

INDEPENDENT AUDITOR'S REPORT

To The Members of Adani Murmugao Port Terminal Private Limited Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Adani Murmugao Port Terminal Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year the ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit.

In conducting 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements 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 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the 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 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss, total comprehensive loss, its changes in equity and cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 37 to the Ind AS financial statement of the Company which describes the key sources of estimation uncertainties as at 31st March, 2018 relating to the recoverability of the carrying amount of intangible assets amounting to Rs. 37,889.46 lacs of the Company.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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, as

amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company 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.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Kartikeya Raval
(Partner)
(Membership No. 106189)

Place: Ahmedabad
Date: May 02, 2018

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

Report on the Internal Financial Controls Over Financial Reporting 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 Adani Murmugao Port Terminal Private Limited ("the Company") as of 31st March, 2018 in conjunction with our audit of the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 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, to the best of our information and according to the explanations given to us, 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 31st March, 2018, 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 Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Kartikeya Raval
(Partner)
(Membership No. 106189)

Place: Ahmedabad
Date: May 02, 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of fixed assets
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the Company has developed port and related infrastructure facilities under a concession agreement for a period of 30 years and are presented as intangible assets in accordance with the applicable accounting standards. The Company does not have any immovable properties of acquired freehold or leasehold land and building and hence reporting under clause (i)(c) of paragraph 3 of the Order is not applicable.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) 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 (iii) (a), (b) and (c) of Paragraph 3 of the Order are not applicable to the Company and hence, not commented upon.
- (iv) The Company has not granted any loans and provided guarantees under section 185 of the Companies Act, 2013. Further, based on the information and explanations given to us, the Company has complied with the provisions of sections 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provision of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for Port services. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Service Tax, Excise Duty, Customs Duty, Goods and Service Tax, cess, and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Service Tax, Customs Duty, Goods and Service Tax, cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Goods and Service Tax as on 31st March, 2018 on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, as at the reporting date, the Company has not defaulted in the repayment of borrowings to bank. The Company has not issued any debentures and has not taken any loans from the government or financial institutions.
- (ix) In our opinion and according to the information and explanations given to us, and on an overall examination of the balance sheet, monies raised by way of term loans has been applied by the Company during the year for the purpose for which they were raised or as per purposes revised with appropriate approvals, other than temporary deployment, if any, pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) As per the information and explanations provided to us, the Company has not paid any managerial remuneration during the year. Accordingly, reporting under clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of Paragraph 3 of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Kartikeya Raval
(Partner)
(Membership No. 106189)

Place: Ahmedabad
Date: May 02, 2018

Adani Murmugao Port Terminal Private Limited
Balance Sheet as at March 31, 2018

₹ in Lacs

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3(a)	208.52	310.42
(b) Capital work-in-progress	3(c)	-	17.93
(c) Other intangible assets	3(b)	37,889.46	39,744.26
(d) Financial assets			
(i) Other financial assets	5	150.00	23.21
(e) Other non-current assets	6	1,790.29	1,510.36
Total non-current assets		40,038.27	41,606.18
2 Current assets			
(a) Inventories	7	212.52	746.55
(b) Financial assets			
(i) Trade receivables	4	197.67	1,178.96
(ii) Cash and Cash Equivalents	8	98.32	184.69
(iii) Other financial assets	5	3.33	6.31
(c) Other current assets	6	1,990.13	2,308.62
Total current assets		2,501.97	4,425.13
Total Assets		42,540.24	46,031.31
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	9	11,588.85	11,588.85
(b) Other equity	10	(13,628.94)	(8,666.81)
Total equity		(2,040.09)	2,922.04
LIABILITIES			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	39,898.65	39,058.66
(b) Provisions	13	-	50.38
(c) Other non-current liabilities	14	363.30	398.45
Total non-current liabilities		40,261.95	39,507.49
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	1,375.01	2,076.27
(ii) Trade payables	15	292.82	474.58
(iii) Other financial liabilities	12	2,509.80	863.85
(b) Other current liabilities	14	83.05	179.84
(c) Provisions	13	57.70	7.24
Total current liabilities		4,318.38	3,601.78
Total liabilities		44,580.33	43,109.27
Total equity and liabilities		42,540.24	46,031.31

The accompanying notes form an integral part of financial statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors

Kartikeya Raval
Partner

G.J.Rao
Managing Director
DIN: 01724002

Subrat Tripathy
Director
DIN : 06890393

Haresh Bhuva
Company Secretary

Place: Ahmedabad
Date: May 02, 2018

Place: Ahmedabad
Date: May 02, 2018

Adani Murmugao Port Terminal Private Limited
Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Notes	₹ in Lacs	
		March 31, 2018	March 31, 2017
REVENUE			
Revenue from operations	16	3,411.90	5,905.23
Other income	17	129.04	240.55
Total Revenue		3,540.94	6,145.78
EXPENSES			
Operating expenses	18	1,783.05	2,644.82
Employee benefits expense	19	359.18	383.70
Depreciation and amortization expense	3(a,b)	2,749.52	2,686.44
Finance costs	20	2,564.33	100.38
Other expenses	21	1,047.29	1,115.86
Total expense		8,503.37	6,931.20
(Loss) before tax		(4,962.43)	(785.42)
Tax expense:			
Current Tax	22	-	-
Deferred Tax	22	-	-
Income tax expense		-	-
(Loss) for the year		(4,962.43)	(785.42)
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		0.30	(1.44)
Total Other comprehensive income (net of tax)		0.30	(1.44)
Total comprehensive income for the year		(4,962.13)	(786.86)
Basic and diluted earnings per equity shares (in ₹) face value of ₹ 10 each	26	(4.28)	(0.68)

The accompanying notes form an integral part of financial statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors

Kartikeya Raval
Partner

G.J.Rao
Managing Director
DIN: 01724002

Subrat Tripathy
Director
DIN : 06890393

Haresh Bhuva
Company Secretary

Place: Ahmedabad
Date: May 02, 2018

Place: Ahmedabad
Date: May 02, 2018

Adani Murmugao Port Terminal Private Limited
Statement of Changes in Equity for the year ended March 31, 2018

