To,
The Board of Directors,
MUNDRA SEZ TEXTILE AND APPAREL PARK PRIVATE LIMITED.

Report on Special Purpose Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying special purpose financial statements of **MUNDRA SEZ TEXTILE AND APPAREL PARK PRIVATE LIMITED** (the "Company"), which comprise the Opening Balance Sheet as at April 1, 2015 (transition date balance sheet) and Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year ended March 31, 2016, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Ind AS Financial Statements"). These Special Purpose Ind AS Financial Statements have been prepared as part of the Company's conversion to Indian Accounting Standards (Ind AS).

Management's Responsibility for the Special Purpose Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these Special Purpose Ind AS Financial Statements and for such internal controls relevant to the preparation of the Special Purpose Ind AS Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Special Purpose Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 the 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 controls relevant to the Company's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Special Purpose Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Special Purpose Ind AS Financial Statements as at and for the year ended March 31, 2016 and the Opening Balance Sheet as at April 1, 2015 are prepared, in all material respects, in accordance with the basis of accounting described in Note 2 to the Special purpose Ind AS Financial Statements which describes how Ind AS have been applied, including assumptions management has made about the standards and interpretations expected to be effective, and the policies expected to be adopted when management prepares its first complete set of Ind AS financial statements as at March 31, 2017.

Emphasis of Matter

We draw attention to Note 3(b) to the Special Purpose Ind AS Financial Statements, which describe the basis of accounting and presentation and further states that the comparative financial information has not been included in these financial statements. Only a complete set of financial statements together with comparative financial information can provide a fair presentation of the company's state of affairs (financial position), profit/loss (financial performance including other comprehensive income), cash flows and the changes in equity. Our opinion is not modified in respect of these matter(s).

Other Matters

The Company has prepared a separate set of financial statements for the year ended March 31, 2016 and March 31, 2015 in accordance with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 on which we issued a separate auditor's report to the shareholders of the Company dated 28th April'16 and 24th April'15, respectively expressed an unmodified opinion on those standalone financial statements.

This report on the Special Purpose Ind AS Financial Statements has been issued solely in connection with the Company's conversion to Ind AS.

For **SHAH & SHAH ASSOCIATES**
Chartered Accountants
FRN:113742W

VASANT C.TANNA
PARTNER
Membership Number: 100422

Place : Ahmedabad.
Date : 28th April,2017

INDEPENDENT AUDITORS' REPORT

The Members of
MUNDRA SEZ TEXTILE AND APPAREL PARK PRIVATE LIMITED.

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **MUNDRA SEZ TEXTILE AND APPAREL PARK PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flow and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the standalone Financial Statements

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the Auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditors' Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure A" a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone Ind AS 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 the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 control over financial reporting of the Company and the operating effectiveness of such controls refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditors' 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 pending litigations which would impact its financial position.

ii) The Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For **SHAH & SHAH ASSOCIATES**
Chartered Accountants
FRN:113742W

VASANT C.TANNA
PARTNER
Membership Number: 100422

Place : Ahmedabad.
Date : 28th April,2017

"Annexure A" to the Independent Auditors' Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31, 2016):

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

   c) The title deeds of immovable properties are held in the name of the company.

2. The company is engaged in the business of rendering of services by way of Lease/ sub lease of land, Factory Buildings and infrastructure usage facilities and does not maintain any type of inventories. Therefore, the provisions of clause (ii) of the paragraph 3 are not applicable to the company.

3. The company has not granted any loans, secured or unsecured to companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and I86 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

5. According to the information and explanations given to us the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable

6. In respect of business activities of the company, maintenance of cost records has not been specified by the Central Government under sub-section (I) of section 148 of the Companies Act.

7. a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no outstanding

statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute:

8. The company has not borrowed from any financial institution or bank or by way of issue of debentures.

9. The company has not raised money by way of initial public offer or further public offer including debt instruments and term loans.

10. There has been neither any fraud by the company nor any fraud on the company by its officers or employees has been noticed or reported during the year.

11. The provision of clause (xi) of the order is not applicable to the company.

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of the Order are not applicable to the Company.

13. All transactions with the related parties are in compliance with section 177 and 188 of the companies Act, 2013 and the details have been disclosed in the standalone Ind AS financial statements.

14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15. Based upon the audit procedures performed and 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. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16. This provision of clause (xvi) of the order is not applicable to the company.

For **SHAH & SHAH ASSOCIATES**
Chartered Accountants
FRN: 113742W

VASANT C.TANNA
PARTNER
Membership Number: 100422

Place : Ahmedabad.
Date : 28th April,2017

"Annexure B" to the Independent Auditors' Report
(Referred to in our report of even date)

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

We have audited the internal financial controls over financial reporting of **MUNDRA SEZ TEXTILE AND APPAREL PARK PRIVATE LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone Ind AS 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 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 Auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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".

For **SHAH & SHAH ASSOCIATES**
Chartered Accountants
FRN: 113742W

VASANT C.TANNA
PARTNER
Membership Number: 100422

Place : Ahmedabad.
Date : 28th April,2017

Mundra SEZ Textile And Apparel Park Private Limited
Balance Sheet as at March 31, 2017

