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Chartered Accountants

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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, 2016; the Statement of Profit and Loss and 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 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.

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.

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. 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, 2016, its profit, and its cash flows for the year ended on that date.

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

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;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, 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

AmPatel

per Arpit K Patel
Partner
Membership Number: 34032
Place of Signature: Ahmedabad
Date: April 27, 2016

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

Annexure referred to in paragraph on Report on Other Legal and Regulatory Requirements of our report of even date
Re: Adani Petronet (Dahej) Port Private Limited

(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.

(c) According to the information and explanations given by the management, the title deeds of immovable properties, included in fixed assets except for the immovable property in the nature of leasehold land, pending registration ₹ 1048.44 lacs disclosed in Note 10 of Financial statement. As explained to us, registration of title deeds is in progress in respect of an immovable property aggregating ₹ 1048.44 lacs.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such 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, 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 rendered by 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 tax, cess and other material statutory dues applicable to it. The provision of employees' state insurance is not applicable to the Company.

(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, customs 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.

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

(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	279.50	October 2011 to March 2013	Commissioner of Service Tax, Ahmedabad
		53.30	April 2013 to March 2014	Commissioner of Service Tax, Ahmedabad
		112.68	April 2014 to March 31, 2015	Commissioner of Service Tax, Ahmedabad

(viii) In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of dues to financial institution and banks. The Company has not issued debenture and do not have any outstanding dues to the government during the year.

(ix) In our opinion and according to the information and explanations given by the management, and on an overall examination of the balance sheet, we report that the Company has utilised the monies raised by way of term loans for the purposes for which those were raised.

(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 on or by the officers and employees of the Company has been noticed or reported during the year.

(xi) The Company has not paid any managerial remuneration during the year, accordingly, read with note 29 of financial statement, reporting under clause (xi) is not applicable to the Company, 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 177 and 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.

(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 year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

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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

per Arpit K Patel
Partner
Membership Number: 34032
Place of Signature: Ahmedabad
Date: April 27, 2016

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Chartered Accountants

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ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ADANI PETRONET (DAHEJ) PORT PRIVATE LIMTED

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 Petronet (Dahej) Port Private Limited

We have audited the internal financial controls over financial reporting of Adani Petronet (Dahej) Port Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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.

Auditor's 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 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.

S R B C & CO LLP * CHARTERED ACCOUNTANTS

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.

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.

Explanatory paragraph

We also have audited, 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, the financial statements of the Company, which comprise the Balance Sheet as at March 31, 2016, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated April 27,2016 expressed an unqualified opinion thereon .

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E

ArPatel

per Arpit K Patel
Partner
Membership Number: 34032
Place of Signature: Ahmedabad
Date: April 27, 2016

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2016

PARTICULARS	Notes	March 31, 2016 ₹ In Lacs	March 31, 2015 ₹ In Lacs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	3	34,615.38	34,615.38
Reserves and surplus	4	18,465.15	12,887.67
Sub Total		**53,080.53**	**47,503.05**
NON-CURRENT LIABILITIES			
Long-term borrowings	5	57,822.41	48,556.79
Deferred tax liabilities (net)	6	8,810.41	7,359.95
Long-term provisions	7	455.17	7,406.88
Sub Total		**67,087.99**	**63,323.62**
CURRENT LIABILITIES			
Short-term borrowings	8	9,034.93	960.00
Trade payables			
(1) Total outstanding dues of micro enterprises and small enterprises		1.20	-
(2) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,778.18	1,941.93
Other current liabilities	9	10,989.68	12,575.35
Short-term provisions	7	106.84	806.59
Sub Total		**21,910.83**	**16,283.87**
Total		**1,42,079.35**	**1,27,110.54**
ASSETS			
NON CURRENT ASSETS			
Fixed assets			
(i) Tangible assets	10	1,01,127.68	1,05,514.89
(ii) Intangible assets	10	91.96	98.36
(iii) Capital work-in-progress	32	16,997.36	2,752.54
		1,18,217.00	**1,08,365.79**
Non-current investments	11	1,733.00	1,733.00
Loans and advances	12	6,226.70	4,934.88
Trade receivable	14	-	1,443.66
Other non current assets	15	0.29	113.03
Sub Total		**1,26,176.99**	**1,16,590.36**
CURRENT ASSETS			
Inventories	13	1,374.15	1,779.68
Trade receivables	14	10,944.63	7,143.13
Cash and bank balances	16	537.78	885.53
Loans & advances	12	2,776.39	339.54
Other current assets	15	269.41	372.30
Sub Total		**15,902.36**	**10,520.18**
Total		**1,42,079.35**	**1,27,110.54**
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

