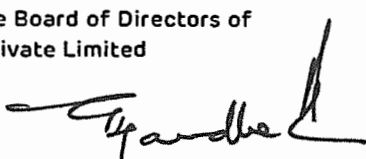
For S R B C & CO LLP
Firm Registration No.: 324982E / E300003
Chartered Accountants

per Santosh Aggarwal
Partner
Membership No. 93369



Place: Ahmedabad
Date: April 28, 2016

For and on behalf of the Board of Directors of
Adani Kattupalli Port Private Limited


Karan Adani
Director
DIN: 3088095


G. J. Rao
Director
DIN: 1724002

Place: Ahmedabad
Date: April 28, 2016



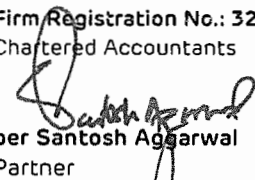
ADANI KATTUPALLI PORT PRIVATE LIMITED

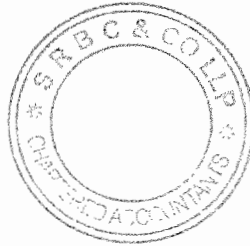
Statement of Profit and Loss for the period ended March 31, 2016

PARTICULARS	Notes	For the period
		August 14, 2015 to March 31, 2016
		₹ in Lacs
INCOME		
Revenue from operations (net)	10	2,368.56
Other income	11	15.43
Total Revenue		2,383.99
EXPENSES		
Operating expenses	12	1,190.22
Finance costs	13	339.07
Other expenses	14	7,221.97
Total Expenses		8,751.26
Loss for the period		(6,367.27)
Earnings / (loss) per Equity Share (in ₹) face value of ₹ 10 each		
Basic and Diluted	15	(12,734.55)
Summary of significant accounting policies	2.1	

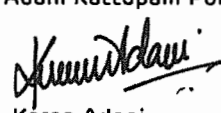
The accompanying notes are an integral part of the financial statements.

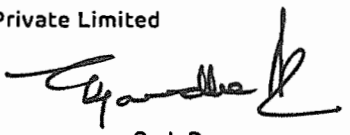
As per our report of even date

For S R B C & CO LLP
Firm Registration No.: 324982E / E300003
Chartered Accountants

per Santosh Aggarwal
Partner
Membership No. 93369



For and on behalf of the Board of Directors of
Adani Kattupalli Port Private Limited


Karan Adani
Director
DIN: 3088095


G. J. Rao
Director
DIN: 1724002

Place: Ahmedabad
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PARTICULARS	For the period August 14 2015 to March 31, 2015
	₹ in Lacs
A. Cash Flow from Operating Activities	
(Loss) for the period	(6,367.27)
Adjustments for:	
Interest expense	339.07
Operating loss before working capital changes	<u>(6,028.20)</u>
Movement in working capital:	
(Increase) in trade receivables	(886.50)
(Increase) in loans and advances	(3,436.62)
Increase in trade payables	2,098.13
Increase in other current liabilities	531.19
Operating loss after adjustments	<u>(7,722.00)</u>
Direct tax paid	(19.70)
Net Cash (Used in) Operating Activities	<u>(7,741.70)</u>
B. Cash Flow from Investing Activities	-
C. Cash Flow from Financing Activities	
Proceeds from issuance of share capital	5.00
Proceeds from Inter-corporate deposit	9,090.00
Interest Paid	(33.91)
Net Cash Flow from Financing Activities	<u>9,061.09</u>
D. Net Increase in Cash and Cash Equivalents (A + B + C)	1,319.39
E. Cash and Cash Equivalents at the beginning of the period	-
F. Cash and Cash Equivalents at close of the period	<u>1,319.39</u>
Components of Cash and Cash Equivalents	
Balances with Scheduled Banks	
- On Current Accounts	1,319.39
Cash and Cash Equivalents at the end of the period (Refer note 9)	<u>1,319.39</u>

