

## **INDEPENDENT AUDITOR'S REPORT**

### **To The Members of Marine Infrastructure Developer Private Limited Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Marine Infrastructure Developer Private Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2019, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

- The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Report including Annexures to Directors' Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 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 the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid the remuneration to its directors during the year.
  - h) 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 did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
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: April 24, 2019

**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 Marine Infrastructure Developer Private Limited ("the Company") as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 31<sup>st</sup> March, 2019, 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: April 24, 2019

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

Annexure referred to in paragraph 2 on Report on Other Legal and Regulatory Requirements' on our report of even date

- (i) (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 and the records examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of acquired buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (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.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not 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 provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under section 148(1) of the Companies Act, 2013.
- (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 of Provident Fund, Income-tax, Employees State Insurance Corporation, Goods and Service Tax, Customs Duty, 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, Employees State Insurance Corporation, Goods and Service Tax, Customs Duty, cess, and other material statutory dues in arrears as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they became payable, except as under:

<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Amount (Rs.)</b>	<b>Period to which the Amount Relates</b>	<b>Due Date</b>
Income Tax Act, 1961	Advance Income tax	15,07,778	2018-19	15 <sup>th</sup> June, 2018
Income Tax Act, 1961	Advance Income tax	30,15,556	2018-19	15 <sup>th</sup> September, 2018

- (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 31<sup>st</sup> March, 2019 on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans has been applied by the Company during the year for the purpose for which they were raised, 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).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has not paid any managerial remuneration during the year and hence reporting under clause (xi) of the Order are not applicable and hence not commented upon.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) 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 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 financial statements as required by the applicable accounting standards.

During the year, the Company has entered into transaction with related party as disclosed in Note 31 to the financial statements. However, during the year in accordance with section 177 of the CA 2013, Audit Committee has not been formulated. We have been informed by the Management that the Company is in process of formulating Audit Committee.

- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) 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: April 24,2019

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,58,280.01	1,55,005.17
Capital work-in-progress		9,917.65	-
Goodwill	3	29,280.03	29,280.03
Other Intangible assets	3	24.71	56.71
<b>Financial assets</b>			
(i) Other financial assets	5	33,810.00	-
Other non-current assets	6	3,024.12	118.63
Deferred tax assets (net)	14	-	3,855.71
<b>Total Non-current Assets</b>		<b>2,34,336.52</b>	<b>1,88,316.25</b>
<b>Current assets</b>			
Inventories	7	181.43	47.97
<b>Financial assets</b>			
(i) Trade receivables	4	2,171.83	250.00
(ii) Cash and cash equivalents	8	2,951.48	17.61
(iii) Other financial assets	5	1,660.53	-
Other current assets	6	2,785.78	49.10
<b>Total Current Assets</b>		<b>9,751.05</b>	<b>364.68</b>
<b>Total Assets</b>		<b>2,44,087.57</b>	<b>1,88,680.93</b>
<b>Equity And Liabilities</b>			
<b>Equity</b>			
Equity share capital	9	40,000.00	40,000.00
Other equity	10	1,02,594.49	(7,947.13)
<b>Total Equity</b>		<b>1,42,594.49</b>	<b>32,052.87</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	11	45,266.27	-
(ii) Trade payables	16		
- total outstanding dues of micro enterprises and small enterprises		0.39	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		953.06	11.41
(iii) Other financial liabilities	12	54,200.09	1,56,394.75
Other current liabilities	15	892.25	90.26
Provisions	13	133.44	131.64
Liabilities for current tax (net)	23	47.58	-
<b>Total Current Liabilities</b>		<b>1,01,493.08</b>	<b>1,56,628.06</b>
<b>Total Liabilities</b>		<b>1,01,493.08</b>	<b>1,56,628.06</b>
<b>Total Equity and Liabilities</b>		<b>2,44,087.57</b>	<b>1,88,680.93</b>

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

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Kartikeya Raval**  
Partner

**For and on behalf of Board of Directors**

**G. J. Rao**  
Director  
DIN: 01724002

**Ennarasu Karunesan**  
Managing Director  
DIN: 00200432

**Dhruvil Shah**  
Company Secretary

**N. Anandhan**  
Chief Financial Officer

Place: Ahmedabad  
Date: April 24, 2019

Place: Ahmedabad  
Date: April 24, 2019

**Marine Infrastructure Developer Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2019**



₹ in Lacs

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>INCOME</b>			
Revenue from operations	17	14,429.58	-
Other income	18	691.75	-
<b>Total income</b>		<b>15,121.33</b>	<b>-</b>
<b>EXPENSES</b>			
Operating expenses	19	3,270.00	-
Employee benefits expense	20	636.03	7.96
Depreciation and amortization expense	3	5,616.55	5,916.17
Foreign Exchange Loss / (Gain) (net)		(26.03)	-
Finance costs			
(i) Interest and Bank Charges	21	46.83	-
Other expenses	22	634.81	2,303.11
<b>Total expenses</b>		<b>10,178.19</b>	<b>8,227.24</b>
<b>Profit / (Loss) before tax</b>		<b>4,943.14</b>	<b>(8,227.24)</b>
<b>Tax expense:</b>	23		
Current tax		570.52	-
Deferred tax		3,848.81	-
<b>Profit / (loss) for the year</b>	<b>A</b>	<b>523.81</b>	<b>(8,227.24)</b>
<b>Other comprehensive income</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on defined benefit plans		23.72	4.56
Income tax effect (charge)	23	(6.91)	-
<b>Total Other Comprehensive Income (net of taxes)</b>	<b>B</b>	<b>16.81</b>	<b>4.56</b>
<b>Total Comprehensive Income for the year</b>	<b>(A+B)</b>	<b>540.62</b>	<b>(8,222.68)</b>
<b>Basic and diluted earnings per equity share (in ₹) face value of ₹ 10 each</b>	25	<b>0.13</b>	<b>(2.06)</b>

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**  
Director  
DIN: 01724002

**Ennarasu Karunesan**  
Managing Director  
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Company Secretary

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Chief Financial Officer

Place: Ahmedabad  
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Date: April 24, 2019

Particulars	Equity Share Capital	Perpetual Debt	Other Equity		Total
			Reserves and Surplus		
			Retained Earnings		
<b>Balance as at April 01, 2017</b>	<b>40,000.00</b>	-	<b>275.55</b>	<b>40,275.55</b>	
(Loss) for the year	-	-	(8,227.24)	(8,227.24)	
<b>Other Comprehensive Income</b>					
Re-measurement gains on defined benefit plans (net of tax)	-	-	4.56	<b>4.56</b>	
<b>Total Comprehensive Income for the year</b>	-	-	<b>(7,947.13)</b>	<b>32,052.87</b>	
<b>Balance as at March 31, 2018</b>	<b>40,000.00</b>	-	<b>(7,947.13)</b>	<b>32,052.87</b>	
<b>Balance as at April 01, 2018</b>	<b>40,000.00</b>	-	<b>(7,947.13)</b>	<b>32,052.87</b>	
Profit for the year	-	-	523.81	<b>523.81</b>	
Proceeds from issue of Perpetual Debt	-	1,10,000.00	-	<b>1,10,000.00</b>	
Others	-	-	1.00	<b>1.00</b>	
<b>Other Comprehensive Income</b>					
Re-measurement gains on defined benefit plans (net of tax)	-	-	16.81	<b>16.81</b>	
<b>Total Comprehensive Income for the year</b>	-	<b>1,10,000.00</b>	<b>541.62</b>	<b>1,10,541.62</b>	
<b>Balance as at March 31, 2019</b>	<b>40,000.00</b>	<b>1,10,000.00</b>	<b>(7,405.51)</b>	<b>1,42,594.49</b>	