₹ in Lacs

Particulars	Equity Share Capital	Other Equity	Total
		Reserves and Surplus Retained Earning	
As at on April 01, 2016	11,588.85	(7,879.95)	3,708.90
(Loss) for the year	-	(785.42)	(785.42)
Other Comprehensive Income	-	(1.44)	(1.44)
As at on March 31, 2017	11,588.85	(8,666.81)	2,922.04
(Loss) for the year	-	(4,962.43)	(4,962.43)
Other Comprehensive Income	-	0.30	0.30
Total Comprehensive Income for the year	-	(4,962.13)	(4,962.13)
As at on March 31, 2018	11,588.85	(13,628.94)	(2,040.09)

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors

Kartikeya Raval
Partner

G.J.Rao
Managing Director
DIN: 01724002

Subrat Tripathy
Director
DIN : 06890393

Haresh Bhuva
Company Secretary

Place: Ahmedabad
Date: May 02, 2018

Place: Ahmedabad
Date: May 02, 2018

Adani Murmugao Port Terminal Private Limited
Statement of Cash Flows for the year ended March 31, 2018

₹ in Lacs

Particulars	March 31, 2018	March 31, 2017
Cash flow from operating activities		
(Loss) before tax as per statement of profit and loss	(4,962.43)	(785.42)
Adjustments for:		
Loss on sale / discard of fixed assets (net)	8.29	-
Excess provision written back	(46.69)	(158.98)
Depreciation and amortisation	2,749.52	2,686.44
Interest income	(13.12)	(13.63)
Amortisation of Government Grant	(35.15)	-
Interest expense	2,564.33	77.85
Operating profit before working capital changes	264.75	1,806.26
Movements in working capital :		
Decrease/(Increase) in trade receivables	981.29	(119.72)
Decrease/(Increase) in inventories	534.03	(398.09)
(Increase)/Decrease in financial assets	(123.81)	1.87
Decrease/(Increase) in other assets	64.63	(170.99)
(Decrease)/Increase in trade payables	(181.76)	14.16
(Decrease)/Increase in other liabilities	(50.01)	197.86
Cash generated from operations	1,489.12	1,331.35
Direct taxes paid (net)	(30.42)	(24.02)
Net cash flow from operating activities (A)	1,458.70	1,307.33
Cash flows from investing activities		
Purchase of fixed assets (Including capital work In progress and capital advances)	(826.28)	(755.00)
Proceeds from sale of Assets	7.02	-
Interest received	13.12	13.63
Net cash (used in) investing activities (B)	(806.14)	(741.37)
Cash flows from financing activities		
Proceeds long-term borrowing	-	37,500.00
Proceeds from inter corporate deposit (including short-term)	1,870.53	2,173.17
Repayment of inter corporate deposit (including short-term)	(2,271.47)	(38,736.56)
Interest paid	(337.99)	(1,514.36)
Net cash (used in) financing activities (C)	(738.93)	(577.75)
Net (decrease) in cash & cash equivalents (A + B + C)	(86.37)	(11.79)
Cash & cash equivalents at the beginning of the year	184.69	196.48
Cash & cash equivalents at the end of the year (Refer note 8)	98.32	184.69

Component of Cash and Cash equivalents

Cash on hand	-	-
Balances with scheduled bank		
In current accounts	98.32	184.69
Total cash and cash equivalents	98.32	184.69

(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.

(2) Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) (Amendment) Rules, 2017 is given as per note 12(a)

The accompanying notes form an integral part of financial statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors

Kartikeya Raval
Partner

G.J.Rao
Managing Director
DIN: 01724002

Subrat Tripathy
Director
DIN : 06890393

Haresh Bhuva
Company Secretary

Place: Ahmedabad
Date: May 02, 2018

Place: Ahmedabad
Date: May 02, 2018

1 Corporate information

Adani Murmugao Port Terminal Private Limited (hereinafter referred to as "the Company" or "AMPTPL") has signed an agreement on September 22, 2009 with Mormugao Port Trust to Design, Build, Finance, Operate and Transfer a Coal handling terminal at Berth No. 7 at the Port of Murmugao, Goa on Build, Own, Operate and Transfer (BOOT) for a period of Thirty Years.

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 (as amended)

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments,
- Defined Benefit Plans – Plan Assets measured at fair value; and
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

In addition, the financial statements are presented in INR and all values are rounded to the nearest Lacs (INR 00,000), except when otherwise indicated.

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. The financial statements are prepared in INR and all values are rounded to the nearest lacs (INR 00,000) except when otherwise enclosed.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (GAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Financial statement for the year ended March 31, 2017 were audited by predecessor auditors - G.K.Choksi & co.

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

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.
- Stores and Spares which do not meet the definition of property, plant and equipment are accounted as inventories.
- 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 on hand and demand deposit with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

d) Property, plant and equipment (PPE)

Property, plant and equipment (including capital work in progress) is stated at cost grossed up with amount of tax/duty benefit availed, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the company derecognises replaced part, and recognises the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for the provision are met.

Depreciation is calculated on a straight-line basis using the rates arrived based on the useful lives estimated by the management. over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The period of port concession arrangements is 30 years.

e) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the assets can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable, if not, the change in useful life from indefinite to finite is made on a prospective basis.

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 recognised in the statement of profit or loss when the asset is derecognised.

A summary of the policies applied to the Company's intangible assets is, as follows:

Intangible assets	Estimated Useful Life
Software	5 Years

Port concession rights arising from Service Concession

The Company recognises port concession rights as "Intangible Assets" arising from a service concession arrangement, in which the grantor controls or regulates the services provided and the prices charged, and also controls any significant residual interest in the infrastructure such as property, plant and equipment, if the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Company as part of the service concession arrangement. Such an intangible asset is recognised by the Company at cost (which is the fair value of the consideration received or receivable for the construction service delivered) and is capitalised when the project is complete in all respects and the Company receives the completion certificate from the authorities as specified in the concession agreement.

Port concession rights also include certain property, plant and equipment which are reclassified as intangible assets in accordance with Appendix A of Ind AS 11 'Service Concession Arrangements'. These assets are amortised based on the lower of their useful lives or concession period.