₹ in Lacs

Particulars	Notes	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	4	4,499.19	5,024.66	5,547.88
Financial assets				
Other financial assets	5	1,327.91	1,311.76	1,348.55
Other non-current assets	6	9.91	12.27	10.30
		5,837.01	**6,348.69**	**6,906.73**
Current assets				
Inventories	7	0.46	0.46	0.46
Financial assets				
Trade receivables	8	42.69	26.90	203.42
Cash and Cash Equivalents	9	0.45	2.58	8.19
Bank balances other than cash and cash equivalents	10	0.31	0.29	0.25
Other current assets	6	4.20	2.22	1.59
		48.11	**32.45**	**213.91**
Total Assets		**5,885.12**	**6,381.14**	**7,120.64**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	11	476.56	476.56	476.56
Other equity				
Retained earnings		(1,840.48)	(1,448.32)	(829.90)
Total Equity		**(1,363.92)**	**(971.76)**	**(353.34)**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	12	-	2,899.00	2,459.00
Net employee defined benefit liabilities	13	1.32	1.41	1.09
Other non-current liabilities	14	3,921.21	4,142.15	4,419.49
		3,922.53	**7,042.56**	**6,879.58**
Current liabilities				
Financial liabilities				
Trade payables	15	8.28	6.39	6.02
Other current financial liabilities	16	3,126.25	111.57	391.27
Other current liabilities	14	191.81	192.23	196.98
Net employee defined benefit liabilities	13	0.17	0.15	0.13
		3,326.51	**310.34**	**594.40**
Total liabilities		**7,249.04**	**7,352.90**	**7,473.98**
Total equity and liabilities		**5,885.12**	**6,381.14**	**7,120.64**
Summary of Significant accounting policies	2.1			

The accompanying notes form an integral part of financials statements
As per our report of even date

For SHAH & SHAH ASSOCIATES
ICAI Firm Registration No.: 113742W
Chartered Accountants

per Vasant C. Tanna
Partner
Membership No. 100422

Place: Ahmedabad
Date: April 28, 2017

For and on behalf of Board of Directors of
Mundra SEZ Textile And Apparel Park Private Limited

AMIT UPLENCHWAR
Director
DIN: 06862760

RAVI IYER
Director
DIN: 02609800

Place: Ahmedabad
Date: April 28, 2017

Mundra SEZ Textile And Apparel Park Private Limited
Statement of Profit and Loss for the year ended March 31, 2017

₹ in Lacs

Particulars	Notes	March 31, 2017	March 31, 2016
INCOME			
Rendering of services	17	429.77	432.85
Other income	18	0.39	96.71
Total income		**430.16**	**529.56**
EXPENSES			
Operating expenses	19	259.14	259.14
Employee benefits expense	20	6.74	5.37
Depreciation and amortization expense	4	525.47	525.48
Finance costs	21	17.36	245.73
Other expenses	22	13.81	112.18
Total expense		**822.52**	**1,147.90**
(Loss) before tax		**(392.36)**	**(618.34)**
Tax expense:		-	-
Current Tax		-	-
Income tax expense		**-**	**-**
(Loss) for the year		**(392.36)**	**(618.34)**
Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains (losses) on defined benefit plans		0.20	(0.08)
Other Comprehensive Income for the year		**0.20**	**(0.08)**
Total Comprehensive Income for the year		**(392.16)**	**(618.42)**
Basic and diluted earnings per equity shares (in ₹) face value of ₹ 10 each	23	**(8.23)**	**(12.98)**
Summary of Significant accounting policies	2.1		

The accompanying notes form an integral part of financials statements
As per our report of even date

For SHAH & SHAH ASSOCIATES
ICAI Firm Registration No.: 113742W
Chartered Accountants

per Vasant C. Tanna
Partner
Membership No. 100422

Place: Ahmedabad
Date: April 28, 2017

For and on behalf of Board of Directors of
Mundra SEZ Textile And Apparel Park Private Li

AMIT UPLENCHWAR	**RAVI IYER**
Director	Director
DIN: 06862760	DIN: 02609800

Place: Ahmedabad
Date: April 28, 2017

Mundra SEZ Textile And Apparel Park Private Limited
Statement of Changes in Equity for the year ended March 31, 2017

₹ in Lacs

Particulars	Equity Share Capital	Other Equity		Total
		Reserves and Surplus	Item of OCI	
		Retained Earning	FVTOCI Reserve	
As at on April 01, 2016	**476.56**	**(1,448.32)**	**-**	**(971.76)**
(Loss) for the year	-	(392.36)	-	(392.36)
Other Comprehensive Income	-	0.20	-	0.20
Total Comprehensive Income for the year	**-**	**(392.16)**		**(392.16)**
As at on March 31, 2017	**476.56**	**(1,840.48)**	**-**	**(1,363.92)**

For SHAH & SHAH ASSOCIATES
ICAI Firm Registration No.: 113742W
Chartered Accountants

For and on behalf of Board of Directors of
Mundra SEZ Textile And Apparel Park Private Limited

per Vasant C. Tanna
Partner
Membership No. 100422

AMIT UPLENCHWAR
Director
DIN: 06862760

RAVI IYER
Director
DIN: 02609800

Place: Ahmedabad
Date: April 28, 2017

Place: Ahmedabad
Date: April 28, 2017

Mundra SEZ Textile And Apparel Park Private Limited
Statement of Changes in Equity for the year ended March 31, 2016

₹ in Lacs

Particulars	Equity Share Capital	Other Equity		Total
		Reserves and Surplus	Item of OCI	
		Retained Earning	FVTOCI Reserve	
Balance as on April 01, 2015	**476.56**	**(829.90)**	**-**	**(353.34)**
(Loss) for the year	-	(618.34)	-	**(618.34)**
Other Comprehensive Income	-	(0.08)	-	**(0.08)**
Total Comprehensive Income for the year	**-**	**(618.42)**	**-**	**(618.42)**
Balance as on March 31, 2016	**476.56**	**(1,448.32)**	**-**	**(971.76)**

For SHAH & SHAH ASSOCIATES
ICAI Firm Registration No.: 113742W
Chartered Accountants