S R B C & CO LLP CHARTERED ACCOUNTANTS

Place : Ahmedabad
Date : April 27, 2016

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

ADANI PETRONET (DAHEJ) PORT PVT. LTD. AHMEDABAD

Karan Adani
Chairman
DIN: 03088095

B. Ravi
Director
DIN: 00160891

Kamlesh Bhagia
Company Secretary

Kapil Patel
Chief Financial Officer

Place : Ahmedabad
Date : April 27, 2016

ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

PARTICULARS	Notes	March 31, 2016 ₹ In Lacs	March 31, 2015 ₹ In Lacs
INCOME			
Revenue from operations	17	34,431.10	48,467.59
Other income	18	836.37	644.23
Total revenue		**35,267.47**	**49,111.82**
EXPENSES			
Operating expenses	19	10,405.35	15,426.78
Employee benefits expense	20	1,198.15	1,049.99
Depreciation and amortisation expense	10	6,790.53	5,270.13
Finance costs	21	6,335.43	5,514.37
Other expenses	22	1,589.00	1,732.76
Total expenses		**26,318.46**	**28,994.03**
Profit for the year before taxation		**8,949.01**	**20,117.79**
Tax expenses:			
- Current tax - Minimum Alternate Tax		1,919.24	4,211.98
- Adjustment of tax relating to earlier periods		1.83	(25.73)
- Deferred tax charge		1,450.46	7,367.41
Profit for the year		5,577.48	8,564.13
Basic and diluted earnings per equity share (in ₹) of face value of ₹ 10 each	24	1.61	2.47
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

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

per Arpit K. Patel
Partner
Membership No. 34032

Place : Ahmedabad
Date : April 27, 2016

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

ADANI PETRONET (DAHEJ) PORT PVT. LTD. * AHMEDABAD

Karan Adani
Chairman
DIN: 03088095

B. Ravi
Director
DIN: 00160891

Kamlesh Bhagia
Company Secretary

Kapil Patel
Chief Financial Officer

Place : Ahmedabad
Date : April 27, 2016

ADANI PETRONET (DAHEJ) PORT PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

PARTICULARS	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Cash flow from operating activities		
Profit before tax as per statement of profit and loss	**8,949.01**	**20,117.79**
Adjustments for:		
Loss on sale / discard of fixed assets (net)	0.70	70.56
Excess provision written back	(55.42)	(23.86)
Depreciation and amortisation	6,790.53	5,270.13
Interest income	(21.23)	(19.71)
Income from dividend	(3.97)	(22.42)
Net (gain)/loss on sale of current investments	(11.12)	-
Interest expense	5,835.74	5,944.62
Unrealised loss/(gain) on derivative swap contracts (net)	23.61	(487.95)
Provision for doubtful advances (net)	47.91	8.23
Operating profit before working capital changes	**21,555.76**	**30,857.39**
Movements in working capital :		
(Increase)/Decrease in trade receivables	(2,357.84)	1,824.11
Decrease/(Increase) in inventories	405.53	(690.98)
(Increase) in long term loans and advances	(605.51)	(71.66)
(Increase)/Decrease in short term loans and advances	(2,434.76)	195.88
Decrease in other current assets	184.06	128.09
Increase/(Decrease) in trade payables	(162.55)	691.45
Increase/(Decrease) in other current liabilities	918.79	(1,245.89)
Increase in provisions	50.74	18.61
Cash generated from operations	17,554.22	31,707.00
Direct taxes paid (net)	(2,131.64)	(4,435.60)
Net cash flow from operating activities (A)	15,422.58	27,271.40
Cash flows from investing activities		
Purchase of fixed assets (Including capital work In progress and capital advances)	(14,526.02)	(19,758.50)
Proceeds from sale of fixed assets	-	6.04
Interest received	23.87	20.32
Purchase/sale of investment in Mutual Fund (net) (refer note - 2)	11.12	-
Income from dividend	3.97	22.42
Deposit/realisation of margin money	(21.18)	(62.74)
Net cash inflow (used in) investing activities (B)	**(14,508.24)**	**(19,772.46)**
Cash flows from financing activities		
Proceeds long-term borrowing	-	618.95
Repayment of long-term borrowings	(40,792.69)	(4,030.65)
Proceeds from inter corporate deposit (including short-term)	60,623.37	7,110.00
Repayment of intercorporate deposit (including short-term)	(10,238.44)	(6,150.00)
Loss on derivative swap contracts	(7,725.81)	(793.02)
Interest paid	(3,178.63)	(5,801.50)
Net cash flow (used in) financing activities (C)	**(1,312.20)**	**(9,046.22)**
Net increase / (decrease) in cash & cash equivalents (A + B + C)	**(397.86)**	**(1,547.28)**
Cash & cash equivalents at the beginning of the year	668.81	2,216.09
Cash & cash equivalents at the end of the year (Refer note-16)	**270.95**	**668.81**

Notes :

Component of Cash and Cash equivalents		
Cash on Hand	-	-
Balance with Schedule Banks :		
On Current Accounts	270.95	668.81
Total cash and cash equivalents (Note-16)	**270.95**	**668.81**
Margin money deposits (restricted Cash) (Note-16)	**266.83**	**216.72**

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.