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**  
Director  
DIN: 01724002

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Company Secretary

**N. Anandhan**  
Chief Financial Officer

**Place: Ahmedabad**  
**Date: April 24,2019**

**Place: Ahmedabad**  
**Date: April 24,2019**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A. Cash flows from Operating Activities</b>		
<b>Net Profit / (Loss) before tax</b>	4,943.14	(8,227.24)
Adjustments for:		
Depreciation and amortization expense	5,616.55	5,916.17
Interest Income	(597.98)	-
Net gain on sale of current investment	(83.51)	-
Finance Cost	46.83	-
Unrealised foreign exchange fluctuation (net)	(26.03)	-
Allowances for Doubtful trade receivables	2.04	-
Claims Written off	-	2,230.84
<b>Operating profit / (loss) before working capital changes</b>	<b>9,901.04</b>	<b>(80.23)</b>
Movements in working capital :		
(Increase) in Trade Receivables	(1,923.87)	(227.95)
(Increase) / Decrease in Inventories	(133.46)	84.22
(Increase) in Financial Assets	(33,816.56)	-
(Increase) in Other Assets	(3,347.49)	(49.10)
Increase in Trade Payables	942.04	-
Increase in Provisions	25.52	11.67
Increase in Other Liabilities	801.99	99.65
(Decrease) / Increase in Financial Liabilities	(92,685.49)	285.42
<b>Cash (used in) / generated from operations</b>	<b>(1,20,236.28)</b>	<b>123.68</b>
Direct taxes paid (net)	(538.62)	(107.07)
<b>Net cash (used in) / generated from Operating Activities (A)</b>	<b>(1,20,774.90)</b>	<b>16.61</b>
<b>B. Cash flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment ( Including Capital in Work in Progress)	(31,702.01)	-
Interest received	184.50	-
Proceeds from Sale of Investment in Mutual Fund (net)	83.51	-
<b>Net cash used in Investing Activities (B)</b>	<b>(31,434.00)</b>	<b>-</b>
<b>C. Cash flows from Financing Activities</b>		
Proceeds from Borrowings from Banks	682.29	-
Proceeds from Inter Corporate Deposit (including short-term)	83,610.00	-
Repayment of Inter Corporate Deposit (including short-term)	(38,999.99)	-
Interest and Finance charges Paid	(149.54)	-
Proceeds from Perpetual Debt instruments	1,10,000.00	-
<b>Net cash generated from Financing Activities (C)</b>	<b>1,55,142.77</b>	<b>-</b>
<b>D. Net Increase In cash and cash equivalents (A + B + C)</b>	<b>2,933.87</b>	<b>16.61</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>17.61</b>	<b>1.00</b>
<b>F. Cash and cash equivalents at the end of the year (D + E) (Refer note 8)</b>	<b>2,951.48</b>	<b>17.61</b>
<b>Components of Cash and Cash equivalents</b>		
Balances with scheduled bank		
In current accounts	2,951.48	17.61
<b>Cash and Cash Equivalents at the end of the year</b>	<b>2,951.48</b>	<b>17.61</b>

(1) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended)

(2) During the year, Company has made investment in mutual fund of ₹ 13,000.00 Lacs (previous year Nil) and redeemed of mutual fund of ₹ 13,083.51 Lacs (previous year Nil).

(3) Disclosure under para 44A as set out in Ind AS 7 on Statement of Cash Flows 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**  
Director  
DIN: 01724002

**Ennarasu Karunesan**  
Managing Director  
DIN: 00200432

**Dhruvil Shah**  
Company Secretary

**N. Anandhan**  
Chief Financial Officer

**Place: Ahmedabad**  
**Date: April 24, 2019**

**Place: Ahmedabad**  
**Date: April 24, 2019**

**1 Corporate information**

Marine Infrastructure Developer Private Limited ("the Company or "MIDPL") is a private limited company domiciled in India and is incorporated under the provision of the Companies Act applicable in India. The registered office of the company is located at Ramcon Fortuna Towers, 4th Floor No 1/2, Kodambakkam High Road Nungambakkam, Chennai 600 034, Tamil Nadu. The Company is subsidiary of Adani Ports and Special Economic Zone Limited with an objective to construct, develop, maintain and operate port at Kattupalli, Tamil Nadu.

The financial statements were authorised for issue in accordance with a resolution of the directors on April 24, 2019.

**2 Basis of preparation**

**2.1** The financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

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 accounting policy as mentioned in note 2.3 hitherto in use.

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:

- 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).

Financial Statement for the year ended March 31, 2018 were audited by predecessor auditor.

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

**2.2 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; or
- Expected to be realised within twelve months after the reporting period; or
- Held primarily for the purpose of trading; 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; or

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current

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

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

**b) Inventories**

Inventories are valued at lower of cost and net realisable value.

Stores and Spares: Valued at lower of cost and net realizable value. Cost is determined on a moving weighted average basis.

- Net Realizable Value in respect of store and spares is the estimated current procurement price in the ordinary course of the business.

**c) Cash and cash equivalents**

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

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

**d) Property, plant and equipment (PPE)**

Under the previous GAAP (Indian GAAP), fixed assets are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs (if capitalization criteria are met) and other cost directly attributable to bringing the asset to its working condition for the intended use. The Company has elected to regard previous GAAP carrying values of property as deemed cost at the date of transition to Ind AS.

Property , Plant and Equipment (including Capital work in progress) are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price directly and indirectly attributable costs arising directly from the construction/development and borrowing costs if capitalization criteria are met directly attributable cost of bringing the asset / project to its working condition for the intended use.

The Company adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding as at March 31, 2016 and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset. The depreciation on such foreign exchange difference is recognised from first day of the financial year.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013. The identified component of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The Company has estimated the following useful life to provide depreciation on its certain property, plant and equipment assets based on assessment made by expert and management estimate.

Assets	Estimated Useful Life
Leasehold land/Leasehold land development	Over the balance period of Lease Deed
Marine Structure, Building RCC Frame Structure	As per Concession Agreement.
Pneumatic Fender	10 Years

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.

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.

**e) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, 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.

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	Method of Amortisation	Estimated Useful Life
Software applications	on straight line basis	5 Years based on management estimates

**f) 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.

The specific recognition criteria described below must also be met before revenue is recognized.

**Port Operation Services**

Revenue from port operation services including cargo handling, storage and other ancillary port services are recognized in the accounting period in which the services are rendered on proportionate completion method based on services completed till reporting date. Revenue is recognized based on the actual service provided by the end of reporting period as a proportion of total services to be provided.

In cases, where the contracts include multiple contract obligations, the transaction price will be allocated to each performance obligation based on the standalone selling prices. Where these prices are not directly observable, they are estimated based on expected cost plus margin.