For and on behalf of Board of Directors of
Mundra SEZ Textile And Apparel Park Private Limited

per Vasant C. Tanna
Partner
Membership No. 100422

AMIT UPLENCHWAR
Director
DIN: 06862760

RAVI IYER
Director
DIN: 02609800

Place: Ahmedabad
Date: April 28, 2017

Place: Ahmedabad
Date: April 28, 2017

Mundra SEZ Textile And Apparel Park Private Limited
Statement of Cash Flows for the year ended March 31, 2017

₹ in Lacs

Particulars	March 31, 2017	March 31, 2016
Cash flow used in operating activities		
(Loss) before tax as per statement of profit and loss	(392.36)	(618.34)
Adjustments for:		
Excess provision written back	-	(96.36)
Depreciation and amortisation	525.47	525.48
Interest income	(0.39)	(0.35)
Interest expense	17.36	245.73
Provision for doubtful advances (net)	-	99.81
Operating profit before working capital changes	**150.08**	**155.97**
Movements in working capital :		
(Increase)/Decrease in trade receivables	(15.79)	176.52
(Increase)/ Decrease in financial assets	(16.15)	36.79
(Increase) in other assets	(1.98)	(100.44)
Increase in trade payables	1.89	0.37
(Decrease) in other liabilities	(221.23)	(185.47)
Increase/ (Decrease) in financial liabilities	0.08	(65.15)
Cash generated from (used in) operations	**(103.10)**	**18.59**
Direct taxes (paid)/ refund received	2.36	(4.47)
Net cash flow from (used in) operating activities (A)	**(100.74)**	**14.12**
Cash flows from investing activities		
Purchase of fixed assets (Including capital work In progress and capital advances)	-	(44.63)
Interest received	0.39	0.35
Deposit/realisation of margin money	(0.02)	(0.04)
Net cash inflow from (used in) investing activities (B)	**0.37**	**(44.32)**
Cash flows from financing activities		
Proceeds from inter corporate deposit (including short-term)	381.00	699.00
Repayment of intercorporate deposit (including short-term)	(175.00)	(259.00)
Interest paid	(107.76)	(415.41)
Net cash flow from financing activities (C)	**98.24**	**24.59**
Net (decrease) in cash & cash equivalents (A + B + C)	(2.13)	(5.61)
Cash & cash equivalents at the beginning of the year	2.58	8.19
Cash & cash equivalents at the end of the year (Refer note-9)	**0.45**	**2.58**

Notes:

Component of Cash and Cash equivalents		
Cash on hand	-	-
Balances with scheduled bank		
On current accounts	0.45	2.58
Total cash and cash equivalents	**0.45**	**2.58**
Margin money deposits (restricted Cash)	-	-

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 Indian Accounting Standard 7 on Statement of Cash Flows issued by the Institute of Chartered Accountants of India.

As per our report of even date

For SHAH & SHAH ASSOCIATES
ICAI Firm Registration No.: 113742W
Chartered Accountants

per Vasant C. Tanna
Partner
Membership No. 100422

Place: Ahmedabad
Date: April 28, 2017

For and on behalf of Board of Directors of
Mundra SEZ Textile And Apparel Park Private Limited

AMIT UPLENCHWAR	**RAVI IYER**
Director	Director
DIN: 06862760	DIN: 02609800

Place: Ahmedabad
Date: April 28, 2017

1 Corporate information

The Company was promoted by Adani Ports and Special Economic Zone Ltd. The Company is a co-developer and has Set up an Integrated Textile Park under the scheme of "Ministry of Textiles, Govt. of India" in Special Economic Zone, Mundra, Kutch District of Gujarat.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first the Company has prepared in accordance with Ind AS. Refer to note 3.1 for information on how the Company adopted Ind AS

The Financial Statements have been prepared on the historical cost basis, except for certain financial instruments (including derivative instruments) which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

2.1 Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current

Deferred tax assets and liabilities are classified as non-current assets and liabilities

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Inventories

Stores and Spares:
- Valued at lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost of stores and spares lying in bonded warehouse includes custom duty accounted for on an accrual basis.
- Net Realizable Value in respect of store and spares is the estimated current procurement price in the ordinary course of the business.

c) Cash and cash equivalents

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

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

d) Property, plant and equipment (PPE)

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Leasehold land is amortized over the lease period.

e) 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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Income from Sub-Lease of Land, Lease of Building and Long Term Infrastructure Development Use Agreement

The company has entered in to Long Term sub lease of land, Lease of building and infrastructure development use agreements with its member units. The upfront premium received/receivable on such sub-leases, lease and infrastructure usage development is recognised as income pro-rata over the sub-lease period. Annual land sub lease rent receivable under the above agreements and maintenance charges are accounted for as income in accordance with the terms of such agreements.

f) Employees Retirement Benefits

Provident Fund

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

Gratuity

Gratuity liability is defined benefit obligation and is provided based on actuarial valuation on projected unit credit method made at the end of each financial year.

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 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.

g) Related Party Transactions

Disclosure of transactions with Related Parties, as required by Ind-As 24 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under Ind-As 24 have been identified on the basis of representations made by key managerial personnel and information available with the Company.

h) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 01, 2015 the company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

The Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs . Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that The Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term

The Company as a lessor

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

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

i) Earnings per share

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year.

j) Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

k) Taxes

i) Current income tax

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 rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

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

ii) Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except
> When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

> When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that The company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. Deferred tax include MAT Credit Entitlement.

l) Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, The Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU 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 assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of The company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

m) Financial instruments

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

Financial assets

Initial recognition and measurement
All financial assets, except investment in subsidiaries, associates and joint ventures are recognised initially at fair value.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
> Debt instruments at amortised cost
> Debt instruments at fair value through other comprehensive income (FVTOCI)
> Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
> Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(b)Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

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

Equity investments

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

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

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:
> The rights to receive cash flows from the asset have expired, or
> The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets
The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure ;

a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances

b) Financial assets that are debt instruments and are measured as at other comprehensive income (FVTOCI)
c) Lease receivables under Ind AS 17
d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:
> Trade receivables or contract revenue receivables; and
> All lease receivables resulting from transactions within the scope of Ind AS 17
Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk said initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cashflows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss (P&L). This amount is reflected under the head " Other Expense" in the P&L.