(2) Purchase of investment in mutual fund of ₹ 12,485.97 lacs (PY ₹ 15,747.42) and sale of investment in mutual fund of ₹ 12,497.09 lacs (PY ₹ 15,747.42)

As per our report of even date

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

per Arpit K. Patel
Partner
Membership No. 34032

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

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

Karan Adani
Chairman
DIN: 03088095

B. Ravi
Director
DIN: 00160891

ADANI PETRONET (DAHEJ) PVT. LTD. AHMEDABAD

Kamlesh Bhagia
Company Secretary

Kapil Patel
Chief Financial Officer

Place : Ahmedabad
Date : April 27, 2016

Place : Ahmedabad
Date : April 27, 2016

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 has developed 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 facilities have been developed under 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 infrastructure 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) Component Accounting

The company has adopted component accounting as required under Schedule II to the Companies Act, 2013 and AS 10 from April 1, 2015. The company was previously not identifying components of tangible assets separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of tangible assets.

Due to application of Schedule II to the Companies Act, 2013 and AS10 , the company has changed the manner of depreciation for its tangible assets. Now, the company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., April 1, 2015, its carrying amount, after retaining any residual value, is charged to the statement of profit and loss. The carrying amount of other components, i.e., components whose remaining useful life is not nil on April 1, 2015, is depreciated over their remaining useful lives.

Had the company continued to use the earlier policy of depreciating tangible assets, its financial statements for the period would have been impacted as below:-

Depreciation for the current period would have been lower by ₹ 470.80 lacs. Profit for the current period would have been higher by ₹ 370.32 lacs (net of tax impact of ₹ 100.48 lacs) . Tangible fixed assets value would correspondingly have been higher by ₹ 470.80 lacs

On the date of component accounting becoming applicable, i.e., April 1, 2015, there was no component having zero remaining useful life. Hence, no amount has been directly adjusted against retained earnings.

ii) Classification of items of Stores & Spares

The stand-by and servicing equipment should normally be capitalized as plant & machinery. It required that machinery spares are usually treated as inventory and charged to profit or loss on consumption. However, spares parts that can be only used in connection with a particular item of plant & machinery and whose use is expected to be irregular, are capitalized. Such spare parts are depreciated over a period, not exceeding the remaining useful life of the principal asset.

The company has changed its accounting policy of plant & machinery. During the year, Company has capitalised certains stores and spares as a tangible asset at its carrying amount and depreciated prospectively over its remaining useful life.

Had the company continued to use the earlier policy, its financial statements for the period would have impacted as below:-
Inventories would have been higher by ₹ 616,28 lacs, Tangible Fixed Assets would have been lower by ₹ 616.28 lacs, depreciation would have been lower by ₹ 45.42 lacs, and profit before tax for the current period would have been higher by ₹ 45.42 lacs.

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) Tangible Fixed assets including capital work in progress 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. When significant parts of tangible fixed assets are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. 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 assets are ready to be put to use.

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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 recongnised 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) Items of stores and spares that meet the definition of tangible asset are capitalised at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

vi) The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset

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 basis using the rates arrived at, 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 estimated by the management as independently evaluated by experts.

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
Building	Carpeted Roads – Other than RCC Non Carpeted Roads - Other than RCC	6 Years 3 Years
Tugs & Boats	Tugs - Other than outfitting items Tug - Outfitting items	20 Years as per concession agreement 15 Years

iii) 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.

iv) The residual value, useful lives and method of depreciation of tangible fixed assets are revalued at each financial year end and adjusted prospectively if applicable.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. 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

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

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, recent 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 over the lease term.

i) Inventories

Stores and spares are valued at lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Stores and spares which do not meets the definition of plant & machinery, are accounted as inventories. 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. The following specific recognition criteria must also be met before revenue is recognized:-

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 made 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.

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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 "Guidance note on Accounting for Derivative Contracts" issued by Institute of Chartered Accountants of India, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net gain/loss, if any is recognized/charged to the statement of profit and loss.

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 as employee renders the services. 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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated 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 6th year of company's operation and it has decided to start claiming tax holidays from current year onwards.

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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 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 the company 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 estimates 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 for the purpose of Cash Flow Statements 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

	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Authorised shares		
35,00,00,000 (Previous Year 35,00,00,000) equity shares of ₹ 10 each	35,000.00	35,000.00
	35,000.00	**35,000.00**
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.	34,615.38	34,615.38
Total issued, subscribed and fully paid-up share capital	**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, 2016		March 31, 2015	
	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, 2016 ₹ in Lacs	March 31, 2015 ₹ 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, 2016		March 31, 2015	
	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

	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Surplus in the statement of profit and loss		
Balance as per last financial statements	12,887.67	4,338.04
Depreciation charged to retained earning (net of deferred tax)	-	(14.50)
Profit for the year	5,577.48	8,564.13
Net surplus in the statement of profit and loss	**18,465.15**	**12,887.67**

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5 Long-term borrowings

	Non-current portion		Current maturities	
	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Term loans				
Foreign currency term loans from banks (Refer note- a,c,d)	15,512.41	18,188.43	4,275.35	3,691.72
Indian rupee loan from bank	-	30,368.36	-	7,000.00
Bills under foreign currency letter of credits from banks (Refer note - b) (Unsecured)	-	-	514.80	516.12
Inter Corporate Deposit (refer note - e) (unsecured)	42,310.00	-	-	-
	57,822.41	**48,556.79**	**4,790.15**	**11,207.84**
The above amount includes				
Secured borrowings	15,512.41	48,556.79	4,275.35	10,691.72
Unsecured borrowings	42,310.00	-	514.80	516.12
	57,822.41	**48,556.79**	**4,790.15**	**11,207.84**
Amount disclosed under the head "other current liabilities" (Refer note 9)	-	-	(4,790.15)	(11,207.84)
Total	**57,822.41**	**48,556.79**	-	-

Notes :

(a)Foreign currency loans carries interest in the range of LIBOR plus 2.85 % to 2.95%. The loans are repayable in 38 to 40 quarterly installments each from the date of obligation of loan.