**Income from SEIS/SFIS**

Income from Service Exports from India Scheme ('SEIS') incentives under Government's Foreign Trade Policy 2015-20 on the port services income is recognised based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS licenses are classified as 'Other Non-Financial Assets'.

**Interest income**

For all financial assets measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

**Interest income**

For all financial assets measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

**g) Foreign currency transactions :**

The Company's financial statements are presented in INR, which is functional currency of the Company. The Company determines the functional currency and items included in the financial statements are measured using that functional currency. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of transaction.

**Transactions and balances**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**h) Retirement and other employee benefits**

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.

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.

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.

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 as an 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

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short term employee benefits. The company measures the expected cost of such absence as the additional amount that is expected to pay as a result of the unused estimate that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months as long term compensated absences which are provided for based on actuarial valuation as at the end of period. The actuarial valuation is done as per projected unit credit method. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve month after the reporting date.

**i) Inventories**

Inventories are valued at lower of cost and net realisable value.

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 payable.

Stores and Spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Costs incurred that relate to future contract activities are recognised as "Project Work-in-Progress".

Project work-in-progress comprise specific contract costs and other directly attributable overheads including borrowing costs which can be allocated on specific contract cost is, valued at lower of cost and net realisable value.

Net Realizable Value in respect of stores and spares is the estimated current procurement price in the ordinary course of the business.

**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 other costs 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) 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.

**The Company as a lessee**

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

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

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

Lease rentals under operating leases are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

**The Company as a lessor**

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

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

**l) Earnings per share (EPS)**

The Basic EPS has been computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

**m) Taxes**

Tax expense comprises of current income tax and deferred tax.

**i) Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax (including Minimum Alternate Tax (MAT)) 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 recognised outside the statement of profit and loss (either in Other Comprehensive Income (OCI) 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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**n) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at every year end and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

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

**o) Provisions (other than employee benefits), Contingent liabilities and contingent assets**

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. Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are disclosed where inflow of economic benefits is probable.

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.

**p) 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.

**q) Fair value measurement**

The Company measures financial instruments, such as, derivatives 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

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 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, 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 management 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 management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, 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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions (refer note 24)

Quantitative disclosures of fair value measurement hierarchy (refer note 24)

Financial instruments (including those carried at amortised cost) (refer note 24)

**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.

**Financial assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus in case of financial asset not recorded at fair value through profit and loss, transaction cost that are attributable to the acquisition of the financial assets.

**Subsequent measurement**

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

> Debt instruments at amortised cost

> Debt instruments, derivatives and financial instruments at fair value through profit or loss (FVTPL)

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

**Debt instrument at FVTPL**

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

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

**Perpetual debt**

The Company issued a subordinated perpetual debt, redeemable at the Company's option, with a fixed coupon that can be deferred indefinitely if the Company does not pay a dividend on its equity shares. The Company classifies these instruments as equity under Ind AS 32.

**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) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

> Trade receivables or contract revenue receivables; and

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 since 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 income / (expense) in the statement of profit and loss (P&L). This amount is reflected under the head " Other Expense" in the P&L.

The balance sheet presentation for various financial instruments is described below:

**Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:**

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

## 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, as appropriate.

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

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

### 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 recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, The Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at FVTPL.

#### Loans and borrowings

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

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

This category generally applies to borrowings.

#### 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.

#### Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### s) 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.

## 2.3 Changes in accounting policies and disclosures

### New and amended standards

The Company has applied the following standards and amendments for the first time for annual reporting period commencing from April 01, 2018:-

#### • Ind AS 115 - Revenue from Contracts with Customers:

The core principle of the 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 Company adopted Ind AS 115 using the modified retrospective method of adoption. The adoption of the standard did not have any material impact on the financial statement of the Company.

#### • Amendment to Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance

The amendment clarifies that where the government grant related to assets, including non-monetary grant at fair value, shall be presented in balance sheet either by setting up the grant as deferred income or by grant in arriving at the carrying amount of the asset. Prior to the amendment, IND AS 20 did not allow the option to present asset related grant by deducting the grant from the carrying amount of the assets. These amendments do not have any impact on the financial statements.

• **Appendix B, Foreign Currency Transactions and Advance Consideration to Ind AS 21, The Effects of Changes in Foreign Exchange Rates**

The Appendix B to Ind AS 21 clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. 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 interpretation does not have any impact on the Company's financial statements.

• **Amendment to 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 do not have any impact on the financial statement of the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

• **Amendment to 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 do not have any impact on the Company's financial statements.

• **Amendment to 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.

• **Ind AS 112, Disclosure of Interest 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.

**2.4 Significant accounting estimates and assumptions**

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

**Estimates and assumptions**

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

**Impairment of non-financial assets (including Goodwill)**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill with indefinite useful lives recognised by the Company. The key assumptions used to determine the recoverable amount for the CGU, are disclosed and further explained in note 3 (b).

**Impairment of financial assets**

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Taxes**

Deferred tax (including MAT Credits) 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. Company has during the current year derecognised the previously recognised tax credit. Further details on taxes are disclosed in note 23.

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**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 28.

**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).

**Fair value measurement of financial instruments**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements includes consideration 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. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed.

## Notes to Financial statements for the year ended March 31, 2019

## 3. Property, Plant and Equipment and Other Intangible Assets

## Note 3 (a) Property, Plant and Equipment and Other Intangible Assets

₹ in Lacs

Particulars	Tangible assets										Other Intangible assets	
	Leasehold land	Buildings	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computer Equipments	Vehicles	Dredged Channels	Marine Structures	Total	Software	Total
<b>Cost</b>												
As at April 1, 2017	14,222.44	18,697.18	31,023.11	128.68	125.06	105.40	25.78	-	1,02,383.67	1,66,711.32	207.97	207.97
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Deductions/Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	<b>14,222.44</b>	<b>18,697.18</b>	<b>31,023.11</b>	<b>128.68</b>	<b>125.06</b>	<b>105.40</b>	<b>25.78</b>	<b>-</b>	<b>1,02,383.67</b>	<b>1,66,711.32</b>	<b>207.97</b>	<b>207.97</b>
Additions	140.27	6.04	86.11	0.91	12.28	13.39	-	8,600.00	-	8,859.00	0.40	0.40
Deductions/Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>14,362.71</b>	<b>18,703.22</b>	<b>31,109.22</b>	<b>129.59</b>	<b>137.34</b>	<b>118.79</b>	<b>25.78</b>	<b>8,600.00</b>	<b>1,02,383.67</b>	<b>1,75,570.32</b>	<b>208.37</b>	<b>208.37</b>
<b>Depreciation/Amortisation</b>												
As at April 1, 2017	154.40	996.62	2,185.46	19.66	69.55	43.31	6.31	-	2,390.28	5,865.59	75.66	75.66
Depreciation and amortization for the year	154.40	996.62	2,185.41	19.66	49.62	38.25	6.31	-	2,390.29	5,840.56	75.61	75.61
Deductions/(Adjustment)	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	<b>308.80</b>	<b>1,993.24</b>	<b>4,370.87</b>	<b>39.32</b>	<b>119.17</b>	<b>81.56</b>	<b>12.62</b>	<b>-</b>	<b>4,780.57</b>	<b>11,706.15</b>	<b>151.27</b>	<b>151.27</b>
Depreciation and amortization for the year	154.16	996.76	1,944.44	16.13	2.61	25.02	4.21	107.65	2,333.18	5,584.16	32.39	32.39
Deductions/(Adjustment)	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>462.96</b>	<b>2,990.00</b>	<b>6,315.31</b>	<b>55.45</b>	<b>121.78</b>	<b>106.58</b>	<b>16.83</b>	<b>107.65</b>	<b>7,113.75</b>	<b>17,290.31</b>	<b>183.66</b>	<b>183.66</b>
<b>Net Block</b>												
As at March 31, 2018	13,913.64	16,703.94	26,652.24	89.36	5.89	23.84	13.16	-	97,603.10	1,55,005.17	56.71	56.71
As at March 31, 2019	13,899.75	15,713.22	24,793.91	74.14	15.56	12.21	8.95	8,492.35	95,269.92	1,58,280.01	24.71	24.71

## Notes :

(1) The amount of net borrowing costs capitalised during the year ended March 31, 2019 of ₹ 186.14 Lacs (previous year Nil).