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, as appropriate.

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

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

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

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, The Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at FVTPL.

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

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

This category generally applies to borrowings.

Financial guarantee contracts
Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value through profit or loss (FVTPL), adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3 Explanatory Notes

The Company was promoted by Adani Ports and Special Economic Zone Ltd. The Company is a co-developer and has Set up an Integrated Textile Park under the scheme of "Ministry of Textiles, Govt. of India" in Special Economic Zone, Mundra, Kutch District of Gujarat.

The transition to Ind AS has resulted in the changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies in note 2 have been applied in preparing the financial statements for the year ended on March 31, 2017 and the comparative . An explanation of how the previous GAAP to Ind AS has affected the company's Financial statements is set below. Further, Exemption on first time adoption of Ind AS availed in accordance with Ind AS have been set out in note 3.1

3.1 Options availed on the first time adoption of Ind AS 101

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following Ind AS 101 exemptions from the transition date i.e. April 01, 2015 :

(a) The Company has elected to avail exemption under Ind AS 101 to use Indian GAAP carrying value as deemed cost at the date of transition for all items of property, plant and equipment and intangible assets as per the statement of financial position prepared in accordance with previous GAAP.

(b) Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

3.2 Significant accounting estimates and assumptions

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

Estimates and assumptions

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

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company

Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (gratuity benefits)

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

3.3 Reconciliation of equity as at April 01, 2015 and March 31, 2016

₹ in Lacs

	Foot-notes	March 31, 2016 (Last period presented under IGAAP)			April 01, 2015 (Date of transition)		
		IGAAP	Adjustments	Ind AS	IGAAP	Adjustments	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment	(a)	7,300.67	(2,276.01)	5,024.66	7,969.02	(2,421.14)	5,547.88
Other financial assets	(a)	1.37	1,310.39	1,311.76	1.37	1,347.18	1,348.55
Other non-current assets		12.27	-	12.27	10.30	-	10.30
		7,314.31	**(965.62)**	**6,348.69**	**7,980.69**	**(1,073.96)**	**6,906.73**
Current assets							
Inventories		0.46	-	0.46	0.46	-	0.46
Financial assets							
Trade receivables		26.90	-	26.90	203.42	-	203.42
Cash and Cash Equivalents		2.58	-	2.58	8.19	-	8.19
Bank balance other than cash and cash equivalents		0.29	-	0.29	0.25	-	0.25
Other current assets		2.22	-	2.22	1.59	-	1.59
		32.45	**-**	**32.45**	**213.91**	-	**213.91**
Total Assets		**7,346.76**	**(965.62)**	**6,381.14**	**8,194.60**	**(1,073.96)**	**7,120.64**
EQUITY AND LIABILITIES							
EQUITY							
Equity share capital		476.56	-	476.56	476.56	-	476.56
Other equity							
Retained earnings	(a,b)	(3,160.34)	1,712.02	(1,448.32)	(2,345.89)	1,515.99	(829.90)
Other reserves	(b)	4,000.00	(4,000.00)	-	4,000.00	(4,000.00)	-
Total Equity		**1,316.22**	**(2,287.98)**	**(971.76)**	**2,130.67**	**(2,484.01)**	**(353.34)**
LIABILITIES							
Non-current liabilities							
Financial liabilities							
Borrowings		2,899.00	-	2,899.00	2,459.00	-	2,459.00
Net employee defined benefit liabilities		1.41	-	1.41	1.09	-	1.09
Other non-current liabilities	(b)	2,819.79	1322.36	4,142.15	3,009.44	1410.05	4,419.49
		5,720.20	**1,322.36**	**7,042.56**	**5,469.53**	**1,410.05**	**6,879.58**
Current liabilities							
Financial liabilities							
Trade payables		6.39	-	6.39	6.02	-	6.02
Other current financial liabilities		111.57	-	111.57	391.27	-	391.27
Other current liabilities		192.23	-	192.23	196.98	-	196.98
Net employee defined benefit liabilities		0.15	-	0.15	0.13	-	0.13
		310.34	**-**	**310.34**	**594.40**	**-**	**594.40**
Total liabilities		**6,030.54**	**1,322.36**	**7,352.90**	**6,063.93**	**1,410.05**	**7,473.98**
Total Equity and Liabilities		**7,346.76**	**(965.62)**	**6,381.14**	**8,194.60**	**(1,073.96)**	**7,120.64**

3.4 Reconciliation of Statement of Profit and Loss for year ended March 31, 2016

₹ in Lacs

	Foot-note	IGAAP	Adjustments	Ind AS
INCOME				
Rendering of services	(a,b)	381.98	50.87	432.85
Other income		96.71	-	96.71
Total Income		**478.69**	**50.87**	**529.56**
EXPENSES				
Operating expenses		259.14	-	259.14
Employee benefits expense		5.45	(0.08)	5.37
Depreciation and amortization expense	(a)	670.63	(145.15)	525.48
Finance costs		245.73	-	245.73
Other expenses		112.18	-	112.18
Total Expense		**1,293.13**	**(145.23)**	**1,147.90**
(loss) before exceptional items and tax		(814.44)	196.10	(618.34)
Exceptional items				
(loss) before tax		**(814.44)**	**196.10**	**(618.34)**
Tax expense:				
Current Tax		-	-	-
Income tax expenses		**-**	**-**	**-**
(Loss) for the year		**(814.44)**	**196.10**	**(618.34)**
Other Comprehensive Income				
(a) Items that will not be reclassified to profit and loss in subsequent period				
Re-measurement gains (losses) on defined benefit plans	(c)	-	(0.08)	(0.08)
		-	**(0.08)**	**(0.08)**
Other Comprehensive Income for the year		-	(0.08)	(0.08)
Total Comprehensive Income for the year		**(814.44)**	**196.02**	**(618.42)**

Footnotes to the reconciliation of profit and loss for the year ended March 31, 2016 and equity as at April 01, 2015 and March 31, 2016 :

(a) Reclassification of lease:- Under Indian GAAP, there is no specific guidance for contract that involves of land.
Under IND AS, leases of land is recognised as operating or finance lease as per definition and classification criteria. Where the land lease is for several decades, generally it qualifies as a finance lease even though the right of land may not transfer at the end of the lease term. On account of this, we have reclassified lease from operating to finance lease.