(b)Letter of Credit carries interest in the range of EURIBOR plus 40 basis points.

(c)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

(d)Holding company has pledged 103,845,494 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.

(e) Inter corporate deposit is received from Adani Ports and Special Economic Zone Ltd., the holding Company, at the interest rate of 11.00%. The outstanding loan balance as on September 30, 2016 will be repayable in nine six monthly installments starting from December 31, 2016 to December 31, 2020.

6 Deferred tax liabilities (net)

	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Deferred tax liability		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	8,810.41	7,359.95
Gross deferred tax liability	**8,810.41**	**7,359.95**
Gross deferred tax asset	-	-
Limited to the value of gross deferred tax liabilities	**8,810.41**	**7,359.95**
Net deferred tax liabilities	**8,810.41**	**7,359.95**

7 Provisions

	Long Term		Short Term	
	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Provision for gratuity (refer note - 30)	-	-	29.00	-
Provision for compensated absences		-	77.84	56.10
Provision for mark to market losses on derivative contracts	455.17	7,406.88	-	750.49
	455.17	**7,406.88**	**106.84**	**806.59**

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8 Short-term borrowings	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Inter corporate Deposits (Unsecured) (Refer note below)	9,034.93	960.00
	9,034.93	**960.00**

Note: Inter corporate deposit is received from Adani Ports and Special Economic Zone Ltd., the holding Company, at the interest rate of 11.00% p.a. The loan is re-payable by August 11, 2016.

9 Other current liabilities	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Current maturities of long-term borrowings (Refer note 5)	4,790.15	11,207.84
Interest accrued but not due on borrowings	89.41	151.37
Interest accrued and due on inter corporate deposit	2,719.07	-
Unearned revenue	712.51	38.16
Statutory dues , service tax, TDS etc.	205.56	51.03
Advance from customers	36.25	8.94
Security deposits from contractors/suppliers	11.28	4.10
Capital creditors, retention money and other payable	2,425.45	1,113.91
	10,989.68	**12,575.35**

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Adani Petronet Dahej Port Pvt Ltd
Notes to financial statement for the year ended March 31, 2016
Note 10 - Fixed Assets

(₹ in Lacs)

	Gross Block					Depreciation/amortisation					Net block	
Particulars	April 1 , 2015	Additions	Deductions / Adjustments	Adjustment for foreign Exchange	March 31, 2016	April 1, 2015	During the year	Adjusted in retained earning	Deductions / adjustments	March 31, 2016	March 31, 2016	March 31, 2015
Tangible assets												
Freehold land	128.74	-	-	-	128.74	-	-	-	-	-	128.74	128.74
Leasehold land (Refer note b,c,f and note 36 (b))	1,490.85	-	-	-	1,490.85	147.73	26.42	-	-	174.15	1,316.70	1,343.12
Leasehold land development	1,171.43	-	-	-	1,171.43	121.07	50.80	-	-	171.87	999.56	1,050.36
Building	14,764.31	86.63	3.04	226.44	15,074.34	1,744.34	1,621.43	-	3.05	3,362.72	11,711.62	13,019.97
Plant & machinery (Refer note e)	47,670.66	833.89	0.31	406.87	48,911.11	6,985.79	3,317.45	-	-	10,303.24	38,607.87	40,684.87
Furniture & fixtures	119.82	7.92	0.97	-	126.77	48.34	11.61	-	(1.03)	60.98	65.79	71.48
Office equipments	342.84	63.36	9.79	-	396.41	79.97	83.31	-	11.63	151.65	244.76	262.87
Computer equipment	336.10	32.89	1.50	-	367.49	206.82	59.21	-	1.27	264.76	102.73	129.28
Vehicles (Refer note a below)	642.69	3.41	-	-	646.10	98.78	79.82	-	-	178.60	467.50	543.91
Tugs and boats (Refer note a below)	5,468.95	-	-	-	5,468.95	1,436.15	253.63	-	-	1,689.78	3,779.17	4,032.80
Railway tracks and sidings	1,904.27	10.21	-	24.70	1,939.18	308.57	130.07	-	-	438.64	1,500.54	1,595.70
Marine structures	49,326.75	10.89	-	672.61	50,010.25	6,674.96	1,132.59	-	-	7,807.55	42,202.70	42,651.79
TOTAL	123,367.41	1,049.20	15.61	1,330.62	125,731.62	17,852.52	6,766.34	-	14.92	24,603.94	101,127.68	105,514.89
Intangible assets												
Software	101.76	17.79	-	-	119.55	51.68	14.54	-	-	66.22	53.33	50.08
Right of use of land (Refer note d)	96.53	-	-	-	96.53	48.25	9.65	-	-	57.90	38.63	48.28
TOTAL	198.29	17.79	-	-	216.08	99.93	24.19	-	-	124.12	91.96	98.36
Total	123,565.70	1,066.99	15.61	1,330.62	125,947.70	17,952.45	6,790.53	-	14.92	24,728.06	101,219.64	105,613.25
Previous year	106,890.01	16,220.38	409.06	864.37	123,565.70	12,690.87	5,270.13	21.96	30.51	17,952.45	105,613.25	