## Note 3(b) Goodwill

₹ in Lacs

Particulars	2018-19	2017-18
Carrying value at beginning	29,280.03	29,280.03
Carrying value at end	29,280.03	29,280.03

## Note :

Pursuant to the scheme of arrangement for demerger entered into with L&T Shipbuilding Limited, goodwill of ₹ 29,280.03 Lakhs has been recognised in the books of accounts on and from the effective date 22nd Mar 2017 being the excess of fair value of the assets net of Liabilities to the consideration paid to the shareholders. The said goodwill pertains to cash generating unit (CGU) which is part of Port activities. The goodwill is tested for impairment annually. As at March 31, 2019 and March 31, 2018, the goodwill is not impaired.

The recoverable amount of the CGU are determined from value-in-use calculation. The key assumptions for the value-in-use calculations are those regarding the discount rate, growth rates and expected changes to direct costs during the year. Management estimates discount rate using pre-tax rates that reflect current market assessments of the time value of money. The growth rates are based on management's forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The Company prepares its forecasts based on the most recent financial budget approved by the management with projected revenue growth rates ranging from 6% to 20% p.a. the rate used to discount the forecast is 9% to 11% p.a.

The management believes that any reasonable possible change in any these assumptions would not cause the carrying amount to exceed its recoverable amount.

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
<b>4 Trade Receivables</b>		
<b>Current</b>		
<b>Trade Receivables</b>		
Unsecured, Considered Good	2,169.76	250.00
Unsecured, Credit Impaired	2.04	-
Receivables from related parties ( refer note 31)	2.07	-
	<b>2,173.87</b>	<b>250.00</b>
Less : Allowances for Expected Credit Loss	(2.04)	-
	<b>2,171.83</b>	<b>250.00</b>

a) Generally, as per credit terms trade receivable are collectable within 30-180 days although the Company provides extended credit period with interest between 8% to 10% p.a considering business and commercial arrangements with the customers including related parties. There are no receivables which are contractually collectible on deferred basis.

b) 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.

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
<b>5 Other Financial assets</b>		
<b>Non-current</b>		
Security deposits (Unsecured, considered good) (Refer note 26)	33,810.00	-
	<b>33,810.00</b>	-
<b>Current</b>		
Interest accrued on deposits	1,653.97	-
Advances to employees	6.56	-
	<b>1,660.53</b>	-

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
<b>6 Other Assets</b>		
<b>Non Current</b>		
<b>Capital Advances</b>		
Unsecured, considered good	2,279.01	-
(A)	<b>2,279.01</b>	-
<b>Others (Unsecured)</b>		
Advance income tax ( Net of Provision Nil ) (Previous year Nil)	134.30	118.63
Export Benefits and other receivables ( refer note 2(f))	610.81	-
(B)	<b>745.11</b>	<b>118.63</b>
(A+B)	<b>3,024.12</b>	<b>118.63</b>
<b>Current</b>		
<b>Advances to suppliers</b>		
Unsecured, considered good	183.82	-
(A)	<b>183.82</b>	-
<b>Others (Unsecured)</b>		
Prepaid Expenses	195.56	-
Contract Assets (refer note below )	22.40	-
Balances with Government authorities	2,384.00	49.10
(B)	<b>2,601.96</b>	<b>49.10</b>
(A+B)	<b>2,785.78</b>	<b>49.10</b>

**Note:**  
Contract assets are the right to receive consideration in exchange for goods and services transferred to the customer. Contract assets are initially recognised for revenue earned from port operation services as receipt of consideration is conditional on successful completion of services. Upon completion of services and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables..

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
<b>7 Inventories (At lower of cost and Net realisable value)</b>		
Stores and spares	181.43	47.97
	<b>181.43</b>	<b>47.97</b>

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
<b>8 Cash and cash equivalents</b>		
<b>Balances with banks:</b>		
Balance in current account	230.70	17.61
Deposits with original maturity of less than three months	2,720.78	-
	<b>2,951.48</b>	<b>17.61</b>



	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
<b>9 Equity Share capital</b>		
<b>Authorised share capital</b>		
40,00,00,000 Equity Shares of ₹ 10 each ( 40,00,00,000 Equity Shares of ₹ 10 each as at March 31, 2018)	40,000.00	40,000.00
	<b>40,000.00</b>	<b>40,000.00</b>
<b>Issued, subscribed and fully paid up shares capital</b>		
40,00,00,000 Equity Shares of ₹ 10 each ( 40,00,00,000 Equity Shares of ₹ 10 each as at March 31, 2018)	40,000.00	40,000.00
	<b>40,000.00</b>	<b>40,000.00</b>

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

	March 31, 2019		March 31, 2018	
	No in Lacs	₹ in Lacs	No in Lacs	₹ in Lacs
As the beginning of the year	4,000.00	40,000.00	4,000.00	40,000.00
New Shares Issued during the year	-	-	-	-
As the end of the year	<b>4,000.00</b>	<b>40,000.00</b>	<b>4,000.00</b>	<b>40,000.00</b>

**(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, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
<b>Adani Ports and Special Economic Zone Limited, the holding company and its nominee</b>		
38,80,00,000 equity shares (Previous year Nil) of ₹ 10 each	38,800.00	-
<b>Larsen &amp; Toubro Ltd.</b>		
38,80,00,000 equity shares of ₹ 10 each	-	38,800.00

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

Equity shares of ₹ 10 each fully paid	March 31, 2019		March 31, 2018		
	Particulars	No in Lacs	% Holding	No in Lacs	% Holding
Adani Ports and Special Economic Zone Limited, the holding company and its nominee	No in Lacs	3,880.00	97.00%	-	-
	% Holding	-	-	3,880.00	97.00%
Larsen & Toubro Ltd.	No in Lacs	-	-	3,880.00	97.00%
	% Holding	-	-	-	-

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
<b>10 Other Equity</b>		
<b>(a) Retained Earnings</b>		
Opening Balance	(7,947.13)	275.55
Add : Profit / (Loss) for the year	523.81	(8,227.24)
Add : Re-measurement gains on defined benefit plans (net of tax)	16.81	4.56
Add : Others	1.00	-
Closing Balance	<b>(A) (7,405.51)</b>	<b>(7,947.13)</b>

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

**(b) Perpetual Debt**

Opening Balance	-	-
Add: New debentures Issued during the year	1,10,000.00	-
Closing Balance	<b>(B) 1,10,000.00</b>	-
<b>Total Other Equity</b>	<b>(A+B) 1,02,594.49</b>	<b>(7,947.13)</b>

During the year, the Company had issued 6.50% 110,00,00,000 Unsecured Perpetual Non-Cumulative Non-Convertible debentures (Perpetual NCDs) of the face value of ₹ 10/- each amounting to ₹ 1,10,000 Lacs, in aggregate on private placement basis to Adani Ports and Special Economic Zone Limited (the parent company). These securities are perpetual in nature with no fixed maturity or redemption period and are callable only at the option of the Company. These securities are issued with coupon of 6.5% but payable at the option of the Company though in case Company decide to declare dividend, the interest will be paid. As these securities are perpetual in nature and the Company does not have any redemption obligation, these are classified as 'equity'.