(b) Measurement of Government Grant as Deferred Income : The government grant related to fixed assets was netted off with the cost under the previous GAAP. The same is accounted as deferred income under Ind-AS.
(c) Remeasurement cost of net defined liability : Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

(d) Other comprehensive income : Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

3.5 Reconciliation of total comprehensive income between previously reported (referred to as "Previous GAAP") and Ind AS for the year ended March 31, 2016 is presented as under : -

3.5.1 Reconciliation of total comprehensive income:-

Sr No	Nature of Adjustments	Year Ended March 31, 2016 ₹ in Lacs
	(Loss) as per previous GAAP	**(814.44)**
i)	Reclassification of lease (refer note (a) above)	16.68
ii)	Measurement of Government Grant as Deferred Income (refer note (b) above)	179.34
iii)	Other comprehensive Income (net of tax) (refer note (c) above)	0.08
	Total	**196.10**
	(Loss) before OCI as per Ind AS	**(618.34)**
	Other comprehensive Income (net of tax) (refer note (c) above)	(0.08)
	Total comprehensive income as per Ind AS	**(618.42)**

3.5.2 Reconciliation of equity:-

Sr No	Nature of Adjustments	As at March 31, 2016 ₹ in Lacs	As at April 01, 2015 ₹ in Lacs
	Equity as per Previous GAAP	**1316.22**	**2130.67**
i)	Measurement of Grant as Deferred Income (refer note (b) above)	(2,825.67)	(3,005.02)
ii)	Adjustment for uniform Accounting Policy (refer note (a) above)	537.69	521.01
	Total adjustments	**(2,287.98)**	**(2,484.01)**
	Equity as per Ind AS	**(971.76)**	**(353.34)**

Mundra SEZ Textile And Apparel Park Private Limited
Notes to Financials statements for the year ended March 31, 2017
Note 4 - Property, plant and equipment

(₹ in Lacs)

Particulars	Tangible Assets						
	Leasehold land	Building	Plant & machinery	Furniture & fixtures	Office equipments	Vehicles	Total
Cost							
As at April 1, 2015	**1,421.04**	**2,443.90**	**1,677.36**	**1.62**	**0.09**	**3.87**	**5,547.88**
Additions	-	-	2.26	-	-	-	2.26
As at March 31, 2016	**1,421.04**	**2,443.90**	**1,679.62**	**1.62**	**0.09**	**3.87**	**5,550.15**
Additions	-	-	-	-	-	-	-
As at March 31, 2017	**1,421.04**	**2,443.90**	**1,679.62**	**1.62**	**0.09**	**3.87**	**5,550.15**
Depreciation and Impairment							
As at April 1, 2015	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation for the year	85.67	225.69	213.06	0.24	-	0.82	525.48
As at March 31, 2016	**85.67**	**225.69**	**213.06**	**0.24**	**-**	**0.82**	**525.48**
Depreciation for the year	85.67	225.69	213.05	0.24	-	0.82	525.47
As at March 31, 2017	**171.34**	**451.38**	**426.11**	**0.48**	**-**	**1.64**	**1,050.95**
Net Block							
As at March 31, 2017	1,249.70	1,992.52	1,253.51	1.14	0.09	2.23	4,499.19
As at March 31, 2016	1,335.37	2,218.21	1,466.56	1.38	0.09	3.05	5,024.66
As at April 1, 2015	1,421.04	2,443.90	1,677.36	1.62	0.09	3.87	5,547.88

Mundra SEZ Textile And Apparel Park Private Limited
Notes to Financials statements for the year ended March 31, 2017

5 Other Financial assets

		March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Non-current				
Security and other deposits		1.37	1.37	1.37
Land Lease Receivable		1,326.54	1,310.39	1,347.18
		1,327.91	**1,311.76**	**1,348.55**

6 Other Assets

		March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Non Current				
Capital Advances				
Unsecured, considered good		0.01	0.01	2.51
	(A)	**0.01**	**0.01**	**2.51**
Others (Unsecured)				
Advance income tax (Net of Provision for taxation)		9.90	12.26	7.79
	(b)	**9.90**	**12.26**	**7.79**
		9.91	**12.27**	**10.30**
Current				
Advances recoverable in cash or in kind				
Unsecured, considered good		0.01	0.63	-
Unsecured, considered doubtful		-	-	-
		0.01	0.63	-
Unsecured, considered doubtful		-	-	-
	(A)	**0.01**	**0.63**	**-**
Others (Unsecured)				
Prepaid Expenses		0.02	0.01	0.01
Accrued revenue		3.72	1.24	1.48
Balances with statutory/ Government authorities		0.45	0.34	0.10
	(B)	**4.19**	**1.59**	**1.59**
		4.20	**2.22**	**1.59**

7 Inventories

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Stores and spares	0.46	0.46	0.46
	0.46	**0.46**	**0.46**

8 Trade Receivables

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Current			
Unsecured considered good unless stated otherwise			
Trade Receivables	42.69	26.90	203.42
	42.69	**26.90**	**203.42**