Any asset carried under concession arrangement is derecognised on disposal or when no future economic benefits are expected from its future use or disposal. Gains or losses arising from de-recognition of port concession rights are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is de-recognised.

f) Impairment of non-financial assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost 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 recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (the 'OCI'). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

g) 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.

(i) Rendering of services

Revenue from rendering of service is recognised as per the terms of contract with customers based on the stage of completion when the outcome of the transactions involving rendering of service can be estimated reliably. Percentage completion method requires the company to estimate the service

(ii) Service concession arrangements (Ind AS 11)

Revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

(iii) Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where applicable, to the net carrying amount of the financial asset. Interest income is included under the head 'Other income' in the statement of profit and loss.

(iv) Income from SEIS/SFIS

Income from Services Exports from India Scheme ('SEIS') incentives under Government's Foreign Trade Policy 2015-20 and Served from India Scheme ('SFIS') on some of the port services income are recognised as 'Other operating income' provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS licenses are recognised as 'other non-financial assets'

h) Foreign currency transactions

The company's financial statements are presented in INR, which is also the company's functional currency. The company determines the functional currency and items included in the financial statements are measured using that functional currency.

i) Transactions and balances

Transactions in foreign currencies are initially recorded by the company at functional currency spot rates at the date the transaction first qualifies for

ii) Conversion

Monetary items denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items which are carried at historical cost denominated in foreign currency are reported using exchange rate at the date of transaction. Non-monetary items which are measured at fair value denominated in foreign currency are translated using exchange rate at the date when fair value is determined.

iii) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (i.e. translation differences on items whose gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively).

i) Employees benefits

All employee benefits payable wholly within 12 months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

Gratuity fund

The company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

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

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

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

Compensated absences

Provision for compensated absence is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date. Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short term employee benefits.

Termination Benefits, if any, are recognised as an expense as and when incurred.

j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and amortization of ancillary cost. That an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k) Segment Reporting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

In accordance with the Ind-As 108 - "Operating Segments", the company has determined its business segment as port services. Since there are no other business segments in which the company operates, there are no reportable segments. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statement.

l) 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 fulfilment 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 the date of transition. The company has determined whether the arrangement contains 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. Assets acquired on leases where substantial risks and rewards incidental to ownership are not transferred to the company are classified as operating leases.

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 after considering effects of escalation except where escalation of lease rental is in line with expected inflationary cost.

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 are transferred 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.

m) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

n) 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.

o) Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Current and deferred 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 and deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

p) Provisions, contingent liabilities, contingent assets and commitments

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of the provisions to be reimbursed, for example, under an Insurance contract, the reimbursement is recognised as separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities is disclosed in the case of :

- a present obligation arising from past events, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.
- a present obligation arising from past events, when no reliable estimate can be made.
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments includes the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date

q) Fair value measurement

The Company measures financial instruments, such as, derivatives and certain investments at fair value at each balance sheet date.

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

- > In the principal market for the asset or liability, or
- > In the absence of a principal market, in the most advantageous market for the asset or liability

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuers are involved for valuation of unquoted financial assets and financial liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Management. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on a yearly basis.

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

r) 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. The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

i) Financial assets

Initial recognition and measurement

All financial assets, except trade receivables, investment in subsidiaries, associates and joint ventures, are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- > Debt instruments at amortised cost
- > Debt instruments at fair value through other comprehensive income (FVTOCI)
- > Debt instruments and derivatives at fair value through profit or loss (FVTPL)
- > Equity instruments 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 FVTOCI

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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 instrument at FVTOCI

All equity instruments are subsequently measured at fair value in the balance sheet, with value changes recognised in statement of profit and loss, except for those equity instruments for which the company has elected to present value changes in " other comprehensive income". If an equity instrument is not held for trading, the company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income.

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 after 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 cash flows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as in the statement of profit and loss (P&L). This amount is reflected under the head " Other Expense" in the P&L.

ii) **Financial liabilities**

Initial recognition and measurement

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 statement of 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.

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.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of the Company's Ind AS Financial Statements requires management to make judgments, 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.

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 judgment 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. Further details on taxes are disclosed in note 22.

Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in note 32.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. refer note 26 for further disclosures.

Provision for Decommissioning Liabilities

The management of the Company has estimated that there is no probable decommissioning liability under the condition / terms of the concession agreement with the GMB.

Useful lives of property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful lives of property, plant and equipments are described in note 2.2 (d).

Adani Murmugao Port Terminal Private Limited
Notes to Financials statements for the year ended March 31, 2018
Note 3(a) - Property, Plant and Equipment

₹ in Lacs

Particulars	Tangible assets				
	Computer Hardware	Office Equipments	Furniture & Fixtures	Vehicles	Total
Cost					
As at April 1, 2016	168.80	266.33	43.44	44.58	523.15
Additions	1.59	-	-	1.33	2.92
Deductions/Adjustment	-	-	-	-	-
As at March 31, 2017	170.39	266.33	43.44	45.91	526.07
Additions	2.81	6.12	-	9.14	18.07
Deductions/Adjustment	-	(12.35)	(15.89)	(6.21)	(34.45)
As at March 31, 2018	173.20	260.10	27.55	48.84	509.69
Depreciation/amortisation					
As at April 1, 2016	33.95	60.85	9.49	6.53	110.82
Depreciation for the year	33.90	59.79	4.52	6.62	104.83
Deductions/(Adjustment)	-	-	-	-	-
As at March 31, 2017	67.85	120.64	14.01	13.15	215.65
Depreciation for the year	33.50	57.48	3.31	6.86	101.15
Deductions/(Adjustment)	-	(4.39)	(8.58)	(2.66)	(15.63)
As at March 31, 2018	101.35	173.73	8.74	17.35	301.17
Net Block					
As at March 31, 2018	71.85	86.37	18.81	31.49	208.52
As at March 31, 2017	102.54	145.69	29.43	32.76	310.42

Note:

Refer footnote to note 11 for security / charges created on property, plant and equipment.