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
<b>11 Borrowings</b>		
<b>Short Term Borrowings</b>		
Short term borrowings from banks under suppliers credit ( refer note a) (Unsecured)	656.27	-
Inter Corporate Deposit (refer note b) (Unsecured)	44,610.00	-
	<b>45,266.27</b>	-
<b>The above amount includes</b>		
Secured borrowings	-	-
Unsecured borrowings	45,266.27	-
<b>Total borrowings</b>	<b>45,266.27</b>	-



**Notes:**

(a) Foreign Currency Letter of Credit facilities from Banks aggregating to ₹ 656.27 Lacs (previous year Nil) carries interest at the rate of EURIBOR Zero plus 63 basis points. The loan is repayable in January, 2020.

(b) Inter corporate deposit is borrowed from Adani Ports and Special Economic Zone Limited., the holding Company, at the interest rate of 7.5%. P.a The loan amount of ₹ 44,610.00 Lacs will be repayable on June 28, 2019.

**12 Other financial liabilities****Current**

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
Interest accrued but not due on borrowings	1,323.93	-
Deposit from customers	51,162.50	1,45,000.00
Capital creditors, retention money and other payable	561.65	11,394.75
Refund liability ( refer note b)	1,152.01	-
	<b>54,200.09</b>	<b>1,56,394.75</b>

**(a) Disclosure with regards to amendments to Ind AS 7 Statement of Cash Flows:**

The standards require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for current year only, as there was no such liabilities arising from financing activities for the year ended March 31, 2018.

**Changes in liabilities arising from financing activities**

(₹ in Lacs)

Particulars	April 1, 2018	Cash Flows	Foreign Exchange Movement	Changes in Fair Value	Other Adjustment	March 31, 2019
Short-term Borrowings	-	45,292.30	(26.03)	-	-	<b>45,266.27</b>
Interest accrued on Borrowings	-	(149.54)	-	-	1,473.47	<b>1,323.93</b>
<b>TOTAL</b>	-	<b>45,142.77</b>	<b>(26.03)</b>	-	<b>1,473.47</b>	<b>46,590.20</b>

(b) A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refund liabilities refers to the volume discount which shall be payable to the customer after adjusting any outstanding receivable from them.

**13 Provisions****Current**

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
Provision for gratuity (refer note 28)	60.42	-
Provision for compensated absences	73.02	131.64
	<b>133.44</b>	<b>131.64</b>

**14 Deferred tax liabilities/Assets (net)**

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
Deferred tax liability	16,555.25	8,040.99
	<b>16,555.25</b>	<b>8,040.99</b>
Deferred tax assets	16,555.25	11,896.70
	<b>16,555.25</b>	<b>11,896.70</b>
<b>Deferred tax assets (net)</b>	<b>-</b>	<b>3,855.71</b>

**15 Other Liabilities****Current**

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
Statutory liabilities	206.08	90.26
Contract Liability (refer note below)	686.17	-
	<b>892.25</b>	<b>90.26</b>

Note:- Contract liabilities includes advances received to deliver Port Operation Services and as well as transaction price allocated to unsatisfied performance obligation in respect of Cargo Handling services.

**16 Trade payables**

	March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
Total outstanding dues of micro enterprises and small enterprises ( refer note 29)	0.39	-
Trade payables	953.06	11.41
	<b>953.45</b>	<b>11.41</b>

**17 Revenue from Operations**

Revenue from Contracts with Customers  
Other Operating income

For the year ended 31st March 2019 ₹ in Lacs	For the year ended 31st March 2018 ₹ in Lacs
13,818.77	-
610.81	-
<b>14,429.58</b>	<b>-</b>

**Notes****Reconciliation of revenue recognised with contract price:****Particulars**

Contract Price  
**Adjustment for:**  
Refund Liabilities  
Change in value of Contract Assets  
Change in value of Contract Liabilities  
**Revenue from Contract with Customers**

For the year ended 31st March 2019 ₹ in Lacs	For the year ended 31st March 2018 ₹ in Lacs
14,948.38	-
(1,152.01)	-
22.40	-
-	-
<b>13,818.77</b>	<b>-</b>

**18 Other Income****Interest Income on**

Bank deposits and advances  
Security Deposits (net of interest capitalised of ₹ 1,240.49 Lacs)  
Net gain on sale of current investment  
Miscellaneous Income

For the year ended 31st March 2019 ₹ in Lacs	For the year ended 31st March 2018 ₹ in Lacs
2.22	-
595.76	-
83.51	-
10.26	-
<b>691.75</b>	<b>-</b>

**19 Operating Expenses**

Cargo handling /Other charges to sub-contractors (net of reimbursement)  
Repairs to plant & equipment  
Repairs to Buildings  
Power & Fuel

For the year ended 31st March 2019 ₹ in Lacs	For the year ended 31st March 2018 ₹ in Lacs
2,083.32	-
237.58	-
10.38	-
938.72	-
<b>3,270.00</b>	<b>-</b>

**20 Employee benefit expense**

Salaries, Wages and Bonus  
Contribution to Provident and Other Funds  
Gratuity Expenses (refer note 28)  
Staff Welfare Expenses

For the year ended 31st March 2019 ₹ in Lacs	For the year ended 31st March 2018 ₹ in Lacs
513.53	-
21.05	5.65
21.64	2.31
79.81	-
<b>636.03</b>	<b>7.96</b>

**21 Finance Costs**

Interest on  
- ICD and bill acceptance under letter of credit (net of interest capitalised of ₹ 1,426.63 Lacs)  
Bank and other finance charges

For the year ended 31st March 2019 ₹ in Lacs	For the year ended 31st March 2018 ₹ in Lacs
44.35	-
2.48	-
<b>46.83</b>	<b>-</b>

**22 Other Expenses**

Insurance  
Other Repairs and Maintenance  
Legal and Professional Expenses  
Payment to Auditors (refer note (a) below)  
Security Service Expenses  
Communication Expenses  
Travelling and Conveyance  
Charity & Donations (refer note (b) Below)  
Claims Written off  
Allowance for trade receivable  
Miscellaneous Expenses

