Adani Ports and
Special Economic Zone Limited

adani™

Growth with Goodness

ANNUAL REPORT 2017-18

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For further information, log on to www.adaniports.com

Key Highlights of FY18

Volumes handled (MMT)
180
7% ↑

PBT (₹ in crore)
5,234
25% ↑

Rise in container volumes (%)
20

Return on capital employed (%)
14.4

Vessels handled
5,410

Net DEBT/EBITDA
2.54x

Operating revenue (₹ in crore)
11,323
34% ↑

EBITDA (₹ in crore)
7,062
24% ↑

Dividend Policy modified. From FY 19, targetting to pay upto 15% of PAT

↑ Compared to FY17

Growth with Goodness.

Scale, to us, is not about the businesses we are in. Scale is about the real influence and change we can spur.

It's about the lives we can touch, the communities we can nourish, the businesses we can propel, and the future we can inspire. Because, scale leads to growth; and with consistent growth comes incredible goodness. With the size of our operations in multiple nation-critical sectors, we have been fortunate enough to reach out more and spread this goodness, regardless of the geography.

Through courage, and a commitment to give back to the society by creating sustainable business value creation, we enable growth and progress that ends up benefitting millions.

We have consciously extended our scale beyond our businesses, to help the country overcome economic challenges; to ensure people live a good quality of life, uninterrupted. We believe scale can lead to goodness, and this what drives us to growth.

About Adani Ports

India's largest multi-port operator

Adani Ports and Special Economic Zone Limited (APSEZ) is the largest commercial ports operator in India contributing to the country's growing trade. Its presence across 10 domestic ports in six maritime states – Gujarat, Goa, Kerala, Andhra Pradesh, Tamil Nadu and Odisha – lend it a national presence. The port facilities are equipped with the latest cargo-handling infrastructure which is not only best-in-class, but also capable of handling the largest vessels calling at Indian shores. Our ports are equipped to handle diverse cargos, from dry cargo, liquid cargo, crude to containers.

Through its subsidiary Adani Logistics Ltd., APSEZ operates three logistics parks located at Patli in Haryana, Kila-Raipur in Punjab and Kishangarh in Rajasthan. With the ability to handle 500,000 twenty foot equivalent units (TEUs) annually, the Adani logistics business is growing at a rapid pace.

Over the years, APSEZ has evolved into a provider of integrated port infrastructure services, of which the Mundra SEZ in Gujarat is a landmark validation. Spanning over 8,000 hectares, the Mundra Economic Hub offers investment options as the largest multi-product SEZ, Free Trade and Warehousing Zone (FTWZ) and Domestic Industrial Zone.

The Company's integrated services across three verticals, i.e. Ports, Logistics and SEZ, has enabled it to forge alliances with leading Indian businesses. Making APSEZ an undisputed leader in the Indian port sector.

Along with its expertise in providing end-to-end logistics solutions, operational excellence, low-cost operations and synergies through acquisitions, the Company is backed by a young and dynamic workforce that propels it to greater heights.

VALUES

Courage

- We shall embrace new ideas and businesses
- Take calculated risks in pursuing new and big business opportunities
- Dare to achieve
- Own up to our decisions

Trust

- We shall believe in our employees and other stakeholders
- Show faith in the capability of our employees
- Empower our employees to go beyond the call of duty to deliver results
- Encourage employees to turn disappointments into learning opportunities
- Listen to and include the perspectives of our vendors, investors and other stakeholders

Commitment

- We shall stand by our promises and adhere to high standards of business
- Be Reliable – 'Do what you say' and 'Say what you will do'
- Consistently deliver on business goals and targets
- Consistently demonstrate high standards of professionalism

VISION

To be a world class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation.

GROUP OVERVIEW

APSEZ is promoted by the Adani Group, which has interests across resources (coal mining and trading), logistics (ports, shipping and rail), energy (renewable, thermal power generation and transmission), agricultural commodities and ancillary industries.

Business Overview

Features

PORTS

- Concession assets in a supportive regulatory environment
- Commercially negotiated tariff for private ports
- Handling diverse and complex cargo
- Deep-water, all-weather, direct berthing facilities
- Large-scale mechanisation
- Connectivity to national highways and rail networks

LOGISTICS

- Pan-India end-to-end logistics services provider – asset and service based
- Caters to companies across Container, Bulk, Break-bulk, Chemical, Auto and Liquid industries
- 20-year Category Container Train Operator License – Fleet of ~20 rakes
- Connectivity between gateway ports and origin/destination of cargo
- ISO 9001 certified

SEZ

- Land bank of over 8,000 hectares
- Integrated services with ports
- Industry clusters development focus
- Revenue from upfront premium and recurring annual lease rentals
- Monetisation of SEZ land by developing terminals and leasing it to JV Partners

OUR STRENGTHS

Scale

APSEZ is India's largest private sector ports developer and operator, with a portfolio of 10 ports across the vast coast line of India, a logistics network and a SEZ.