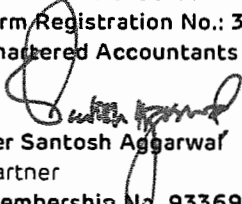
Summary of significant accounting policies 2.1

Notes:

- The Cash Flow Statement has been prepared under the Indirect method as set out in Accounting Standard-3 on Cash Flow Statements notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

As per our report of even date

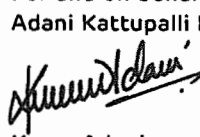
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Chartered Accountants

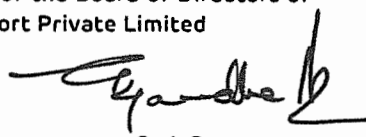

per Santosh Aggarwal
Partner
Membership No. 93369



Place: Ahmedabad
Date: April 28, 2016

For and on behalf of the Board of Directors of
Adani Kattupalli Port Private Limited


Karan Adani
Director
DIN: 3088095


G. J. Rao
Director
DIN: 1724002

Place: Ahmedabad
Date: April 28, 2016



1 Corporate information

Adani Kattupalli Port Private Limited (the Company or 'AKPPL') was incorporated on August 14, 2015 as a wholly owned subsidiary of Adani Ports and Special Economic Zone Limited with an objective of development and operation of port at Kattupalli, Tamil Nadu.

The Company is operating and maintaining the Kattupalli port as "Port operator" w.e.f November 01, 2015 through an implementation agreement entered between the Company, L&T Shipbuilding Limited (LTSB) and Larsen & Turbo Limited. Refer Other Commitment note 20.

2 Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The 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 with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis under the historical cost convention.

2.1 Summary of Significant Accounting Policies**a) Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon 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.

b) Revenue recognition

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

i) Port operations services:

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

ii) Interest:

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

c) 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 over the lease term.

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

e) Income Taxes

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

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

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognized 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 carry forward 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 realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is 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.



f) 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 reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best management estimates.

g) Earnings per share

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

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

h) Cash and Cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

i) Segment Reporting Policies

The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services, the risk and return profile of individual business unit, the organisational structure and internal reporting system of the Company. The analysis of geographical segments is not required as the Company's operations are within single geographical segment i.e. India.

j) Contingent liabilities

A contingent liability is a possible obligation that arises from past event whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future event 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 a 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 Shares Capital

As at March 31,2016

	As at March 31,2016
Authorized shares	
50,000 Equity Shares of ₹ 10 each	5.00
Issued, subscribed and fully paid-up shares	
50,000 Equity Shares of ₹ 10 each	5.00
Total issued, subscribed and fully paid-up share capital	5.00

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

	As at March 31,2016	
	No. in Lacs	₹ in Lacs
Equity shares		
At the beginning of the period	-	-
Issued during the period	0.50	5.00
Outstanding at the end of the period	0.50	5.00

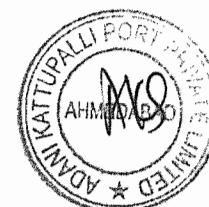
b. Terms/rights attached to equity shares

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

c. Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company, is as below:

	As at March 31,2016 ₹ in Lacs
Adani Ports and Special Economic Zone Limited,	
50,000 equity shares of ₹ 10 each fully paid	5.00



ADANI KATTUPALLI PORT PRIVATE LIMITED

Notes to financial statements for the period ended March 31, 2016

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

	As at March 31,2016	
	No. in Lacs	% Holding
Equity shares of ₹ 10 each fully paid		
Adani Ports and Special Economic Zone Limited and it's nominees	0.50	100%

As per records of the company ,includes it's register of shareholders / members and other declaration received from shareholders regarding beneficial interest ,the above shareholding represent both legal and beneficial ownership of shares.