Notes:-

(a) Tugs of ₹ 5,468.95 lacs and accumulated depreciation ₹ 1689.78 lacs (Previous Year ₹ 1,436.13 lacs) are in process of registration in the name of company.

(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 ₹ 871.51 lacs and accumulated depeciation of ₹ 213.00 lacs (previous year ₹ 869.19 lacs and accumulated depreciation of ₹ 155.20 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 land on operating lease for development of port infrastructure.

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11 Non-current investments

	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
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	1,733.00	1,733.00
	1,733.00	**1,733.00**
Aggregate cost of Un-quoted investment	1,733.00	1,733.00

12 Loans and advances

	Non-Current		Current	
	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Capital Advances				
Secured, considered good (refer note 1)	2,878.79	2,995.30		
Unsecured, considered good	1,016.69	374.43	-	-
(A)	**3,895.48**	**3,369.73**	-	-
Advances recoverable in cash or kind				
Unsecured, considered good (Refer note 24, 29 & 34)	745.63	471.95	2,258.86	179.67
Unsecured, considered doubtful	50.00	-	6.14	8.23
	795.63	471.95	2,265.00	187.90
Provision for doubtful advances	(50.00)	-	(6.14)	(8.23)
(B)	745.63	471.95	2,258.86	179.67
Other loans and advances (Unsecured)				
Advance income tax (net of provision for taxation)	1,185.15	974.58	-	-
Prepaid expenses	-	-	85.58	43.15
Loans to employees	-	-	10.02	12.88
Balance with statutory/government authorities	383.87	101.80	418.35	95.40
Deposits others	16.57	16.82	3.58	3.37
Gratuity fund (Refer note 30)	-	-	-	5.07
(C)	1,585.59	1,093.20	517.53	159.87
Total (A+B+C)	**6,226.70**	**4,934.88**	**2,776.39**	**339.54**

Note: 1 The company has received bank guarantee of ₹ 2,878.79 lacs (previous year ₹ 2,995.30 lacs) against capital advances.

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

	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Stores and spares (refer note - 2.1 (a) (ii))	1,374.15	1,779.68
	1,374.15	**1,779.68**

14 Trade receivables

	Non-Current		Current	
	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Unsecured considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment	-	-	1,580.11	662.43
Other receivables (refer note 25 d)	-	1,443.66	9,364.52	6,480.70
	-	**1,443.66**	**10,944.63**	**7,143.13**

Includes ₹ 1,443.66 lacs (previous year ₹ 2,737.60 lacs) contractually collectable on deferred basis (including where receivable period extended).

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15 Other assets

	Non-Current		Current	
	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Non current bank balances (Refer note 16)	0.29	29.22	-	-
Interest accrued on deposits and loans	-	-	36.78	3.30
Interest accrued on trade receivables	-	83.81	166.06	75.09
Accrued revenue	-	-	-	293.91
Insurance claim receivable (refer note 35)	-	-	66.57	-
	0.29	**113.03**	**269.41**	**372.30**

16 Cash and bank balances

	Non-Current		Current	
	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Cash and cash equivalents				
Balances with banks:				
On current accounts	-	-	270.95	668.81
Cash on hand			-	-
	-	**-**	**270.95**	**668.81**
Other bank balances				
Margin Money Deposit	0.29	29.22	266.83	216.72
	0.29	**29.22**	**266.83**	**216.72**
Amount disclosed under non-current assets (Refer note 15)	(0.29)	(29.22)		
	-	**-**	**537.78**	**885.53**

Note: Margin money deposits includes ₹ 267.12 lacs (previous year ₹ 245.94 lacs) being pledged/lien against bank guarantees and buyers credit.

17 Revenue from operations

	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Port terminal services and cargo handling income	34,427.33	48,465.08
Other operating income	3.77	2.51
	34,431.10	**48,467.59**

18 Other income

	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Rent Income	3.70	3.45
Dividend from current investment.	3.97	22.42
Interest income from:		
Bank deposits	21.23	19.71
Customers and others	655.66	539.32
Unclaimed liabilities / excess provision written back	55.42	23.86
Miscellaneous income	96.39	35.47
	836.37	**644.23**

19 Operating expenses

	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Cargo handling charges to contractors	2,576.81	5,567.87
Locomotive hire charges	423.51	243.00
Cargo Handling claims #	340.21	1,088.65
Tug and pilotage charges	261.09	244.85
Repairs to plant & machinery	538.15	296.02
Repairs to buildings	92.06	45.38
Stores, spares and consumables (net of sales) (refer note 29)	1,012.46	1,317.23
Maintenance dredging	96.50	25.12
Power & fuel	2,693.86	3,514.85
Water front royalty	1,705.39	2,148.46
Port dues charges	665.31	935.35
	10,405.35	**15,426.78**