For the year ended 31st March 2019 ₹ in Lacs	For the year ended 31st March 2018 ₹ in Lacs
74.25	-
8.99	-
65.44	0.22
7.50	2.00
2.09	-
67.85	-
131.28	-
0.75	-
-	2,230.84
2.04	-
274.62	70.05
<b>634.81</b>	<b>2,303.11</b>

a) Payment to Auditor	For the year ended 31st March 2019 ₹ in Lacs	For the year ended 31st March 2018 ₹ in Lacs
<b>As Auditor:</b>		
Audit fee	7.50	2.00
	<b>7.50</b>	<b>2.00</b>

b) Details of CSR Expenses	For the year ended 31st March 2019 ₹ in Lacs	For the year ended 31st March 2018 ₹ in Lacs
<b>Particulars</b>		
Gross amount required to be spent by the company during the year	0.75	-
	<b>In cash</b>	<b>Yet to be paid in cash</b>
		<b>Total</b>
<b>Amount spent during the year ended March 31, 2019</b>		
(i) Construction/acquisition of any Asset	-	-
(ii) On Purpose other than (i) above	0.75	0.75

### 23 Income Tax

The major components of income tax expenses for the year ended March 31, 2019 and March 31, 2018 are as under :

a) Profit and Loss Section	For the year ended 31st March 2019 ₹ in Lacs	For the year ended 31st March 2018 ₹ in Lacs
<b>Current income tax:</b>		
Current income tax charge	570.52	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	3,848.81	-
<b>Tax Expense reported in the Statement of Profit and Loss</b>	<b>4,419.33</b>	<b>-</b>

#### Deferred tax related to items recognised in OCI during the year

Tax impact on remeasurements of defined benefit plan

For the year ended 31st March 2019 ₹ in Lacs	For the year ended 31st March 2018 ₹ in Lacs
6.91	-
<b>6.91</b>	<b>-</b>

### b) Balance Sheet Section

Less: Tax Recoverable (net of provision)

Liabilities for Current Tax (net)

March 31, 2019 ₹ in Lacs	March 31, 2018 ₹ in Lacs
134.30	118.63
(47.58)	-
<b>86.72</b>	<b>118.63</b>

Note : Liabilities for Current Tax (net) and Taxes Recoverable (net) are presented based on year-wise tax balances, as the case may be.

### c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018

	March 31, 2019		March 31, 2018	
	%	₹ in Lacs	%	₹ in Lacs
Accounting profit before taxation		4,943.14		(8,227.24)
Tax using the Company's domestic rate	29.12%	1,439.44	34.61%	(2,847.28)
<b>Tax effect of :</b>				
Expenditure disallowed for tax purpose	0.91%	45.11	-	-
Unrecognised MAT Credit	11.54%	570.52	-	-
Previously recognised Tax Credit Now Derecognised	78.00%	3,855.71	-	-
Unrecognised Deferred Tax	-30.17%	(1,491.46)	-	-
Deferred Tax assets not recognised considering prudence	-	-	34.61%	2,847.28
<b>Effective tax rate</b>	<b>89.40%</b>	<b>4,419.33</b>	<b>0.00%</b>	<b>(0.00)</b>
<b>Income tax expenses charged to profit and loss</b>		<b>4,419.33</b>		<b>(0.00)</b>

## (d) Deferred tax relates to following

Particulars	Balance Sheet as at		Statement of Profit and Loss / Other Comprehensive Income	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
(Liability) on Accelerated depreciation for tax purpose	(16,827.57)	(8,040.99)	8,786.59	-
Tax Credit on unabsorbed depreciation	16,834.48	11,896.70	(4,937.78)	-
Defined benefit liability	(6.91)	-	6.91	-
<b>Deferred tax liabilities / Deferred Tax Charge</b>	<b>-</b>	<b>3,855.72</b>	<b>3,855.72</b>	<b>-</b>

## (e) Reconciliation of deferred tax liabilities

Tax expense during the period recognised in profit and loss  
Tax expense / (Credit) during the period recognised in OCI

	March 31, 2019	March 31, 2018
	₹ in Lacs	₹ in Lacs
	3,848.81	-
	6.91	-
	<b>3,855.72</b>	<b>-</b>

## (f) Deferred Tax Liabilities reflected in the Balance Sheet as follows

Deferred tax liabilities/(Asset) (net)

	March 31, 2019	March 31, 2018
	₹ in Lacs	₹ in Lacs
	-	(3,855.72)
	<b>-</b>	<b>(3,855.72)</b>

During the current financial year the company has derecognised the previously recognised deferred tax assets (which was in excess of deferred tax liabilities) amounting to ₹ 3,855.72 lacs pertaining to unabsorbed tax depreciation considering prudence. Company has availed MAT credit amounting to ₹ 570.52 Lacs (previous year ₹ Nil) expiring in FY 2033, under Income Tax Act, 1961 for which DTA has not been recognised. Further the Company has unabsorbed depreciation amounting to ₹ 1277.84 Lacs (previous year ₹ 481.61 Lacs) on which DTA has not been recognised.

## 24.1 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

## a) Category-wise Classification of Financial Instruments :

₹ in lacs

Particulars	Refer note	As at March 31, 2019			
		Fair Value through other Comprehensive Income	Fair Value through other Profit and Loss	Amortised Cost	Carrying Value
<b>Financial Asset</b>					
Trade receivables (including bills discounted)	4	-	-	2,171.83	2,171.83
Cash and Bank Balances	8	-	-	2,951.48	2,951.48
Others Financial Assets	5	-	-	35,470.53	35,470.53
		-	-	<b>40,593.84</b>	<b>40,593.84</b>
<b>Financial Liabilities</b>					
Borrowings (including bills discounted and current maturities)	11	-	-	45,266.27	45,266.27
Trade payables	16	-	-	953.45	953.45
Other Financial Liabilities	12	-	-	54,200.09	54,200.09
		-	-	<b>1,00,419.81</b>	<b>1,00,419.81</b>

₹ in lacs

Particulars	Refer note	As at March 31, 2018			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying Value
<b>Financial Asset</b>					
Trade receivables (including bills discounted)	4	-	-	250.00	250.00
Cash and Bank Balances	8	-	-	17.61	17.61
		-	-	<b>267.61</b>	<b>267.61</b>
<b>Financial Liabilities</b>					
Trade payables	16	-	-	11.41	11.41
Other Financial Liabilities	12	-	-	1,56,394.75	1,56,394.75
		-	-	<b>1,56,406.16</b>	<b>1,56,406.16</b>

## 24.2 Fair Value Measurements:

### a) Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## 24.3 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 bank balances that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) and other price risks such as equity price risk. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as currency swaps and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The Company's central treasury team 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.

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Company is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

Further, all currency and interest risk as identified above is measured on a daily basis by monitoring the mark to market (MTM) of open and hedged position. The MTM is derived basis underlying market curves on closing basis of relevant instrument quoted on Bloomberg/Reuters. For quarter ends, the MTM for each derivative instrument outstanding is obtained from respective banks. All gain / loss arising from MTM for open derivative contracts and gain / loss on settlement / cancellation / roll over of derivative contracts is recorded in statement of profit and loss.

### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at March 31, 2019 and March 31, 2018. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

#### (i) 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.

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended March 31, 2019 would decrease / increase by ₹ 3.28 Lacs (for the year ended March 31, 2018 decrease / increase by Nil). This is mainly attributable to interest rates on variable rate borrowings.