9 Cash and cash equivalents

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Balances with banks:			
Balance in current account	0.45	2.58	8.19
	0.45	**2.58**	**8.19**

10 Bank balances other than cash and cash equivalents

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Deposits with original maturity over 3 months but less than 12 months	0.31	0.29	0.25
	0.31	**0.29**	**0.25**

Note: FDR of ₹ 31,385 under lien with Government Authorities

Mundra SEZ Textile And Apparel Park Private Limited

Notes to Financials statements for the year ended March 31, 2017

11 Share capital	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Authorised			
50,00,000 Equity Shares of ₹ 10 each (50,00,000 and 50,00,000 Equity Shares of ₹ 10 each as at March 31, 2016 and April 01, 2015 respectively)	500.00	500.00	500.00
	500.00	**500.00**	**500.00**
Issued, subscribed and fully paid up shares			
47,65,600 Equity Shares of ₹ 10 each (47,65,600 and 47,65,600 Equity Shares of ₹ 10 each as at March 31, 2016 and April 01, 2015 respectively)	476.56	476.56	476.56
	476.56	**476.56**	**476.56**

Notes:

(a) Reconciliation of the number of the shares outstanding as the beginning and end of the year:

	March 31, 2017		March 31, 2016	
	No	₹ in Lacs	No	₹ in Lacs
As the beginning of the year	47,65,600	476.56	47,65,600	476.56
New Shares Issued during the year	-	-	-	-
As the end of the year	**47,65,600**	**476.56**	**47,65,600**	**476.56**

(b) Terms/rights attached to equity shares:

The company has only one class of equity shares having 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 company

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

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs
Adani Ports and Special Economic Zone Limited, the holding company and its nominee		
24,50,000 equity shares (Previous year 24,50,000) of ₹ 10 each	245.00	245.00

(d) Details of shareholder holding more than 5% shares in the Company

	Particulars	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Equity shares of ₹ 10 each fully paid				
Adani Ports and Special Economic Zone Limited, the holding company	No in Lacs	24.50	24.50	24.50
	% Holding	51.41%	51.41%	51.41%
Skaps Industries India Pvt. Ltd.	No in Lacs	5.17	5.17	5.17
	% Holding	10.85%	10.85%	10.85%
Ahlstrom Fibercomposites India Pvt. Ltd.	No in Lacs	3.88	3.88	3.88
	% Holding	8.15%	8.15%	8.15%
Adani Enterprise Ltd.	No in Lacs	3.52	3.52	3.52
	% Holding	7.39%	7.39%	7.39%
Anjani Udyog Pvt. Ltd.	No in Lacs	3.24	3.24	3.24
	% Holding	6.80%	6.80%	6.80%
Terram Geosynthetics Pvt. Ltd.	No in Lacs	2.86	2.86	2.86
	% Holding	6.01%	6.01%	6.01%
Adani Logistics Ltd.	No in Lacs	2.65	2.65	2.65
	% Holding	5.57%	5.57%	5.57%

12 Borrowings	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Non-Current			
Term loans			
Inter Corporate Deposit (Unsecured)	-	2,899.00	2,459.00
	-	**2,899.00**	**2,459.00**
Current			
Inter Corporate Deposit (Unsecured)	3,105.00	-	-
Total current borrowing	**3,105.00**	**-**	**-**
Less: Amount shown under "other current liabilities"	(3,105.00)	-	-
Net current borrowing	**-**	**-**	**-**
The above amount includes			
Unsecured borrowings	3,105.00	2,899.00	2,459.00
Total borrowings	**3,105.00**	**2,899.00**	**2,459.00**

Mundra SEZ Textile And Apparel Park Private Limited
Notes to Financials statements for the year ended March 31, 2017

13 Net employee defined benefit liabilities

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Non-current			
Provision for gratuity (refer note 26)	0.85	0.87	0.64
Provision for leave encashment	0.47	0.54	0.45
	1.32	**1.41**	**1.09**
Current			
Provision for gratuity (refer note 26)	0.01	0.01	0.01
Provision for compensated absences	0.16	0.14	0.12
	0.17	**0.15**	**0.13**

14 Other Liabilities

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Non Current			
Unearned Income under long term land lease/ Infrastructure usage agreements	1,274.89	1,316.50	1,414.46
Deferred Government Grant	2,646.32	2,825.65	3,005.03
	3,921.21	**4,142.15**	**4,419.49**
Current			
Statutory liability	1.93	2.07	6.82
Unearned Income under Long Term Land Lease/ Infrastructure Usage Agreements	189.65	190.16	190.16
Advance from customers	0.23	-	-
	191.81	**192.23**	**196.98**

15 Trade payables

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Payables to micro, small and medium enterprises (refer Note 28)	-	-	-
Trade payables	8.28	6.39	6.02
	8.28	**6.39**	**6.02**

16 Other financial liabilities

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs	April 01, 2015 ₹ in Lacs
Current			
Current maturities of long term borrowings (refer Note 12)	3,105.00	-	-
Interest accrued but not due on borrowings	15.63	106.03	275.71
Share application money refundable	-	-	14.16
Deposits from customers	5.62	5.54	56.53
Capital creditors, retention money and other payable	-	-	44.87
	3,126.25	**111.57**	**391.27**

17 Revenue from Operations

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs
Land Lease, Upfront Premium and Deferred Infrastructure Income	206.20	209.08
Government grant	179.37	179.37
Other operating income	44.20	44.40
	429.77	**432.85**

18 Other Income

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs
Interest Income from		
Income Tax Refund	0.31	0.35
Deposit	0.08	-
Unclaimed liabilities / excess provision written back	-	96.36
Total Other income	**0.39**	**96.71**