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

20 Employee benefit expense

	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Salaries, wages and bonus	958.59	819.15
Contribution to provident fund	48.67	41.15
Contribution to superannuation fund	-	1.03
Gratuity (Refer note 30)	47.18	22.25
Workmen and staff welfare expenses	143.71	166.41
	1,198.15	**1,049.99**

21 Finance costs

	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Interest on		
- Term loan	5,833.03	5,842.63
- Buyers credit	2.71	2.62
- Others	-	99.37
Bank and other finance charges	476.08	57.70
	6,311.82	**6,002.32**
Loss/(Gain) on derivative swap contracts (net)	23.61	(487.95)
	6,335.43	**5,514.37**

22 Other expenses

	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Rent	3.47	3.11
Rates and taxes	39.42	126.28
Insurance	52.62	90.81
Payment to auditors (refer note 1 below)	21.86	12.70
Directors' sitting fees	4.61	1.20
Other repairs and maintenance	104.85	103.45
Legal and professional expenses	110.06	252.95
IT Support services	68.80	74.53
Travelling and conveyance	172.06	174.28
Land lease rent	271.21	286.04
Loss on sale / discard of fixed assets (net)	0.70	70.56
Exchange differences (net)	0.94	14.28
Communication expenses	12.53	11.77
Donations (refer note 2 below)	202.73	116.00
Security service charges	158.91	108.50
Services / Material cost towards Fire and safety	166.53	121.11
Provision for doubtful advances	47.91	8.23
Miscellaneous expenses	149.79	156.96
	1,589.00	**1,732.76**

Note: 1

Payment to auditor	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
As auditor:		
Audit fee	13.50	12.00
Limited review	6.00	-
Other services (including certification fees)	2.02	0.40
Reimbursement of expenses	0.34	0.30
	21.86	**12.70**

Note: 2

The company has paid ₹ 201 lacs (previous year ₹ 51 lacs) towards corporate social responsibilities to Adani Foundation.

23 Earnings per share (EPS)

Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
Profit as per statement profit and loss account for calculation of EPS	5,577.48	8,564.13
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 ₹)	1.61	2.47

24 Capital commitments & other commitment

Capital commitments (₹ In Lacs)

Particulars	March 31, 2016	March 31, 2015
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	8,972.82	25,580.27

Other commitment

The company has entered into a long-term arrangement for purchasing diesel. The company has given interest bearing advance of ₹ 2,500 Lacs as per the agreement.

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25 Contingent liabilities not provided for

(₹ In Lacs)

Sr.No	Particulars	March 31, 2016	March 31, 2015
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 ₹ 18,664.78 Lacs (Previous Year ₹ 19582.75 Lacs) which is equivalent to 6 to 8 times of duty saved ₹ 2376.74 lacs (previous year ₹ 2491.49 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.	2,376.74	2,491.49
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. During the year, the company's appeal before Customs, Excise and Service Appellate Tribunal was decided in its favour in respect of past demands.	-	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 2015. 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. For earlier years, Company has received favourable order against the demand.	445.48	279.50
d.	Bank guarantee given to Registrar, The High Court of Gujarat against disputed receivable amount	135.64	-
e.	Bills discounted with banks	7,981.99	-

26 Supplementary statutory information

a) Expenditure in foreign currency (accrual basis)

(₹ In Lacs)

Particulars	March 31, 2016	March 31, 2015
Interest expense	949.66	1,093.59
Others	5.97	3.71

b) CIF value of imports:

(₹ In Lacs)

Particulars	March 31, 2016	March 31, 2015
Stores and spares	105.18	400.07
Capital goods	368.49	747.29

c) Imported and indigenous stores and spares consumed

(₹ In Lacs)

Particulars	Consumption		% of Total Consumption	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Imported	106.84	283.84	10.55%	21.55%
Indigenous	905.62	1,033.40	89.45%	78.45%
Total	**1,012.46**	**1,317.23**	**100.00**	**100.00**

27 Leases

Assets taken under operating leases – Office space and guest houses for staff accommodation. During the year, the Company has incurred ₹ 3.47 Lacs. (Previous year ₹ 3.11 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.

28 Segment information

The Company is primarily engaged in the business of developing, operating and maintaining the port based terminal 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.