#### (ii) Foreign currency risk

Exchange rate movements, particularly the United States Dollar (USD) and Euro (EUR) against Indian Rupee (INR), have an impact on the company's operating results. The Company manages its foreign currency risk by entering into currency swap for converting INR loan into other foreign currency for taking advantage of lower cost of borrowing in stable currency environment. The Company also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings or trade payables. Further, to hedge foreign currency future transactions in respect of which firm commitment are made or which are highly probable forecast transactions (for instance, foreign exchange denominated income) the Company has entered into foreign currency forward contracts as per the policy of the Company.

The Company is mainly exposed to changes in USD and EURO. The below table demonstrates the sensitivity to a 1% increase or decrease in the respective foreign currency rates against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

₹ in Lacs

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>EURO Sensitivity</b>				
RUPEES / EURO – Increase by 1%	6.57	-	6.57	-
RUPEES / EURO – Decrease by 1%	(6.57)	-	(6.57)	-

#### (iii) Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

**b) 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 grouped into homogenous groups 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 Group'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**

Considering that the Company operates the port services at Kattupalli, the Company is significantly dependent on cargo from such customers which includes related parties. Out of total revenue, the Company earns ₹ 5,831.40 lacs of revenue during the year ended March 31, 2019 (previous year Nil) from such customer which constitute 42.20% (previous year Nil). Accounts receivable from such customer approximated ₹ 1,612.23 lacs as at March 31, 2019 and ₹ Nil as at March 31, 2018. A loss of these customers could adversely affect the operating result or cash flow of the Company.

**c) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below analysis derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

₹ In Lacs

Particulars	Refer Note	On demand	within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years	Over 5 year	Total
<b>As at March 31, 2019</b>							
Borrowings	11	-	45,266.27	-	-	-	45,266.27
Trade Payables	16	-	953.45	-	-	-	953.45
Other Financial Liabilities	12	-	54,200.09	-	-	-	54,200.09
<b>Total</b>		-	<b>1,00,419.81</b>	-	-	-	<b>1,00,419.81</b>
<b>As at March 31, 2018</b>							
Trade Payables	16	-	11.41	-	-	-	11.41
Other Financial Liabilities	12	-	1,56,394.75	-	-	-	1,56,394.75
<b>Total</b>		-	<b>1,56,406.16</b>	-	-	-	<b>1,56,406.16</b>

**24.4 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 bank balances) divided by total capital plus net debt.

₹ in Lacs

Particulars	March 31, 2019	March 31, 2018
Total Borrowings (refer note 11)	45,266.27	-
Less: Cash and bank balance (refer note 8)	2,951.48	17.61
<b>Net Debt (A)</b>	<b>42,314.79</b>	<b>(17.61)</b>
<b>Total equity (B)</b>	<b>1,42,594.49</b>	<b>32,052.87</b>
<b>Total equity and net debt (C= A+B)</b>	<b>1,84,909.28</b>	<b>32,035.26</b>
Gearing ratio	22.88%	-0.05%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

**25 Earnings per share**

Profit / (Loss) attributable to equity shareholders of the Company  
Weighted average number of equity shares (in Nos)  
Basic and Diluted earning per share (in ₹)

	March 31, 2019	March 31, 2018
	₹ in Lacs	₹ in Lacs
Profit / (Loss) attributable to equity shareholders of the Company	523.81	(8,227.24)
Weighted average number of equity shares (in Nos)	40,00,00,000	40,00,00,000
Basic and Diluted earning per share (in ₹)	0.13	(2.06)

**26 Capital commitments and other commitment****Capital commitments**

Estimated amount of contract (net of security deposits amounting to ₹ 33,810.00 Lacs included in Note 5 and advances) remaining to be executed on capital account and not provided for ₹ 1,12,168.60 Lacs (previous year Nil) pertains to various projects to be executed during the next 5 years.

**27 Segment information**

The Company is primarily engaged in one business segment, namely developing, operating and maintaining the Ports services and Ports related Infrastructure development activities at Kattupalli, as determined by chief operational decision maker, in accordance with Ind-AS 108 "Operating Segment".

Considering the inter relationship of various activities of the business, the chief operational decision maker monitors the operating results of its business segment on overall basis. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

**28 Disclosures as required by Ind AS - 19 Employee Benefits**

- a) The company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹ 21.05 lacs (previous year ₹ 5.65) as expenses under the following defined contribution plan.

	₹ in Lacs	
Contribution to	2018-19	2017-18
Provident Fund	20.21	5.65
<b>Total</b>	<b>20.21</b>	<b>5.65</b>

- b) The company has a defined gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with L&T Shipbuilding the erstwhile parent in form of a qualifying insurance policy with effect from September 01, 2010 for future payment of gratuity to the employees.

Each year, the management reviews the level of funding in the gratuity fund. Such review includes the assets -liability matching strategy.

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

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

	₹ in Lacs	
Particulars	March 31, 2019	March 31, 2018
Present value of the defined benefit obligation at the beginning of the year	51.73	48.10
Current service cost	15.34	11.77
Interest cost	7.12	3.43
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	4.84	(2.11)
- change in financial assumptions	(3.47)	1.67
- experience variance	(25.09)	(5.35)
Benefits paid	(21.81)	(5.78)
Liability transfer in	40.80	-
Liability transfer out	-	-
Present value of the defined benefit obligation at the end of the year	<b>69.46</b>	<b>51.73</b>

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

	₹ in Lacs	
Particulars	March 31, 2019	March 31, 2018
Fair value of plan assets at the beginning of the year	10.72	15.48
Investment income	0.83	1.76
Contributions by employer	-	0.50
Benefits paid	(2.50)	(5.78)
Return on plan assets, excluding amount recognised in net interest expense	-	(1.24)
Acquisition adjustment	-	-
Fair value of plan assets at the end of the year	<b>9.04</b>	<b>10.72</b>

**iii) Net asset/(liability) recognised in the balance sheet**

	₹ in Lacs	
Contribution to	March 31, 2019	March 31, 2018
Present value of the defined benefit obligation at the end of the year	69.46	51.73
Fair value of plan assets at the end of the year	9.04	10.72
Amount recognised in the balance sheet	(60.42)	(41.01)
Net (liability)/asset - Current	(60.42)	(41.01)
Net (liability)/asset - Non-current	-	-

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

Particulars	₹ in Lacs	
	March 31, 2019	March 31, 2018
Current service cost	15.34	11.77
Interest cost on benefit obligation	6.29	1.67
<b>Total Expenses included in employee benefits expense</b>	<b>21.64</b>	<b>13.44</b>

v) Recognised in the other comprehensive income for the year

Particulars	₹ in Lacs	
	March 31, 2019	March 31, 2018
Actuarial (gain)/losses arising from		
- change in demographic assumptions	4.84	(2.11)
- change in financial assumptions	(3.47)	1.67
- experience variance	(25.09)	(5.36)
Return on plan assets, excluding amount recognised in net interest expense	-	1.24
<b>Recognised in comprehensive income</b>	<b>(23.72)</b>	<b>(4.56)</b>

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

Particulars	March 31, 2019	March 31, 2018
Discount rate	7.60%	7.70%
Rate of escalation in salary (per annum)	8.00%	9.00%
Mortality	Indian assured mortality table 2006-08	Indian assured mortality table 2006-08
Attrition rate	7.75%	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.

