

INDEPENDENT AUDITOR'S REPORT

To,

The Members of

Mundra International Gateway Terminal Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Mundra International Gateway Terminal Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss including Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity for the period

then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 standalone 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 standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs(financial position) of the Company as at 31stMarch, 2018, and its profit(including financial performance including other comprehensive income), its cash flows and statement of changes in equity for the period ended on that date.

Report on other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure -- A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of accounts 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 the Statement of Other Comprehensive Income, the statement of cash flows and statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of written representations received from the directors 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 B”;
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to our best of our information and according to the explanations given to us :
 - i. the Company did not have any pending litigations.
 - ii. the Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

SANDIP PARIKH

Partner

Place : Ahmedabad

Date : April 28, 2018

Mem. No. 040727

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

- (i) The Company do not have any fixed assets and therefore reporting under Clause (i) (a),(b) and (c) of CARO 2016 is not applicable to the Company.
- (ii) The Company do not have any inventories and therefore reporting under Clause (ii) of CARO 2016 is not applicable to the Company.
- (iii) According to information and explanation given to us the Company has not granted 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.
- (iv) In our opinion and according to information and explanations given to us, the Company has not made any loan, investment, guarantees or security and therefore the reporting under Clause (iv) of the CARO 2016 is not applicable to the Company.
- (v) According to information and explanation given to us the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, reporting under Clause (v) of the CARO 2016 is not applicable to the Company.
- (vi) The Central Government has not prescribed maintenance of cost records under sub-section(1) of Section 148 of the Companies Act, 2013, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, employee state insurance, service tax, goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise and custom.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, goods and service tax, sales tax, value added tax, duty of custom, employee state insurance, service tax, cess and other material statutory dues were in arrears as at 31st March, 2018 for a period of more

than six months from the date they became payable.

- (b) According to information and explanations given to us, the Company has no disputed outstanding statutory dues as at 31st March, 2018.
- (viii) In our opinion and according to information and explanations given to us, the Company do not have any borrowings and therefore reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) In our opinion and according to information and explanations given to us the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, reporting under clause (ix) of the CARO 2016 is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid provided any managerial remuneration. Accordingly reporting under clause (xi) of the CARO 2016 is not applicable to the company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly reporting under clause (xii) of the CARO 2016 is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act where applicable for all transactions with related parties and details of such transactions have been disclosed in the standalone Ind AS financial statements 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 and therefore, the reporting under clause(xiv) of the CARO 2016 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 non-cash transactions with directors or persons connected with him. And hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company as legally advised, is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the reporting under clause (xvi) of the CARO 2016 is not applicable to the company.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

Place : Ahmedabad

Date : April 28, 2018

SANDIP PARIKH

Partner

Mem. No. 040727

Annexure -B to the Independent Auditors' Report

(Referred to in paragraph 2(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 **Mundra International Gateway Terminal Private Limited** ("the Company") as of 31stMarch, 2018 in conjunction with our audit of standalone Ind AS financial statements of the Company for the period 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material

misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and 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 G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

Place : Ahmedabad
Date : April 28, 2018

SANDIP PARIKH
Partner
Mem. No. 040727

Mundra International Gateway Terminal Private Limited
Balance Sheet as at March 31, 2018

Particulars	Notes	As at March 31, 2018
ASSETS		
Current assets		
Financial assets		
Cash and Cash Equivalents	3	4,97,516
		4,97,516
	Total assets	4,97,516
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	4	5,00,000
Other equity		
Retained earnings	5	(34,933)
	Total equity	4,65,067
LIABILITIES		
Current liabilities		
Financial liabilities		
Trade payables	6	32,449
		32,449
	Total liabilities	32,449
	Total equity and liabilities	4,97,516
Summary of Significant accounting policies	2.1	

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

For G. K. Choksl & CO.
Chartered Accountants
ICAI Firm Registration No.: 101895W

For and on behalf of Board of Directors of
Mundra International Gateway Terminal
Private Limited

Sandip A. Parikh
Partner
Membership No. 040727

Sandeep Mehta Ennarasu Karunesan
Director Director
DIN: 00897409 DIN: 00200432

Place: Ahmedabad
Date: April 28, 2018

Place: Ahmedabad
Date: April 28, 2018

Mundra International Gateway Terminal Private Limited
Statement of Profit and Loss for the period May 17, 2017 to March 31, 2018

Particulars	Notes	March 31, 2018
INCOME		
Total income		-
Total income		-
EXPENSES		
Other expenses	7	34,933
Total expense		34,933
(Loss) before exceptional items and tax		(34,933)
Exceptional items		-
(Loss) before tax		(34,933)
Income tax expense		-
(Loss) for the period		(34,933)
Other comprehensive Income for the period		-
Total comprehensive Income for the period		(34,933)
Basic and diluted earnings per equity shares (in `) face value of ` 10 each	10	(0.70)
Summary of Significant accounting policies	2.1	

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

For G. K. Choksi & CO.