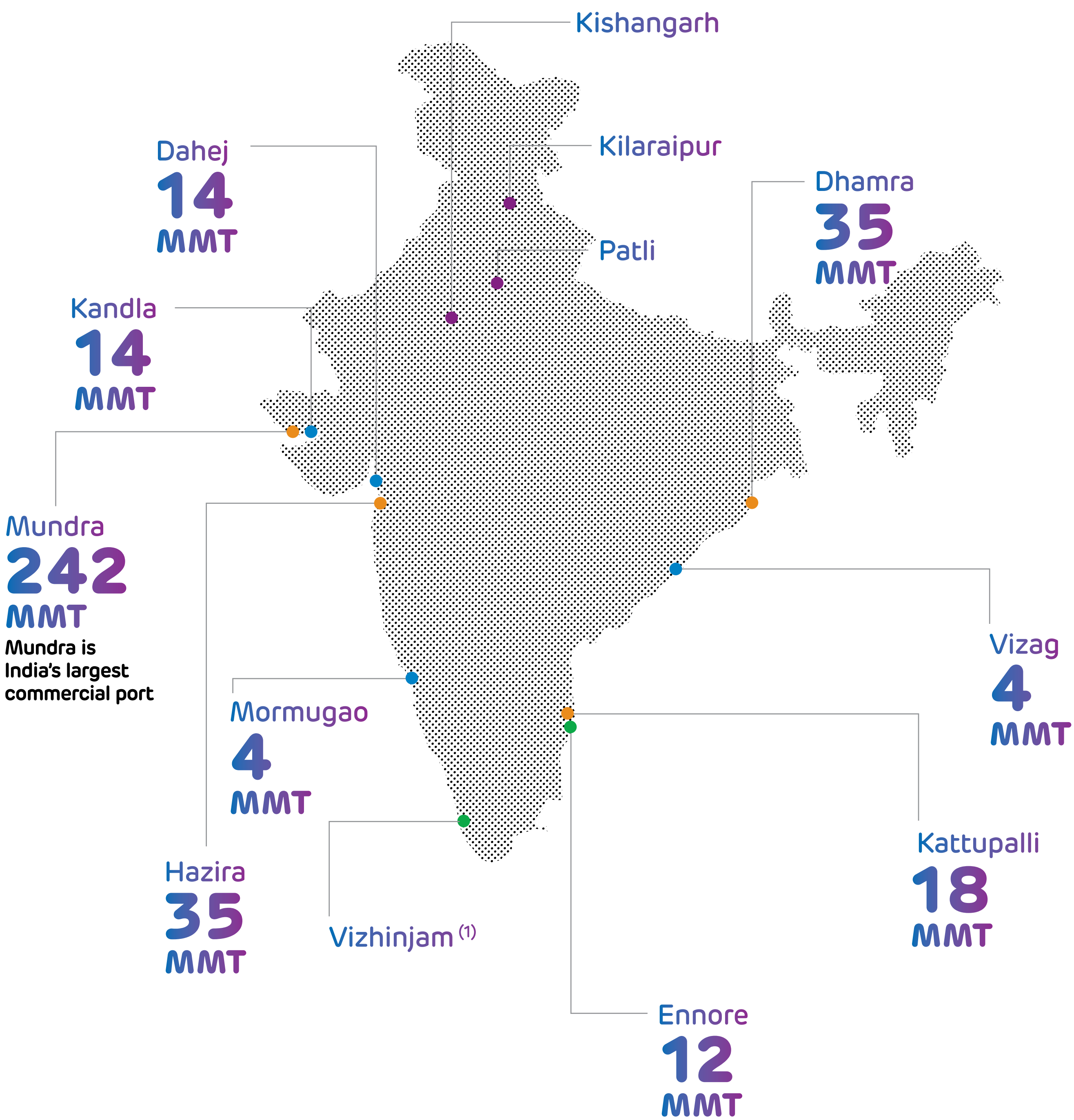
Speed

APSEZ began its journey first from Mundra, currently the largest private commercial port in India. During the last couple of years, APSEZ has increased reach across East, West and South coast of India through organic and inorganic growth, becoming one of the fastest growing port infrastructure companies in the world.

Operational Efficiency

APSEZ handles the largest and biggest ships that call on Indian Ports. Our ports are all-weather deep draught mechanised ports. The Company has embraced technology to enhance productivity and believes in customer delight.

Our Reach



- Multipurpose ports
- Bulk terminals
- Container terminals
- Inland container depots (ICDs)

Note:
1. Under construction.

At the start of FY18, the total capacity was **335 MMT**. During the year, we have added **43 MMT**.