19 Operating Expenses

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs
Cost of Land Leased / Sub-Leased	259.14	259.14
	259.14	**259.14**

20 Employee benefit expense

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs
Salaries and Wages	6.47	5.18
Gratuity (refer note 26)	0.19	0.15
Staff Welfare Expenses	0.08	0.04
	6.74	**5.37**

21 Finance Costs

Interest on	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs
Inter Corporate Deposit	17.36	245.73
	17.36	**245.73**

22 Other Expenses

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs
Rates and Taxes	1.64	1.91
Insurance (net of reimbursement)	0.10	0.13
Repairs to Plant & Machinery	0.03	-
Other Repairs and Maintenance (net of reimbursement)	0.65	0.24
Legal and Professional Expenses	1.51	0.55
Payment to Auditors (refer note 1 below)	1.12	1.24
Communication Expenses	0.02	0.07
Power & Fuel (Net)	1.35	1.18
Provision for Doubtful debts	-	99.81
Water Charges (Net)	5.30	5.48
Miscellaneous Expenses	2.09	1.57
	13.81	**112.18**

Note: 1

Payment to Auditor

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs
As Auditor:		
Audit fee	**0.70**	0.70
Tax audit fee	**0.10**	0.10
Certification Fees	**0.32**	0.44
	1.12	**1.24**

23 Earnings per share

	March 31, 2017 ₹ in Lacs	March 31, 2016 ₹ in Lacs
Profit attributable to equity shareholders of the company	(392.36)	(618.34)
Weighted average number of equity shares	47.66	47.66
Basic and Diluted earning per share (in ₹)	(8.23)	(12.98)

24 Fair Value Measurement

a) The carrying value of financial instruments by categories as of March 31, 2017 is as follows :

₹ in Lacs

Particulars	Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Derivative instruments not in hedging relationship	Amortised Cost	Total
Financial Asset					
Trade receivables	-	-	-	42.69	42.69
Cash and Cash Equivalents	-	-	-	0.45	0.45
Other Bank balance	-	-	-	0.31	0.31
Others financial assets	-	-	-	1,327.91	1,327.91
	-	**-**	**-**	**1,371.36**	**1,371.36**
Financial Liabilities					
Trade payables	-	-	-	8.28	8.28
Other financial liabilities	-	-	-	3,126.25	3,126.25
	-	**-**	**-**	**3,134.53**	**3,134.53**

b) The carrying value of financial instruments by categories as of March 31, 2016 is as follows :

₹ in Lacs

Particulars	Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Derivative instruments not in hedging relationship	Amortised Cost	Total
Financial Asset					
Trade receivables	-	-	-	26.90	26.90
Cash and Cash Equivalents	-	-	-	2.58	2.58
Other Bank balance	-	-	-	0.29	0.29
Others financial assets	-	-	-	1,311.76	1,311.76
	-	**-**	**-**	**1,341.53**	**1,341.53**
Financial Liabilities					
Borrowings	-	-	-	2,899.00	2,899.00
Trade payables	-	-	-	6.39	6.39
Other financial liabilities	-	-	-	111.57	111.57
	-	**-**	**-**	**3,016.96**	**3,016.96**

c) The carrying value of financial instruments by categories as of April 01, 2015 is as follows :

₹ in Lacs

Particulars	Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Derivative instruments not in hedging relationship	Amortised Cost	Total
Financial Asset					
Trade receivables	-	-	-	203.42	203.42
Cash and Cash Equivalents	-	-	-	8.19	8.19
Other Bank balance	-	-	-	0.25	0.25
Others financial assets	-	-	-	1,348.55	1,348.55
	-	**-**	**-**	**1,560.41**	**1,560.41**
Financial Liabilities					
Borrowings	-	-	-	2,459.00	2,459.00
Trade payables	-	-	-	6.02	6.02
Other financial liabilities	-	-	-	391.27	391.27
	-	**-**	**-**	**2,856.29**	**2,856.29**

Mundra SEZ Textile And Apparel Park Private Limited

25 Related Party Disclosures

The Management has identified the following entities and individuals as related parties of the Company for the year ended March 31, 2017 for the purposes of reporting as per IND AS 24 – Related Party Transactions, which are as under:

Criteria	Name of the Company
Holding Company	Adani Ports And Special Economic Zone Limited
Fellow Subsidiary	MPSEZ Utilities Private Limited
	Adani Logistic Limited

(₹ in Lacs)

Particulars	Holding Company	Fellow Subsidiary
	Adani Port And Special Economic Zone Limited	MPSEZ Utilities Private Limited
(A) Transactions		
Inter-Corporate Deposit taken		
2016-17	**381.00**	-
2015-16	699.00	-
Inter-Corporate Deposit repaid		
2016-17	**175.00**	-
2015-16	259.00	-
Annual Lease Rent and Infrastructure Usages Charges		
2016-17	**259.14**	-
2015-16	259.14	-
Interest on intercorporate deposit		
2016-17	17.36	-
2015-16	245.73	-
Water Charges		
2016-17	**9.80**	-
2015-16	13.02	-
Electricity Charges		
2016-17		**7.89**
2015-16	-	6.78
Repair and Maintenance		
2016-17	**2.74**	**0.65**
2015-16	-	0.24
Land Tax		
2016-17	**-**	-
2015-16	1.62	-
Rent Inome		
2016-17	**-**	**2.33**
2015-16	**-**	2.53
(B) Balance at the end of the year		
Dues Payable		
2016-17(Unsecured Loan)	**3,105.00**	-
2015-16(Unsecured Loan)	2,899.00	-
2016-17 (Other dues)	**17.23**	**0.77**
2015-16 (Other dues)	107.35	0.62
Receivable		
2016-17 - Deposit - others	**-**	**1.12**
2015-16 Deposit - others	-	1.12
2016-17 Trade receivable	-	**0.55**
2015-16 Trade receivable	-	1.21