Note 3(b) - Other Intangible Assets

₹ in Lacs

Particulars	Software	Port Infrastructure Rights (refer note below)	Total
	Cost		
As at April 1, 2016	104.39	44,127.39	44,231.78
Additions	-	172.13	172.13
Deductions/Adjustment	-	451.43	451.43
As at March 31, 2017	104.39	44,750.95	44,855.34
Additions	7.88	1,103.61	1,111.49
Deductions/Adjustment	-	(319.00)	(319.00)
As at March 31, 2018	112.27	45,535.56	45,647.83
Depreciation/amortisation			
As at April 1, 2016	17.92	2,511.55	2,529.47
Depreciation for the year	22.32	2,559.29	2,581.61
Deductions/(Adjustment)	-	-	-
As at March 31, 2017	40.24	5,070.84	5,111.08
Depreciation for the year	23.31	2,625.06	2,648.37
Deductions/(Adjustment)	-	(1.08)	(1.08)
As at March 31, 2018	63.55	7,694.82	7,758.37
Net Block			
As at March 31, 2018	48.72	37,840.74	37,889.46
As at March 31, 2017	64.15	39,680.11	39,744.26

Note :

Refer note 37 for Impairment evaluation of Port Infrastructure Rights

Note 3(c) - Capital Work in Progress

₹ in Lacs

Particulars	Amount
As at March 31, 2018	-
As at March 31, 2017	17.93

Adani Murmugao Port Terminal Private Limited
Notes to Financial statements for the year ended March 31, 2018

4 Trade receivables

Current

Unsecured considered good unless stated otherwise

Trade receivables
 Receivables from related parties (refer note 31)

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	183.37	1,116.61
	14.30	62.35
	197.67	1,178.96

Note :

a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.
 b) Generally, as per credit terms trade receivable are collectable within 30-180 days.

5 Other financial assets

Non-current

Security deposits
 Advance to Employees

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	150.00	21.58
	-	1.63
	150.00	23.21

Current

Security deposits
 Advance to Employees

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	3.07	5.24
	0.26	1.07
	3.33	6.31

6 Other Assets

Non Current

Capital advances

Unsecured, considered good

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	1.39	5.74
(A)	1.39	5.74

Others (Unsecured)

Balance with government authorities
 Advance income tax (Net of provision of ₹ NIL for taxation)

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	1,633.79	1,379.93
	155.11	124.69
(B)	1,788.90	1,504.62
	1,790.29	1,510.36

Current

Advances recoverable other than in cash

To Others

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	890.67	853.51
(A)	890.67	853.51

Others (Unsecured)

Prepaid expenses
 Balances with Government authorities
 Export benefit and other receivables

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	2.43	115.64
	689.69	939.66
	407.34	399.81
(B)	1,099.46	1,455.11
	1,990.13	2,308.62

7 Inventories

(At lower of cost and Net realisable value)

Stores and spares

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	212.52	746.55
	212.52	746.55

8 Cash and cash equivalents

Balances with banks:

Balance in current account

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	98.32	184.69
	98.32	184.69

Adani Murmugao Port Terminal Private Limited
Notes to Financial statements for the year ended March 31, 2018

9 Share capital

Authorised

11,58,88,500 Equity Shares of ₹ 10 each (11,58,88,500 Equity Shares of ₹ 10 each as at March 31, 2017)

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	11,588.85	11,588.85
	11,588.85	11,588.85

Issued, subscribed and fully paid up shares

11,58,88,500 Equity Shares of ₹ 10 each (11,58,88,500 Equity Shares of ₹ 10 each as at March 31, 2017)

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	11,588.85	11,588.85
	11,588.85	11,588.85

Notes:

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

	March 31, 2018		March 31, 2017	
	No in Lacs	₹ in Lacs	No in Lacs	₹ in Lacs
As the beginning of the year	1,158.89	11,588.85	1,158.89	11,588.85
New shares Issued during the year	-	-	-	-
As the end of the year	1,158.89	11,588.85	1,158.89	11,588.85

(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, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Adani Ports and Special Economic Zone Limited, the holding company and its nominee		
11,58,88,500 Equity Shares (Previous year 8,57,57,500) of ₹ 10 each	11,588.85	8,575.75

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

Details	Particulars	March 31, 2018	March 31, 2017
Adani Ports and Special Economic Zone Limited, the holding company and its nominee (Equity shares of ₹ 10 each fully paid)	No in Lacs	11,588.85	8,575.75
	% Holding	100.00%	74.00%
Adani Enterprises Limited (Equity shares of ₹ 10 each fully paid)	No in Lacs	-	3,013.10
	% Holding	0.00%	26.00%

10 Other equity

Retained Earnings

Opening Balance
Less : Loss for the year
Add : Re-measurement gains / (losses) on defined benefit plans (net of tax)
Closing balance

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	(8,666.81)	(7,879.95)
	(4,962.43)	(785.42)
	0.30	(1.44)
	(13,628.94)	(8,666.81)

Note:- The portion of profits not distributed among the shareholders are termed as retained earnings. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

11 Borrowings

Non-Current

Inter corporate deposit (refer note b) (Unsecured)
Inter corporate deposit (refer note a) (Secured)

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
	2,398.65	2,098.33
	37,500.00	37,500.00
	39,898.65	39,598.33

Less : Current maturities of long term borrowings

Inter Corporate Deposit (Unsecured) (refer note b)

Total current maturity of long term borrowing reclassified with "other current financial liabilities" (refer note 12)

Non-current portion of long term borrowings

	-	(539.67)
	-	(539.67)
	39,898.65	39,058.66

Current

Inter corporate deposit (refer note b) (Unsecured)
Total current borrowing

	1,375.01	2,076.27
	1,375.01	2,076.27

The above amount includes

Secured borrowings
Unsecured borrowings
Total borrowings

	37,500.00	37,500.00
	3,773.66	4,174.60
	41,273.66	41,674.60

Notes:

(a) Inter Corporate Deposit aggregating to ₹ 37,500.00 Lacs (March 31, 2017 ₹ 37,500.00) received from Adani Ports and Special Economic Zone Limited, the holding Company, is secured and carries interest rate @ 6.25% p.a. (March 31, 2017 @ NIL rate). The outstanding loan balance will be repayable by November 30, 2029 and is secured by way of a charge over the assets.