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Notes to the financials Statements for the year ended March 31 , 2016

Note 29- Related Parties

Particulars	Name of Company
Holding Company	Adani Ports and Special Economic Zone Ltd
Joint Venturer	Petronet LNG Ltd.
Fellow Subsidiary	Adani Logistics Ltd MPSEZ Utilities Pvt. Ltd Adani Vizag Coal Terminal Private Ltd Adani Hazira Port Pvt Ltd Adani Kandla Bulk Terminal Private Ltd
Entities over which major shareholders of holding company are able to exercise Significant Influence through voting power	Adani Power Maharashtra Ltd Adani Power Rajasthan Ltd Adani Power Dahej Ltd Adani Bunkering Private Ltd Adani Enterprises Ltd
Key Management Personel	G. J. Rao, Managing Director (up to January 25, 2016) A. K. Singh, Managing Director (January 26, 2016 onwards)

(₹ In Lacs)

Transactions	Name of Related Party	March 31,2016	March 31,2015
Sale of port services	Adani Enterprises Ltd	10,294.86	14,210.05
	Adani Logistics Ltd	2,234.60	4,945.75
	Adani Power Maharashtra Ltd	2,281.94	7,626.96
	Adani Power Rajasthan Ltd	11,183.82	5,959.06
	Adani Bunkering Private Ltd	-	1.75
Sale of scrap / sale of stores & spares	Adani Hazira Port Pvt Ltd	86.19	-
	Adani Ports and Special Economic Zone Ltd	23.89	-
	Adani Kandla Bulk Terminal Private Ltd	-	3.60
Services availed			
- Loco hire , dredging charges etc	Adani Ports and Special Economic Zone Ltd	133.05	240.10
- Professional fees	Adani Enterprises Ltd	206.54	57.65
- Other	Petronet LNG Ltd.	1.19	2.87
- Purchase of power	MPSEZ Utilities Pvt. Ltd	330.35	0.25
Customer claim	Adani Enterprises Ltd	212.02	971.28
	Adani Logistics Ltd	66.62	-
Advance to supplier	Adani Bunkering Pvt Ltd	2,500.00	-
Purchase of goods/inventory	Adani Hazira Port Pvt Ltd	0.57	13.69
	Adani Ports and Special Economic Zone Ltd	13.16	-
	Adani Power Dahej Ltd	-	37.55
Purchase of assets	Adani Power Dahej Ltd	4.25	11,422.43
Interest expense	Adani Ports and Special Economic Zone Ltd	4,618.97	215.26
Interest income	Adani Power Maharashtra Ltd	86.15	146.16
	Adani Power Rajasthan Ltd	524.25	392.95
	Adani Bunkering Pvt Ltd	40.13	
Rent income	Adani Enterprises Limited	1.20	1.20
Rent expenses	Adani Ports and Special Economic Zone Ltd	3.24	3.09
Donation	Adani Foundation	201.00	116.00
Inter-corporate deposit (taken)	Adani Ports and Special Economic Zone Ltd	60,623.37	7,110.00
Inter-corporate deposit (repaid)	Adani Ports and Special Economic Zone Ltd	10,238.44	6,150.00

(₹ In Lacs)

Closing Balance		March 31, 2016	March 31, 2015
Trade Receivable (current and non current)	Adani Enterprises Ltd	3,166.53	520.83
	Adani Logistics Ltd.	180.39	450.56
	Adani Power Maharashtra Ltd	1,627.86	302.96
	Adani Power Rajasthan Ltd	5,394.34	6,091.86
	Adani Ports and Special Economic Zone Ltd	21.68	-
	Adani Hazira Port Pvt Ltd	0.02	-
		10,390.83	**7,366.22**
Other Current and non current Assets	Adani Power Maharashtra Ltd	67.14	-
	Adani Power Rajasthan Ltd	98.91	158.90
	Adani Bunkering Pvt Ltd	36.12	
		202.17	**158.90**
Loan & Advance(including advance receivable in cash and kind)	Adani Enterprises Ltd	-	25.21
	Adani Ports and Special Economic Zone Ltd	-	5.26
	Adani Bunkering Pvt Ltd	2,500.00	-
		2,500.00	**30.47**
Trade Payable (including provisions)	Adani Enterprises Ltd	225.51	78.41
	Adani Logistics Ltd.	66.62	-
	Adani Hazira Port Pvt Ltd	-	12.31
	Adani Power Dahej Ltd	-	36.41
	Petronet LNG Ltd	-	2.87
	Adani Ports and Special Economic Zone Ltd	1.08	-
	MPSEZ Utilities Pvt. Ltd	69.10	-
		362.31	**130.00**
Capital creditors & others	Adani Power Dahej Ltd	-	223.56
		-	**223.56**
Inter corporate deposit (taken)	Adani Ports and Special Economic Zone Ltd	51,344.93	960.00
		51,344.93	**960.00**
Interest payable on Inter corporate deposit (taken)	Adani Ports and Special Economic Zone Ltd	2,719.07	-
		2,719.07	**-**

Notes:

(1) Outstanding bank guarantee facilities of ₹ 1304.64 lacs (previous year ₹ 5056.37 lacs) have been availed out of the bank guarantee limits of parent company, Adani Ports and Special Economic Zone Ltd. Company has taken bill discounting limits of ₹ 100 crore against letter of comfort of the parent company, Adani Ports and Special Economic Zone Ltd.

(2) The Managing Director of the Company is in employment with the fellow subsidary, Adani Hazira Port Pvt Ltd and he has not taken remuneration from the Company. Similarly, Mr G J Rao is in employment with the parent Company, Adani Ports and Special Economic Zone Ltd and he has not taken remuneration from the Company.