26 Disclosures as required by Ind AS - 19 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 unfunded.

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

Gratuity

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

₹ in Lacs

Particulars	March 31, 2017	March 31, 2016
Present value of the defined benefit obligation at the beginning of the year	0.88	0.65
Current service cost	0.12	0.10
Past Service Cost		
Interest cost	0.07	0.05
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions		
- change in financial assumptions	(0.22)	0.07
- experience variance	0.01	0.01
Benefits paid		-
Present value of the defined benefit obligation at the end of the year	**0.86**	**0.88**

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

₹ in Lacs

Particulars	March 31, 2017	March 31, 2016
Fair value of plan assets at the beginning of the year	-	-
Investment income	-	-
Contributions by employer	-	-
Benefits paid	-	-
Return on plan assets , excluding amount recognised in net interest expense	-	-
Fair value of plan assets at the end of the year	**-**	**-**

c) Net asset/(liability) recognised in the balance sheet

₹ in Lacs

Contribution to	March 31, 2017	March 31, 2016
Present value of the defined benefit obligation at the end of the year	(0.86)	(0.88)
Fair value of plan assets at the end of the year	-	-
Amount recognised in the balance sheet	(0.86)	(0.88)
Net (liability)/asset - Current	(0.01)	(0.01)
Net (liability)/asset - Non-current	(0.85)	(0.87)

d) Expense recognised in the statement of profit and loss for the year

₹ in Lacs

Particulars	March 31, 2017	March 31, 2016
Current service cost	0.12	0.10
Interest cost on benefit obligation	0.07	0.05
Total Expenes included in employee benefits expense	**0.19**	**0.15**

e) Recognised in the other comprehensive income for the year

₹ in Lacs

Particulars	March 31, 2017	March 31, 2016
Actuarial (gain)/losses arising from		
- change in demographic assumptions		
- change in financial assumptions	(0.22)	0.07
- experience variance	0.02	0.01
Return on plan assets, excluding amount recognised in net interest expense	-	-
Recognised in comprehensive income	**(0.20)**	**0.08**

f) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2017	March 31, 2016
Weighted average duration (based on discounted cashflows)	14 years	14 years

g) Quantitative sensitivity analysis for significant assumption is as below

Increase/(decrease) on present value of defined benefits obligation at the end of the year

Particulars	**March 31, 2017**		**March 31, 2016**	
Assumptions	**Discount rate**			
Sensitivity level	**1 % Increase**	**1 % Decrease**	**1% Increase**	**1% Decrease**
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	0.76	1.01	0.76	0.99

Particulars	**March 31, 2017**		**March 31, 2016**	
Assumptions	**Salary Growth rate**			
Sensitivity level	**1 % Increase**	**1 % Decrease**	**1% Increase**	**1% Decrease**
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	0.99	0.76	1.01	0.76

Particulars	**March 31, 2017**		**March 31, 2016**	
Assumptions	**Attrition rate**			
Sensitivity level	**0.5% Increase**	**0.5% Decrease**	**0.5% Increase**	**0.5% Decrease**
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	0.87	0.86	0.87	0.88

Particulars	**March 31, 2017**		**March 31, 2016**	
Assumptions	**Mortality rate**			
Sensitivity level	**0.1% Increase**	**0.1% Decrease**	**0.1% Increase**	**0.1% Decrease**
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	0.87	0.87	0.88	0.88

Sensitivity Analysis Method

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all otherassumptions constant.

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

Particulars	**March 31, 2017**	**March 31, 2016**
Investments with insurer	-	-

i)The principle assumptions used in determining gratuity obligations are as follows: **₹ in Lacs**

Particulars	**March 31, 2017**	**March 31, 2016**	**April 01, 2015**
Discount rate	7.60%	7.90%	7.96%
Rate of escalation in salary (per annum)	7.00%	9.00%	8.50%
Mortality	Indian assured mortality table 2006-08	Indian assured mortality table 2006-08	Indian assured mortality table 2006-08
Attrition rate	10% for 5 years & below and 1% thereafter	10% for 5 years & below and 1% thereafter	10% for 5 years & below and 1% thereafter

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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

27 The Company has entered in to long term agreements granting lease of factory building and sub lease out of its lease hold lands and/or rights to infrastructure facilities for the period of the sub leases. The Company has received upfront amounts in consideration of grant of the lease of buildings and sub-leases and rights to use its infrastructure facilities. Unamortised amounts received under Long term Lease/sub leases/infrastructure usage agreements at the end of the year amounting to ₹ 14,64,54,070/- (Previous year ₹ 15,06,66,400) has been separately disclosed in the Balance Sheet.

28 Based on the information and supplier's profile available with the Company as at March 31, 2017, the management believes that no creditor is covered under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, disclosure if any,relating to accounts unpaid as at the period end together with the interest paid/payable as required under the said Act have not been given.

29 During the year, the Company had not held or transacted in cash and therefore the Disclosure on Specified Bank Notes (SBNs) as per the requirement of MCA Notification no. GSR 308(E) dated 31st March, 2017 on the details of SBNs held and transacted during the period from 8th November, 2016 to 30th December, 2016 is not applicable.

The accompanying notes form an integral part of financials statements
As per our report of even date

For SHAH & SHAH ASSOCIATES
ICAI Firm Registration No.: 113742W
Chartered Accountants

per Vasant C. Tanna
Partner
Membership No. 100422

Place: Ahmedabad
Date: April 28, 2017

For and on behalf of Board of Directors of
Mundra SEZ Textile And Apparel Park Private Limited

AMIT UPLENCHWAR
Director
DIN: 06862760

RAVI IYER
Director
DIN: 02609800

Place: Ahmedabad
Date: April 28, 2017