(b) Inter Corporate Deposit of ₹ 2,398.65 & ₹ 1,375.01 are received from Adani Ports and Special Economic Zone Limited, the holding Company, The outstanding loan balance will be repayable by March 31, 2023 and by September 30, 2018 respectively and it carries interest rate @ 6.25%.

Adani Murmugao Port Terminal Private Limited
Notes to Financial statements for the year ended March 31, 2018

12 Other financial liabilities

Current

Current maturities of long term borrowings (refer note 11)
Interest accrued but not due on borrowings
Capital creditors, retention money and other payable

March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
-	539.67
2,296.40	70.06
213.40	254.12
2,509.80	863.85

Note (a)

Amendments to Ind AS 7 Statement of Cash Flows: Disclosure Initiative

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows
Changes in liabilities arising from financing activities

Particulars	April 1, 2017	Cash Flow	Foreign Exchange Management	Changes in Fair Value	Other Adjustment	₹ in Lacs
						March 31, 2018
Long-term Borrowings (Including Current Maturities)	39,598.33	300.32	-	-	-	39,898.65
Short-term borrowing	2,076.27	(701.26)	-	-	-	1,375.01
Interest accrued but not due	70.06	(337.99)	-	-	2,564.33	2,296.40
Total	41,744.66	(738.93)	-	-	2,564.33	43,570.06

13 Provisions

Non-current

Provision for gratuity (refer note 32)
Provision for leave encashment

March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
-	29.67
-	20.71
-	50.38

Current

Provision for gratuity (refer note 32)
Provision for compensated absences

31.67	0.40
26.03	6.84
57.70	7.24

14 Other Liabilities

Non Current

Deferred government grant

March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
363.30	398.45
363.30	398.45

Current

Unearned revenue
Statutory liability
Deferred government grant
Advance from customers

1.38	4.82
42.37	116.66
35.15	35.15
4.15	23.21
83.05	179.84

(i) Movement in Government Grant

Opening Balance

Less : Amortisation during the year

Closing Balance

March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
433.60	468.75
35.15	35.15
398.45	433.60

Non Current
Current

363.30	398.45
35.15	35.15

15 Trade payables

Trade payables
Payables to related parties (refer note 31)
Payables to micro, small and medium enterprises (refer note 34)

March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
289.92	418.45
2.90	56.13
-	-
292.82	474.58

Adani Murmugao Port Terminal Private Limited
Notes to Financial statements for the year ended March 31, 2018

16 Revenue from operations

Income from port operations (including related infrastructure)
Other operating income

March 31, 2018	March 31, 2017
₹ in Lacs	₹ in Lacs
3,176.42	5,505.42
235.48	399.81
3,411.90	5,905.23

17 Other income

Interest Income from Customers and others
Unclaimed liabilities / excess provision written back
Scrap sale
Rent income
Amortisation of Government Grant
Miscellaneous income

March 31, 2018	March 31, 2017
₹ in Lacs	₹ in Lacs
13.12	13.63
46.69	158.98
5.71	5.61
-	0.06
35.15	35.15
28.37	27.12
129.04	240.55

18 Operating Expenses

Cargo handling /Other charges to sub-contractors
Railway operating expenses
Tug and pilotage charges
Other expenses including customs establishment charges
Repairs to plant & machinery
Repairs to buildings
Power & fuel

March 31, 2018	March 31, 2017
₹ in Lacs	₹ in Lacs
1,308.68	1,856.96
0.42	0.88
52.29	87.80
1.95	3.27
148.57	364.00
2.64	7.06
268.50	324.85
1,783.05	2,644.82

19 Employee benefit expense

Salaries and wages
Contribution to provident and other funds
Gratuity expense (refer note 32)
Staff welfare expenses

March 31, 2018	March 31, 2017
₹ in Lacs	₹ in Lacs
322.05	345.58
16.43	16.83
7.87	8.72
12.83	12.57
359.18	383.70

20 Finance Costs

Interest on

Fixed loans, buyer's credit, short term etc.
Others
Bank and other finance charges

March 31, 2018	March 31, 2017
₹ in Lacs	₹ in Lacs
2,551.55	77.85
2.64	5.12
10.14	17.41
2,564.33	100.38

21 Other Expenses

Rent
Rates and taxes
Insurance
Advertisement and publicity
Other Repairs and maintenance
Legal and professional expenses
Payment to auditors (refer note 1 below)
Security expenses
Communication expenses
Electric power expenses
Office expenses
Travelling and conveyance
Directors sitting fee
Charity & donations
Loss on foreign exchange variation (net)
Loss on sale of fixed assets (net)
Miscellaneous expenses

March 31, 2018	March 31, 2017
₹ in Lacs	₹ in Lacs
712.95	699.47
0.43	1.36
9.88	9.82
2.65	7.34
20.99	23.80
104.04	101.65
5.52	4.80
65.48	81.48
38.04	40.49
0.13	2.55
24.98	27.58
21.03	18.73
1.10	2.02
-	51.23
-	3.48
8.29	-
31.78	40.06
1,047.29	1,115.86

Note: 1

Payment to Auditor

As Auditor:

Audit fee
Limited review

In other Capacity

Certification Fees
Other Services

Reimbursement of expenses

March 31, 2018	March 31, 2017
₹ in Lacs	₹ in Lacs
3.50	2.50
1.50	1.50
0.50	0.78
0.02	0.02
5.52	4.80

Adani Murmugao Port Terminal Private Limited
Notes to Financial statements for the year ended March 31, 2018

22 Income Tax

(i) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Accounting profit before taxation	(4,962.43)	(785.42)
Applicable tax rate	25.750%	34.610%
Computed tax expenses	(1,277.83)	(271.83)
Unabsorbed Depreciation and Loss on which Deferred Tax Asset not Recognised	1,277.83	271.83
Income tax expenses charged to profit and loss	-	-

(ii) Deferred Tax Liabilities(net)

Particulars	Balance Sheet		Profit and Loss	
	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Accelerated depreciation for tax purpose	(360.68)	(677.28)	316.60	677.28
Unabsorbed Depreciation (to the extent of excess of depreciation claimed in tax over books)	360.68	677.28	(316.60)	(677.28)
Deferred tax liabilities	-	-	-	-

The company has carried forward unabsorbed depreciation aggregating ₹ 17,293.73 lacs (previous year ₹ 14,533.73 lacs) under the Income tax Act, 1961 for which there is no expiry date of its tax credit utilisation by the company. Further, the company has carried forward losses aggregating to ₹ 5,431.96 lacs (previous year ₹ 3,218.89 lacs) under the Income tax Act, 1961 which gets expired within 8 years of the respective year. The carried forward losses will get expired mainly during the financial year 2022-23 to 2025-26.