Chartered Accountants
ICAI Firm Registration No.: 101895W

For and on behalf of Board of Directors of
Mundra International Gateway Terminal
Private Limited

Sandip A. Parikh
Partner
Membership No. 040727

Sandeep Mehta
Director
DIN: 00897409

Ennarasu Karunesan
Director
DIN: 00200432

Place: Ahmedabad
Date: April 28, 2018

Place: Ahmedabad
Date: April 28, 2018

Mundra International Gateway Terminal Private Limited
Statement of Changes in Equity for the period May 17, 2017 to March 31, 2018

Particulars	Equity Share Capital	Reserves and Surplus		Total
		Retained Earning		
Balance as on May,17,2017	-	-	-	-
Issued during the year	5,00,000			5,00,000
(Loss) for the year		(34,933)		(34,933)
Other Comprehensive Income				
Total Comprehensive Income for the year		(34,933)		(34,933)
Balance as on March 31, 2018	5,00,000	(34,933)		4,65,067

For G. K. Choksi & CO.
Chartered Accountants
ICAI Firm Registration No.: 101895W

For and on behalf of Board of Directors of
Mundra International Gateway Terminal Private
Limited

Sandip A. Parikh
Partner
Membership No. 040727

Sandeep Mehta
Director
DIN: 00897409

Ennarasu Karunesan
Director
DIN: 00200432

Place: Ahmedabad
Date: April 28, 2018

Place: Ahmedabad
Date: April 28, 2018

Mundra International Gateway Terminal Private Limited
Statement of Profit and Loss for the period May 17, 2017 to March 31, 2018

Particulars	Amt in `
	March 31, 2018
Cash flow from operating activities	
(Loss) before tax as per statement of profit and loss	(34,933)
Adjustments for:	
Depreciation and amortisation	-
Operating profit/(loss) before working capital changes	(34,933)
Movements in working capital :	
Increase/(Decrease) in trade payables	32,449
Cash generated from operations	(2,484)
Direct taxes paid (net)	-
Net cash flow from/(used in) operating activities (A)	(2,484)
Cash flows from investing activities	
Net cash inflow from/(used in) investing activities (B)	-
Cash flows from financing activities	
Proceeds from issuance of Share Capital/ Share Application Money Pending Allotment	5,00,000
Net cash flow from/(used in) financing activities (C)	5,00,000
Net increase / (decrease) in cash & cash equivalents (A + B + C)	4,97,516
Cash & cash equivalents at the beginning of the period	-
Cash & cash equivalents at the end of the period (Refer note - 3)	4,97,516

Notes:

Component of Cash and Cash equivalents

Cash on hand

-

Balances with scheduled bank

On current accounts

4,97,516

Total cash and cash equivalents

4,97,516

Summary of significant accounting policies 2.1

The accompanying note are an integral part of the financial statements

Note:

The Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 on Statement of Cash Flows issued by the Institute of Chartered Accountants of India.

As per our report of even date

For G. K. Choksi & CO.

Chartered Accountants

ICAI Firm Registration No.: 101895W

For and on behalf of Board of Directors of

Mundra International Gateway Terminal Private Limited

Sandip A. Parikh

Partner

Membership No. 040727

Sandeep Mehta

Director

DIN: 00897409

Ennarasu Karunesan

Director

DIN: 00200432

Place: Ahmedabad

Date: April 28, 2018

Place: Ahmedabad

Date: April 28, 2018

Mundra International Gateway Terminal Private Limited
Notes to Financial statements for the period ended March 31, 2018

1 Corporate information

Mundra International Gateway Terminal Private Limited (" the Company") was incorporated on May 17, 2017 as a 100% subsidiary of Adani Ports & Special Economic Zone Limited.

The Company was incorporated with the main object to establish, construct, develop, design, engineer, maintain, own, operate, lease, remodel, build, equip, terminals, container terminals, bulk terminals, piers, wharves, docks, harbours including supply, installation and operations of container handling equipments, render freight services, container depots or any other infrastructure facility at south port - CT-6, Mundra Kutchh, Gujarat.

2 Basis of preparation

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

2.1 Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b) Cash and cash equivalents

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

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

c) Earnings per share

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

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

d) Related Party Transactions

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

Mundra International Gateway Terminal Private Limited
Notes to Financials statements for the period ended March 31, 2018

e) Taxes

Tax expense comprises of current and deferred tax.

i) Current income tax

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

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

ii) Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except

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

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

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

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

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

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

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

f) Provisions, Contingent Liabilities and Contingent Assest

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. The expense relating to a provision is presented in the statement of profit and loss.

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 are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the financial statement when economic inflow is probable.

g) Expenditure

Expenditures are accounted net of taxes recoverable, wherever applicable.

h) Financial instruments

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

Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include trade and other payables.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of profit and loss. 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

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

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

This category generally applies to borrowings.

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.

i) Applicability of other Accounting Standards

Though other Accounting Standards also apply to the company by virtue of the Companies Act 2013, no disclosure for the same is being made as the company has not done any transaction to which the said Accounting Standard apply.