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30 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 expense 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, 2016	March 31, 2015
Current service cost	18.46	9.26
Interest cost on benefit obligation	4.84	3.05
Expected return on plan assets	(5.25)	(4.88)
Net Actuarial loss/(gain)	29.13	14.81
Net benefit expenses	47.18	22.24

Balance Sheet

b) Details of provision for gratuity **(₹ In Lacs)**

Contribution to	March 31,2016	March 31,2015
Present value of defined benefit obligation	100.36	60.70
Fair value of plan assets	71.36	65.77
(Deficit)/Surplus of funds	(29.00)	5.07

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

Particulars	March 31, 2016	March 31, 2015
Defined benefit obligation at the beginning of the year	60.70	32.58
Current service cost	18.46	9.26
Interest cost	4.84	3.05
Net Actuarial (gain) / loss on obligations	28.64	19.44
Benefits paid	(12.28)	(3.63)
Defined benefit obligation at the end of the year	**100.36**	**60.70**

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

Particulars	March 31, 2016	March 31, 2015
Opening fair value of plan assets	65.77	56.08
Expected return	5.25	4.88
Contributions by employer	0.83	0.18
Benefits paid	-	-
Net Actuarial gains / (losses)	(0.49)	4.63
Closing fair value of plan assets	71.36	65.77

The company expects to contribute ₹ 50.70 lacs to gratuity fund in the next year. (Previous year ₹ 7.08 lacs)

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

Particulars	March 31, 2016	March 31, 2015
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.

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

Particulars	March 31, 2016	March 31, 2015
Discount rate	7.90%	7.96%
Expected rate of return on plan assets	7.96%	7.96%
Rate of escalation in salary (per annum)	9.00%	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

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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: **(₹ In Lacs)**

Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined benefit obligation	100.36	60.70	32.58	25.46	10.13
Plan assets	71.36	65.77	56.08	35.54	19.22
Surplus/(deficit)	**(29.00)**	**5.07**	**23.50**	**10.08**	**9.09**
Experience adjustments on plan liabilities (gain)/loss	20.17	9.21	5.27	6.58	(5.07)
Experience adjustments on plan assets gain / (loss)	(0.49)	4.63	(0.36)	(1.20)	0.09

31 Details as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).This information has been determined to the extent such parties have been identified on the basis of information available with the Company

(₹ In Lacs)

S. No	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	1.20	Nil
	Interest	Nil	Nil
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	Nil	Nil

32 Capital work in progress includes

	Particulars	March 31, 2016 ₹ in Lacs	March 31, 2015 ₹ in Lacs
A	Material and services (project expenditure)	10,851.27	1,087.50
B	Capital inventory	5,540.93	1,609.73
C	Interest on borrowing	521.20	-
D	Indirect expenditure during construction / development	83.96	55.31
	Total capital work in progress (A + B + C + D)	**16,997.36**	**2,752.54**

33 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 March 31,2016 (₹ In Lacs)	Particulars of derivatives March 31,2015 (₹ In Lacs)	Purpose
Principal only swap (INR-foreign currency)	39,576.40 (equivalent to USD 62.052 million)	31,800.51 (equivalent to USD 62.052 million)	Mitigate higher interest rate of INR loan against foreign currency loan with possible risk of principle currency losses.

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

Nature	As at March 31, 2016		As at March 31, 2015	
	Amount (₹ in Lacs)	Foreign currency (In Million)	Amount (₹ In Lacs)	Foreign currency (In Million)
Foreign currency loan	19,787.76	USD 29.87	21,880.15	USD 35.01
Bills under letter of credit	514.80	EURO 0.68	516.12	EURO 0.77
Interest accrued but not due	88.55	USD 0.13	150.38	USD 0.24
Interest accrued but not due	0.86	EURO 0.001	0.99	EURO 0.001
Trade payables	0.99	USD 0.0015	-	-
Trade payables	2.37	EURO 0.0031	-	-

Closing rates as at March 31, 2016:
INR / USD = ₹ 66.26
INR / EURO = ₹ 75.40

Closing rates as at March 31, 2015:
INR / USD = ₹ 62.50
INR / EURO = ₹ 67.19

34 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. The company has recognised receivable of Rs 301.95 lacs. The company expect the settlement with G.I.D.C and has classified the same as advance recoverable in cash or kind under long term loans and advance. (refer note 12)

35 The company has recognised insurance claim of ₹ 116.57 Lacs against damage to specific plant & machinery, against which the amount of ₹ 50 lacs has been received as adhoc basis and balance claim of ₹ 66.57 lacs has been disclosed as insurance claim receivable under other current assets. The management expects to receive balance claim amount based on survey conducted by the insurance company.

36 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

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

per Arpit K. Patel
Partner
Membership No. 34032

Place : Ahmedabad
Date : April 27, 2016

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

Karan Adani
Chairman
DIN: 03088095

B. Ravi
Director
DIN: 00160891

ADANI PETRONET (DAHEJ) PORT PVT. LTD. * AHMEDABAD

Kamlesh Bhagia
Company Secretary

Kapil Patel
Chief Financial Officer

Place : Ahmedabad
Date : April 27, 2016