Deferred tax asset has not been recognised in respect of these unabsorbed depreciation aggregating to ₹ 17,293.73 lacs (previous year ₹ 14,533.73 lacs) and carry forward losses aggregating to ₹ 4,044.74 lacs (previous year ₹ 1,261.00 lacs) as they may not be used to offset taxable profits of the company in future years and there are no other tax planning opportunities or other evidences of recoverability in the near future. If the company was able to recognise all unrecognised deferred tax assets, the loss would reduce by ₹ 5,548.00 lacs (previous year ₹ 5,466.90 lacs).

23 Fair Value Measurement

a) The carrying value of financial instruments by categories as of March 31, 2018 is as follows :

Particulars	Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Derivative instruments not in hedging relationship	Amortised Cost	₹ in Lacs
					Total
Financial Asset					
Trade receivables (refer note 4)	-	-	-	197.67	197.67
Cash and cash equivalents (refer note 8)	-	-	-	98.32	98.32
Others financial assets (refer note 5)	-	-	-	153.33	153.33
Total	-	-	-	449.32	449.32
Financial Liabilities					
Borrowings (refer note 11)	-	-	-	41,273.66	41,273.66
Trade payables (refer note 15)	-	-	-	292.82	292.82
Other financial liabilities (refer note 12)	-	-	-	2,509.80	2,509.80
Total	-	-	-	44,076.28	44,076.28

Adani Murmugao Port Terminal Private Limited

Notes to Financial statements for the year ended March 31, 2018

b) 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 Profit & Loss	Derivative instruments not in hedging relationship	Amortised Cost	Total
Financial Asset					
Trade receivables (refer note 4)	-	-	-	1,178.96	1,178.96
Cash and cash equivalents (refer note 8)	-	-	-	184.69	184.69
Others financial assets (refer note 5)	-	-	-	29.52	29.52
Total	-	-	-	1,393.17	1,393.17
Financial Liabilities					
Borrowings (refer note 11)	-	-	-	41,134.93	41,134.93
Trade payables (refer note 15)	-	-	-	474.58	474.58
Other financial liabilities (refer note 12)	-	-	-	863.85	863.85
Total	-	-	-	42,473.36	42,473.36

24 Financial Risk objective and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

(A) Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

(B) Foreign currency risk

The Company also enters various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings or trade payables.

(C) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are Companied into homogenous Company's and assessed for impairment collectively. The calculation is based on exchange losses historical data.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Concentrations of Credit Risk form part of Credit Risk

The Company is significantly dependent on cargo from or to few large port user customer with whom it has strategic arrangements. Out of total revenue, the Company earns ₹ 1,876.19 Lacs of revenue during the year ended March 31, 2018 (previous year ₹ 4,333.99 Lacs) from such customers which constitute 55% (previous year 73%) of total revenue and the accounts receivable from such customers approximated ₹ 129.16 Lacs as at March 31, 2018 and ₹ 1,156.18 Lacs as at March 31, 2017. A loss of these customer could adversely affect the operating results or cash flows of the Company. The total revenue includes ₹ 845.38 Lacs (previous year ₹ 3,308.19 Lacs) from external customers who contributes more than 10% of the revenue individually.

(D) Liquidity risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Adani Murmugao Port Terminal Private Limited

Notes to Financial statements for the year ended March 31, 2018

Maturity profile of financial liabilities :

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date

Particulars	₹ in Lacs	
	Less than 1 year	1 to 5 years
As on March 31, 2018		
Long term borrowings (refer note 11)	-	39,898.65
Short term borrowings (refer note 11)	1,375.01	-
Other current financial liabilities (refer note 14)	83.05	-
Trade and other payables (refer note 15 & 13)	350.52	-
As on March 31, 2017		
Long term borrowings (refer note 11)	-	39,058.66
Short term borrowings (refer note 11)	2,076.27	-
Other non-current financial liabilities (refer note 14)	-	398.45
Other current financial liabilities (refer note 14)	179.84	-
Trade and other payables (refer note 15 & 13)	481.82	-

25 Capital management

For the purposes of the company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the company's capital management is to maximize shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is net debt (total debt less cash and cash equivalents) divided by total capital plus net debt.

Particulars	₹ in Lacs	
	March 31, 2018	March 31, 2017
Net debt (total debt less cash and cash equivalents)	41,175.34	40,950.24
Total capital	11,588.85	11,588.85
Total capital and net debt	52,764.19	52,539.09
Gearing ratio	78.04%	77.94%

26 Earnings per share

Net profit as per statement of profit and loss
Weighted average number of equity shares
Basic and diluted earnings per share (in ₹)

	March 31, 2018	March 31, 2017
	₹ in Lacs	₹ in Lacs
Net profit as per statement of profit and loss	(4,962.43)	(785.42)
Weighted average number of equity shares	1,158.89	1,158.89
Basic and diluted earnings per share (in ₹)	(4.28)	(0.68)

27 Capital commitments & other commitment

Capital commitments

Particulars	₹ in Lacs	
	March 31, 2018	March 31, 2017
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	193.46	92.33

Other commitment

Particulars	₹ in Lacs	
	March 31, 2018	March 31, 2017
(i) The Company has imported capital good for its Container and Multipurpose 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 ₹ 9,533.56 Lacs which is equivalent to either 8 times / 6 times of duty saved of ₹ 1,191.69 Lacs. The export obligation has to be completed by 2019-20.	9,533.56	9,192.16

28 Contingent Liabilities not provided for

Based on the information available with the Company, there is nil contingent liability at the period ended March 31, 2018.