2.2 Summary of significant accounting estimates and assumptions

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

Estimates and assumptions

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

Since the company has not started any operations there are no significant accounting estimates and assumptions made by management for the preparation of financial statements.

Mundra International Gateway Terminal Private Limited
Notes to Financial statements for the period ended March 31, 2018

3 Cash and cash equivalents	March 31, 2018
	Amt in `
Balances with banks:	
Balance in current account	4,97,516
	<u>4,97,516</u>

4 Share capital	March 31, 2018
	Amt in `
Authorised	
50,000 Equity Shares of ` 10 each	5,00,000
	<u>5,00,000</u>
Issued, subscribed and fully paid up shares	
50,000 Equity Shares of ` 10 each fully paid up	5,00,000
	<u>5,00,000</u>

Notes:

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

	Amt in `
As the beginning of the period	
New Shares Issued during the period	50,000
As the end of the period	<u>50,000</u>

(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
	Amt in `
Adani Ports and Special Economic Zone Limited, the holding company and its nominee	
50,000 equity shares of ` 10 each	50,000

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

Equity shares of ` 10 each fully paid	Particulars	March 31, 2018
Adani Ports and Special Economic Zone Limited, the holding company and its nominee	Nos	50,000
	% Holding	100%

5 Other Equity	March 31, 2018
	Amt in `
Other Equity	
Retained Earnings	(34,933)
	<u>(34,933)</u>

6 Trade payables	March 31, 2018
	Amt in `
Others	32,449
	<u>32,449</u>
Dues to related parties included in above	
Trade payables	32,449
	<u>32,449</u>

Mundra International Gateway Terminal Private Limited
Notes to Financial statements for the period ended March 31, 2018

	March 31, 2018
	Amt in `
Rates and Taxes	2,000
Payment to Auditors (refer note 1 below)	20,000
Miscellaneous Expenses	12,933
	<u>34,933</u>

Note: 1

	March 31, 2018
	Amt in `
Payment to Auditor	
As Auditor:	
Audit fee	20,000
Reimbursement of expenses	<u>20,000</u>

8 Fair Value Measurement

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

	Amt in `				
Particulars	Fair Value through other Comprehensive Income	Fair Value through Profit & Loss	Derivative instruments not in hedging relationship	Amortised Cost	Total
Financial Asset					
Investments	-	-	-	-	-
Trade receivables	-	-	-	-	-
Cash and Cash Equivalents	-	-	-	4,97,516	4,97,516
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,97,516</u>	<u>4,97,516</u>
Financial Liabilities					
Borrowings	-	-	-	-	-
Trade payables	-	-	-	32,449	32,449
Other financial liabilities	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,449</u>	<u>32,449</u>

9 Financial Risk objective and policies

The Company's principal financial liabilities comprise 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 cash and cash equivalents that derive directly from its operations.

The Company's risk management activities are subject to the management, direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

Since the company has not started any operations the company is not exposed to any significant risk.

10 Earnings per share

	March 31, 2018
	Amt in `
Profit attributable to equity shareholders of the company	(34,933.00)
Weighted average number of equity shares	50,000.00
Face Value of Equity Shares	10.00
Basic and Diluted earning per share (in `)	(0.70)

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

Mundra International Gateway Terminal Private Limited
Notes to Financials statements for the period ended March 31, 2018

11 Related Party Disclosure

Holding company	Adani Ports and Special Economic Zone Limited
Key Management Personnel	Mr. Karan Adani Mr. Ennarasu Karunesan Mr. Sandeep Mehta

Transactions

Particulars	Name of Related Party	March 31, 2018
Share subscription money	Adani Ports and Special Economic Zone Limited	5,00,000.00
Reimbursement of Expenses	Adani Ports and Special Economic Zone Limited	12,449.00

Closing Balances

Particulars	Name of Related Party	March 31, 2018
Share subscription money	Adani Ports and Special Economic Zone Limited	5,00,000.00
Trade payables	Adani Ports and Special Economic Zone Limited	12,449.00

12 As per the information available with company there is no contingent liability as on March 31, 2018.

13 Segment information:

Information reported to Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of performances is done considering operations as a whole. Hence, Port related operations is the only reportable business segment in accordance with Ind AS - 108 Operating Segments.

14 There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

15 Approval of financial statements:

... The financial statements were approved for issue by the board of directors on April 28, 2018

16 This is the first year of the company hence comparative figures are not available.

17 Standards Issued but not yet Effective:

Ind - AS 115 "Revenue from Contract with Customers" :The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to the 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 accompanying notes form an integral part of financials statements
As per our report of even date

For G. K. Choksl & CO.
Chartered Accountants
ICAI Firm Registration No.: 101895W

For and on behalf of Board of Directors of
Mundra International Gateway Terminal Private
Limited

Sandip A. Parikh
Partner
Membership No. 040727

Sandeep Mehta
Director
DIN: 00897409

Ennarasu Karunesan
Director
DIN: 00200432

Place: Ahmedabad
Date: April 28, 2018

Place: Ahmedabad
Date: April 28, 2018