4 Reserves and Surplus

	As at March 31,2016
	₹ in Lacs
Deficit in the statement of profit and loss	
(Loss) for the period	(6,367.27)
Net (Deficit) in the statement of profit and loss	(6,367.27)

5 Long-term Borrowings

	As at March 31,2016
	₹ in Lacs
Inter Corporate Deposit from holding company (unsecured) (refer note 17)	9,090.00
	9,090.00

The Inter Corporate Deposits are interest bearing @ 9% per annum. The amounts are borrowed in installments and are repayable after a period of three years from the effective date i.e. November 02, 2015. The repayment period is extendable with the mutual consent of both the parties and interest is payable on demand.

6 Other Current Liabilities

	As at March 31,2016
	₹ in Lacs
Interest accrued but not due on borrowings (refer note 17)	305.16
Advances from Customers	71.13
Statutory Liabilities	449.56
Deposits from Customers & Others	10.50
	836.35
Due to related party (refer note 17)	305.16

7 Loans and Advances

	Non-Current	Current
	As at March 31,2016	As at March 31,2016
	₹ in Lacs	₹ in Lacs
Tax deducted at source receivable	19.70	-
Advance recoverable in Cash and kind	-	49.14
Balance with Government/ Statutory Authorities	-	747.32
Security Deposit	-	2,550.00
Prepaid Expenses	-	90.16
	19.70	3,436.62

8 Trade Receivables

	As at March 31,2016
	₹ in Lacs
Outstanding for a period more than six months Unsecured, considered good	-
Outstanding for a period less than six months Unsecured, considered good	886.50
	886.50

9 Cash and Bank Balances

	As at March 31,2016
	₹ in Lacs
Cash and Cash equivalents	
Balances with banks:	
On current accounts	1,319.39
	1,319.39



ADANI KATTUPALLI PORT PRIVATE LIMITED

Notes to financial statements for the period ended March 31, 2016

	For the period August 14, 2015 to March 31, 2016 ₹ in Lacs
10 Revenue from Operation	
Income from port operations (net of discounts, credits)	2,344.07
Other operating income	24.49
	2,368.56
11 Other Income	
Sale of Scrap	2.09
Miscellaneous Income	13.34
	15.43
12 Operating Expenses	
Subcontractor charges	852.36
Power and fuel	299.02
Stores, spares and consumable	38.84
	1,190.22
13 Finance Costs	
Interest Expense	339.07
	339.07
14 Other Expenses	
Port management fees to lessor	6,394.13
Lease rent	9.20
Manpower charges to contractor	385.33
Travelling & conveyance expenses	55.47
Insurance charges	278.41
Repairs others	19.31
Hiring charges	0.32
Rates and taxes	0.12
Legal and professional expenses	18.67
Communication expenses	3.66
Factory & office expenses	1.19
Security Charges	0.48
Payment to auditors:	
- Audit Fee	1.50
- Limited Review	0.63
Miscellaneous expenses	53.55
	7,221.97
15 Earnings / (Loss) per share (EPS)	
	As at March 31,2016
	₹ in Lacs
Loss for the period	(6,367.27)
Weighted average number of equity shares for calculating basic and diluted EPS	50,000
Basic and Diluted Earnings / (loss) per Share (In Rupees)	(12,734.55)



ADANI KATTUPALLI PORT PRIVATE LIMITED

Notes to financial statements for the period ended March 31, 2016

16 Employee Benefits

The Company does not have any employee. The management and administrative functions of the Company are being managed by the holding Company, Adani Ports and Special Economic Zone Limited and for operational activities, the Company has availed services from L&T Shipbuilding Limited (LTSB) to carry all the port operations activities. Refer Note 20.

17 Related Party Disclosures

Related party of the Company for the year ended March 31, 2016 for the purposes of reporting as per AS 18 – Related Party Transactions is as under:

Criteria	Name of company
Holding company	Adani Ports and Special Economic Zone Limited (APSEZL)

Aggregate of transactions for the period ended March 31, 2016 is as below.