Adani Murmugao Port Terminal Private Limited**Notes to Financial statements for the year ended March 31, 2018****29 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 Ind AS - 108 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 (refer note 24 (c)).

30 Leases

Operating lease commitments – Company as lessee

Future minimum rentals receivable under non-cancellable operating leases are as follows:

Particulars	₹ in Lacs	
	As at March 31, 2018	As at March 31, 2017
Within one year	714.78	712.95
After one year but not more than five years	3,004.96	2,946.04
More than five years	13,214.78	13,714.19
Total	16,934.52	17,373.18

ADANI MURMUGAO PORT TERMINAL PRIVATE LIMITED
Details of Related Party Transactions for the year ended March 31, 2018 are as under;

31 Related Party Disclosures:

The Management has identified the following entities as related parties of the Company, which are as under:

Holding Company	Adani Ports & Special Economic Zone Limited
Entities over which major shareholders of the holding company are able to exercise control or significant influence through voting powers	Adani Enterprises Limited
Fellow Subsidiary Companies	Adani Hazira Port Private Limited The Dhamra Port Company Ltd Adani Vizag Coal Terminal Private Limited Adani Kandla Bulk Terminal Private Limited Adani Logistics Limited
Key Managerial Personnel	Mr. G.J.Rao – Managing Director Capt. Umesh Abhyankar – Director (upto 29.4.2017) Mr. HR Venkatesh – Director (upto 12.04.2018) Mr. Subrat Tripathy - Director (w.e.f. 29.04.2017) Mr. B.Ravi - Chief Financial Officer (upto 12.02.2018) Mr. Jay H. Shah - Non- Executive Director (upto 07.10.2017) Ms. Komal Majmudar - Non- Executive Director Mr. Hareesh Bhuvan - Company Secretary

Notes:
(i) Names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.
(ii) Aggregate of transactions for the year ended with these parties have been given below.

Particulars	Adani Ports & Special Economic Zone Limited		Adani Enterprise Ltd.		Adani Hazira Port Pvt. Ltd.		Adani Logistics Ltd.		The Dhamra Port Company Ltd		Adani Vizag Coal Terminal Pvt Ltd		Adani Kandla Bulk Terminal Private Limited		Total	
	March 18	March 17	March 18	March 17	March 18	March 17	March 18	March 17	March 18	March 17	March 18	March 17	March 18	March 17	March 18	March 17
Transactions																
Rendering of Services (including equipment rental)	227.95	-	287.69	933.15	-	-	60.97	-	-	-	-	-	-	-	550.57	994.12
Purchase of Services (including equipment)	-	16.73	24.85	44.04	9.05	-	-	-	-	-	-	-	-	-	33.89	60.77
Purchase of Asset	-	8.10	-	-	-	0.67	-	-	-	-	-	-	-	-	-	8.77
Sale of Asset	-	-	-	-	-	-	-	-	-	-	-	-	-	5.66	-	-
Sitting Fees :																
Mr.Jay H. Shah	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.39	1.01
Ms. Komal Majmudar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.71	1.01
Interest Expense	2,551.55	77.85	-	-	-	-	-	-	-	-	-	-	-	-	2,551.55	77.85
Other Financial Asset	8.66	-	-	-	-	-	-	-	-	-	-	-	-	-	8.66	-
Unsecured Loan received	1,870.53	3,043.60	-	-	-	-	-	-	-	-	-	-	-	-	1,870.53	3,043.60
Unsecured Loan repaid	(2,271.46)	(2,107.00)	-	-	-	-	-	-	-	-	-	-	-	-	(2,271.46)	(2,107.00)
Closing Balance																
Borrowings - Inter Corporate Deposit	41,273.66	41,064.87	-	-	-	-	-	-	-	-	-	-	-	-	41,273.66	41,064.87
Interest accrued but not due	2,296.40	70.06	-	-	-	-	-	-	-	-	-	-	-	-	2,296.40	70.06
Accounts (payable)/receivable at year end	(1.00)	(35.31)	(5.75)	54.34	(5.25)	(0.67)	14.30	(14.95)	(5.20)	8.01	-	-	-	(2.90)	6.23	

Terms and conditions of transactions with related parties

1. Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts due from related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
2. Inter corporate deposit is received from Adani Ports and Special Economic Zone Limited, the holding Company, at the interest rate of 6.25% p.a. (previous year 9.00% p.a.) in case of previous year, the Company has received an interest waiver on the Inter Corporate deposit from the Holding Company for the balance outstanding as at March 31, 2016 w.e.f. April 01, 2016 for a period of one year. Accordingly, no interest expense has been booked on such balance of borrowings during the previous year.

Adani Murmugao Port Terminal Private Limited

Notes to Financial statements for the year ended March 31, 2018

32 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 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 recognised in the balance sheet for the respective plan.

Gratuity

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

Particulars	₹ in Lacs	
	March 31, 2018	March 31, 2017
Present value of the defined benefit obligation at the beginning of the year	30.07	27.38
Current service cost	5.60	6.56
Past Service Cost	-	-
Interest cost	2.28	2.16
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	-	-
- change in financial assumptions	(0.65)	(6.86)
- experience variance	0.35	8.30
Acquisition Adjustment	3.86	(7.47)
Benefits paid	(9.84)	-
Present value of the defined benefit obligation at the end of the year	31.67	30.07

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

Contribution to	₹ in Lacs	
	March 31, 2018	March 31, 2017
Present value of the defined benefit obligation at the end of the year	31.67	30.07
Fair value of plan assets at the end of the year	-	-
Amount recognised in the balance sheet	(31.67)	(30.07)
Net (liability)/asset - Current	(31.67)	(0.40)
Net (liability)/asset - Non-current	-	(29.67)

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

Particulars	₹ in Lacs	
	March 31, 2018	March 31, 2017
Current service cost	5.60	6.56
Interest cost on benefit obligation	2.28	2.16
Total expense included in employee benefits expense	7.88	8.72

d) Recognised in the other comprehensive income for the year

Particulars	₹ in Lacs	
	March 31, 2018	March 31, 2017
Actuarial (gain)/losses arising from:		
- change in demographic assumptions	-	-
- change in financial assumptions	(0.65)	(6.86)
- experience variance	0.35	8.30
Return on plan assets, excluding amount recognised in net interest expense	-	-
Recognised in comprehensive income	(0.30)	1.44

e) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2018	March 31, 2017
Weighted average duration (based on discounted cash flows)	10 years	12 years

f) 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, 2018		March 31, 2017	
	Discount rate			
	1 % Decrease	1 % Increase	1 % Decrease	1 % Increase
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	3.45	(2.92)	3.85	(3.27)