(vii) Sensitivity Analysis Method

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

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, 2019		March 31, 2018	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Assumptions	Discount rate			
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(5.03)	5.66	(2.37)	2.60

Particulars	March 31, 2019		March 31, 2018	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Assumptions	Salary Growth rate			
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	5.58	(5.05)	2.55	(2.36)

Particulars	March 31, 2019		March 31, 2018	
	50% Increase	50% Decrease	50% Increase	50% Decrease
Assumptions	Attrition rate			
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(1.97)	2.32	(2.12)	2.28

Particulars	March 31, 2019		March 31, 2018	
	10% Increase	10% Decrease	10% Increase	10% Decrease
Assumptions	Mortality rate			
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(0.00)	0.00	2.26	(2.12)

Viii) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2019	March 31, 2018
Weighted average duration (based on discounted cash flows)	8 years	4.79 years

(IX) The expected cash flows of defined benefit obligation over the future periods (valued on undiscounted bases)

Particulars	₹ in Lacs	
	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	4.42	10.64
Between 2 and 5 years	22.35	24.93
Between 5 and 10 years	41.55	21.88
Beyond 10 years	71.08	23.47
<b>Total Expected Payments</b>	<b>139.39</b>	<b>80.92</b>

The Company expect to contribute ₹ 78.42 lacs as gratuity contribution in the financial year 2019-20 (previous year ₹ 20 lacs).



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

₹ in Lacs

Sr No	Particulars	March 31, 2019	March 31, 2018
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year. Principal Interest	0.39 Nil	Nil Nil
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil

### 30 Unhedged foreign currency exposure

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

Nature	As at March 31, 2019		As at March 31, 2018	
	Amount in Lacs	Foreign Currency In Actuals	Amount in Lacs	Foreign Currency In Actual
Bills under letter of credit	656.27	844,914 Euro	-	-
Interest accrued but not due	0.44	562 Euro	-	-

Closing rates as at March 31, 2019:

INR / EURO = ₹ 77.6725

Closing rates as at March 31, 2018:

INR / EURO = ₹ 80.8075

## Note 31- Related Parties transactions

(a) Particulars	Name of Company
Holding Company	Larsen and Toubro Limited (till Jun 27, 2018)
	Adani Ports and Special Economic Zone Limited (w.e.f. June 28, 2018)
Fellow Subsidiaries	Tha Adani Harbour Services Private Limited (w.e.f. June 28, 2018)
	Adani Ennore Container Terminal Private Ltd (w.e.f. June 28, 2018)
	Adani Kattupalli Port Private Limited (w.e.f. June 28, 2018)
	L & T Shipbuilding Limited (till Jun 27, 2018)
Entities over which major shareholders of holding company are able to exercise Significant Influence through voting powers	Adani Enterprises Ltd. (w.e.f. June 28, 2018)
Key Management Personnel	Ennarasu Karunesan, Director ( w.e.f. June 28, 2018)
	Dhruvil Shah, Company Secretary ( w.e.f. July 27, 2018)
	N. Anandhan, Chief Financial Officer

₹ in Lacs

(b) Transactions	Name of Related Party	March 31, 2019	March 31, 2018
Rendering of Services	The Adani Harbour Services Private Limited	15.66	-
	Adani Kattupalli Port Private Limited	2,056.18	-
Services availed			
- Professional fees	Adani Enterprises Limited	10.64	-
- Reimbursement of Exp	L & T Shipbuilding Limited	-	1,476.93
- Reimbursement of Exp	Larsen & Toubro Limited	-	2.81
Claims Written off	L & T Shipbuilding Limited	-	2,092.97
Purchase of goods/inventory	Adani Kattupalli Port Private Limited	115.74	-
Interest Expense	Adani Ports and Special Economic Zone Limited	1,470.55	-
Issue of Perpetual Debt	Adani Ports and Special Economic Zone Limited	1,10,000.00	-
Inter-corporate deposit (taken)	Adani Ports and Special Economic Zone Limited	83,610.00	-
Inter-corporate deposit (repaid)	Adani Ports and Special Economic Zone Limited	39,000.00	-
Remuneration paid	N. Anandhan	24.37	-

₹ in Lacs

(c) Closing Balance	Name of Related Party	March 31, 2019	March 31, 2018
Trade Receivable (current and non current)	The Adani Harbour Services Private Limited	2.07	-
		<b>2.07</b>	-
Loan & Advance (including advance receivable in cash and kind)	Adani Ports and Special Economic Zone Limited	34.54	-
	Adani Ennore Container Terminal Private Limited	74.22	-
		<b>108.75</b>	-
Other Receivable	Adani Kattupalli Port Private Limited	201.44	-
		<b>201.44</b>	-
Other Current Liabilities & Other Current Financial Liabilities	Adani Kattupalli Port Private Limited	15.91	-
	L & T Shipbuilding Limited	-	11,391.94
		<b>15.91</b>	<b>11,391.94</b>
Security Deposit	Adani Kattupalli Port Private Limited	50,000.00	-
		<b>50,000.00</b>	-
Trade Payable (including provisions)	Adani Enterprises Limited	9.12	-
		<b>9.12</b>	-
Inter corporate deposit (taken)	Adani Ports and Special Economic Zone Limited	44,610.00	-
		<b>44,610.00</b>	-
Other Equity - Perpetual debt	Adani Ports and Special Economic Zone Limited	1,10,000.00	-
		<b>1,10,000.00</b>	-
Interest payable on Inter corporate deposit (taken)	Adani Ports and Special Economic Zone Limited	1,323.50	-
		<b>1,323.50</b>	-

## Terms and conditions of transactions with related parties

(i) Outstanding balances of related parties at the year-end are unsecured except inter corporate deposits 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, 2019, the Company has not recorded any impairment of receivables relating to amounts owed by 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.

## Notes :

(i) The 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.

**32 Standards issued but not effective****IndAS 116 Leases:**

On March 30, 2019, Ministry of Corporate Affairs has notified IndAS 116, Leases. IndAS 116 will replace the existing leases Standard, IndAS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. IndAS 116 introduces a single lessee accounting model and require sales see to recognize assets and liabilities for all leases with a term Of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit&Loss. The Standard also contains enhanced disclosure requirements for lessees.

Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition: Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors• Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as: Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under IndAS17 immediately before the date of initial application. Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS116, and take the cumulative adjustment to retained earnings, on the date of initial application (April1,2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

The Company is evaluating the effect of adoption of Ind AS116 applicable from April 1, 2019.

**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments :**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

**Amendment to Ind AS 12 – Income taxes :**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**Amendment to Ind AS 19 – plan amendment, curtailment or settlement:**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

**33 Events occurring after the Balance sheet Date**

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approved financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of April 24, 2019, there were no subsequent events to be recognized or reported that are not already disclosed.

For and on behalf of Board of Directors

**G. J. Rao**  
Director  
DIN: 01724002

**Ennarasu Karunesan**  
Managing Director  
DIN: 00200432

**Dhruvil Shah**  
Company Secretary

**N. Anandhan**  
Chief Financial Officer

Place: Ahmedabad  
Date: April 24, 2019