Particulars	Name of Related Party	₹ in Lacs
Issue of Equity Shares	APSEZL	5.00
Inter Corporate Deposit received	APSEZL	9,090.00
Interest Expenses	APSEZL	339.07
Balance Outstanding		
Inter Corporate Deposit	APSEZL	9,090.00
Interest accrued but not due	APSEZL	305.16

18 Contingent Liabilities not provided for

Based on the information available with the Company, there is nil contingent liability at the period ended March 31, 2016.

19 Based on the information and supplier's profile available with the Company as at March 31, 2016 the management believes that no creditor is covered under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosure, if any, relating to amount unpaid as at the period end together with the interest paid / payable, as required under the said Act is not applicable.

20 Other Commitments

During the year Adani Kattupali Port Private Limited (AKPPL) has entered into an in implementation Agreement for strategic acquisition of the 'Kattupali Port' in Tamil Nadu from L&T Shipbuilding Limited (LTSB) a subsidiary of Larsen & Toubro Limited. The aggregate consideration of the proposed acquisition agreed between the parties is subject to receiving the necessary government and regulatory approvals and the port business being demerged from LTSB. While awaiting the necessary approvals, AKKPL has entered into an arrangement to operate the operations of the Port w.e.f. November 01, 2016 through an implementation agreement with LTSB, lessor under the arrangement.

During the year, the Company has paid Rs 6,394.13 lacs to LTSB under the Implementation Agreement.

21 Segment reporting

The Company is primarily engaged in the business of operating and maintaining the Port based terminal. The entire business has been considered as a single segment in terms of Accounting Standard-17 on Segment Reporting notified under section 133 of Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) rules, 2014. There being no business outside India, the entire business has been considered as single geographic segment.

21 Deferred tax assets on timing difference arising on unabsorbed depreciation / carry forward losses has not been recognised considering the absence of virtual certainty of the profitability against which deferred tax assets can be realised, as required under Accounting Standard 22 – Accounting for Taxes on Income, notified under section 133 of the Companies Act, 2013.



ADANI KATTUPALLI PORT PRIVATE LIMITED

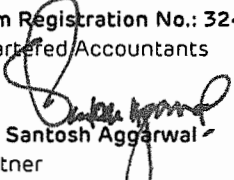
Notes to financial statements for the period ended March 31, 2016

22 The Company has accumulated losses of ₹ 6,367.27 lacs and has negative net worth of ₹ 6,362.27 lacs as at the reporting date. The financial statements disclosed the net position of current assets of ₹ 2,708.03 lacs. Adani Port and Special Economic Zone Limited, the Holding Company, has funded the Company through Inter-Corporate Deposit of ₹ 9,090.00 lacs (amount sanctioned ₹ 15,000 lacs) as a commitment to support the Company's project and operations. The deposits are received at a repayable terms of 3 years. Further, for development of its Port project as per the implementation agreement, the Company is in the process of finalizing the financial structure. Accordingly, the financial statements have been prepared on a going concern basis.

23 The Company was incorporated on August 14, 2015 and this being the first financial statements of the Company for the period August 14, 2015 to March 31, 2016, accordingly, no comparative financial numbers are presented.

As per our report of even date

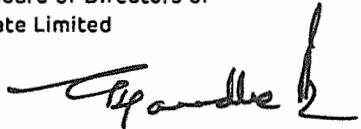
For S R B C & CO LLP
Firm Registration No.: 324982E / E300003
Chartered Accountants


per Santosh Aggarwal
Partner
Membership No. 93369
Place: Ahmedabad
Date: April 28, 2016



For and on behalf of the Board of Directors of
Adani Kattupalli Port Private Limited


Karan Adani
Director
DIN: 3088095
Place: Ahmedabad
Date: April 28, 2016


G. J. Rao
Director
DIN: 1724002