Particulars	March 31, 2018		March 31, 2017	
	Salary Growth rate			
	1 % Decrease	1 % Increase	1 % Decrease	1 % Increase
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(2.97)	3.44	(3.32)	3.84

Particulars	March 31, 2018		March 31, 2017	
	Attrition rate			
	0.5 % Decrease	0.5 % Increase	0.5 % Decrease	0.5 % Increase
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	0.00	0.00	0.37	(0.36)

Particulars	March 31, 2018		March 31, 2017	
	Mortality rate			
	0.1 % Decrease	0.1 % Increase	0.1 % Decrease	0.1 % Increase
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(0.01)	0.01	(0.01)	0.01

Sensitivity Analysis Method

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

Adani Murmugao Port Terminal Private Limited

Notes to Financial statements for the year ended March 31, 2018

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

Particulars	March 31, 2018	March 31, 2017
Investments with insurer	100%	100%

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

Particulars	March 31, 2018	March 31, 2017
Discount rate	7.80%	7.60%
Rate of escalation in salary (per annum)	7.00%	7.00%
Mortality	IAL (2006-08) Ultimate	IAL (2006-08) Ultimate
Attrition rate	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.

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

Particulars	₹ in Lacs			
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Defined benefit obligation	31.67	30.07	27.38	-
Plan assets	-	-	-	-
Surplus/(deficit)	(31.67)	(30.07)	(27.38)	-
Experience adjustments on plan liabilities (gain)/loss	0.35	8.30	0.11	-
Experience adjustments on plan assets gain / (loss)	-	-	-	-

33 Unhedged foreign currency exposure

Nature	As at March 31, 2018		As at March 31, 2017	
	Amount ₹ in Lacs	Foreign Currency In Mn	Amount ₹ in Lacs	Foreign Currency In Mn
Trade payables	3.21	EUR 0.004	7.66	EUR 0.011
Trade payables	-	-	3.56	AUD 0.007
Other Receivable	7.98	EUR 0.009	-	-

Closing rates as at March 31, 2018:

INR / EURO = ₹ 80.8075

Closing rates as at March 31, 2017:

INR / EURO = ₹ 69.2925

INR / AUD = ₹ 49.5775

34 Based on the information and supplier's profile available with the Company as at March 31, 2018, 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.

35 Exposure Drafts and Accounting Standards not yet notified

On March 28, 2018, the Ministry of Corporate Affairs notified the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying amendments to the following Ind AS's. These amendments are applicable from April 1, 2018.

Appendix B to Ind AS 21, foreign currency transactions and advance consideration

The Appendix B to Ind AS 21 clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the de-recognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

- The beginning of the reporting period in which the entity first applies the Appendix, or
- The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after April 1, 2018.

The Company is evaluating the requirements of the amendments and the effects on the financial statements, which is not expected to be material.

Ind AS 115 - Revenue from Contract with Customers

The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.

Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach), the effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company is evaluating the requirements of the new accounting standard and the possible transition adjustments for disclosure of comparatives for the year ended March 31, 2018, and the effects thereon on the financial statements, which could be significant.

Ind AS 112 Disclosure of Interests in Other Entities

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10-B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal Company that is classified) as held for sale.

These amendments are unlikely to affect the Company's financial statements.

Ind AS 12 Income Taxes

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 1, 2018.

These amendments are unlikely to affect the Company's financial statements.

Adani Murmugao Port Terminal Private Limited

Notes to Financial statements for the year ended March 31, 2018

Ind AS 40 Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

These amendments are unlikely to affect the Company's financial statements.

Ind AS 28 Investment in Associates and Joint Ventures

The amendments clarify that a venture capital organisation or a mutual fund, unit trust and similar entities may elect, at initial recognition, to measure investments in an associate or joint venture at fair value through profit or loss separately for each associate or joint venture. Further, Ind AS 28 permits an entity that is not an investment entity to retain the fair value measurement applied by its associates and joint venture (that are investment entities) when applying the equity method. Therefore, this choice is available, at initial recognition, for each investment entity associate or joint venture.

These amendments are unlikely to affect the Company's financial statements.

36 "As at March 31, 2018, the Company has incurred net loss of ₹ 4,962.13 lacs (March 31, 2017 ₹ 786.86 lacs) and has accumulated losses of ₹ 13,628.94 lacs. (March 31, 2017 ₹ 8,666.81 lacs) which has resulted in substantial erosion of the Company's net worth. The Company has incurred cash loss in previous year. This being an infrastructure project having long gestation period, the management expects that there will be significant increase in the operations of the Company that will lead to improved cash flows and long term sustainability. Adani Ports and Special Economic Zone Limited, the Holding Company has undertaken to provide such financial support as necessary, to enable the Company to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. Accordingly, these financial statements have been prepared on a 'going concern' basis. "

37 The Company has determined the recoverable amounts of the Intangible Assets comprising of service concession rights over its useful life under Ind AS 36, Impairment of Assets, based on the estimates relating to cargo traffic, port tariffs, inflation, discount rates etc. which are considered reasonable by the Management. On a careful evaluation of the aforesaid factors, the Management of the Company has concluded that the Recoverable Amounts of the Intangible Assets is higher than their carrying amounts as at 31st March, 2018 and no provision for impairment in respect of these intangible assets is considered necessary at this stage.

38 Event occurred after the Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 02, 2018, there were no subsequent events to be recognised or reported that are not already disclosed.

39 Approval of financial statements

The financial statements were approved for issue by the board of directors on May 02, 2018.

For and on behalf of Board of Directors

G.J.Rao
Managing Director
DIN: 01724002

Subrat Tripathy
Director
DIN : 06890393

Haresh Bhuva
Company Secretary

Place: Ahmedabad
Date: May 02, 2018