Total current capacity

378
MMT

Our Industry-leading Performance

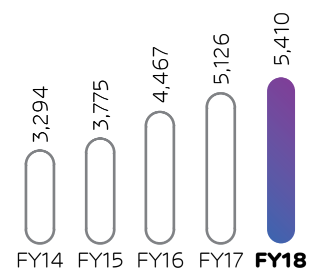
Operational Highlights for FY18

- Cargo volumes at **7% growth** outpaced all-India growth of **4%**
- Container volumes crossed **5 Mn** TEUs, up by 20%
- Market share increased to **15.2%** of all India cargo
- Signed new long-term contracts for **7.7 MMT**
- In SEZ, concluded lease agreements of **83 acres** for Britannia and Container Corporation of India

Total vessels handled

(Number of vessels)

5,410

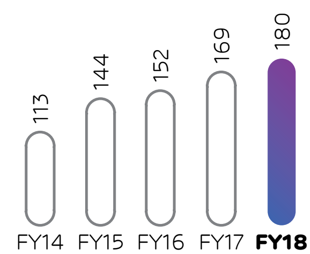


5-year CAGR 13%

Total volume handled

(MMT)

180



5-year CAGR 12%

Financial Highlights for FY18

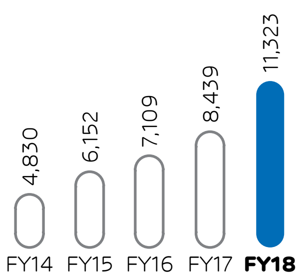
Profit and Loss

- Operating revenue up by **34% to ₹ 11,323 crore**
- EBITDA up by **24% to ₹ 7,062 crore**
- Total EBITDA margin at **62%**
- PBT up by **25% to ₹ 5,234 crore**
- PAT at **₹ 3,683 crore** translating into an EPS of **₹ 17.74**

Revenue

(₹ in crore)

11,323

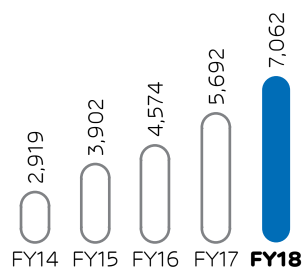


5-year CAGR 24%

EBIDTA

(₹ in crore)

7,062

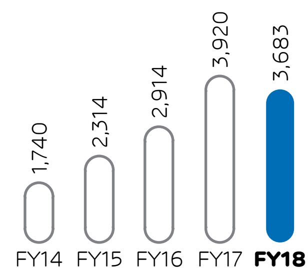


5-year CAGR 25%

PAT*

(₹ in crore)

3,683



5-year CAGR 21%

*PAT in FY18 was lower on account of Mundra coming out of tax holiday period from 1st April, 2017.

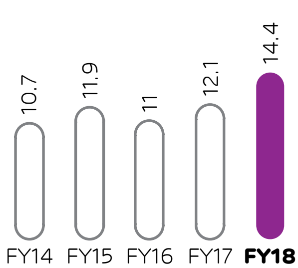
Balance Sheet

- ROCE improves to **14.4% from 12.1%**
- Net Debt / EBITDA improves to **2.54x from 3.27x**
- Free-cash-flows of **₹ 1,253 cr** generated
- Debt Maturity profile improves to average **4.74 years from 4.09 years**

ROCE

(%)

14.4

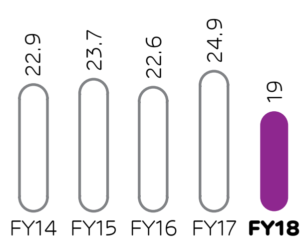


ROCE = EBIT/Average Capital Employed

RONW

(%)

19

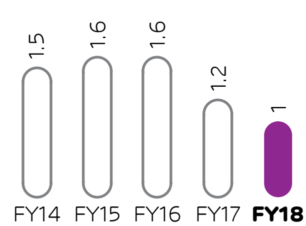


RONW = PAT/Shareholder's equity

Debt-to-equity ratio

(x)

1

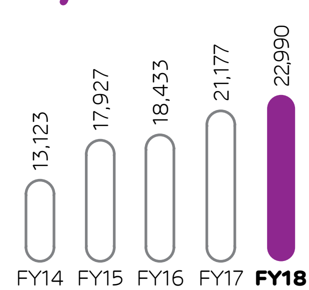


Debt/Equity = Debt/Equity

Net fixed assets

(₹ in crore)

22,990



Net Fixed Asset = Property Plant & Equipment + Capital Work in Progress

Our Sustainability Initiatives

- First Indian company in the port sector to release a Sustainability Report on GRI Standards
- Conducted greenhouse gas study (carbon footprint) at six ports – Dahej, Dhamra, Goa, Hazira, Mundra and Tuna
- Engaged with internal and external stakeholders to understand their concerns
- Overall renewable energy capacity including solar and wind has increased from 7.5 MW to 9.33 MW (Mundra – 3.33 MW solar; Hazira, Dahej and Tuna – 6 MW wind turbine capacity of 2 MW each)

ENVIRONMENT

Energy intensity (GJ/MT) Decreased by

6.3%

Emission intensity (tCO_2e* / MMT) - Decreased by

8.8%

*tonne CO_2 equivalent

Paper saved

5.3 MT

Hazardous waste sent to landfill

Zero

*tonne CO_2 equivalent

SOCIAL

Employee Perception Survey

Growing organisation

99%
agreed

Most preferred organisation

94%
agreed

Demonstrates ethical standards

93%
agreed

Customer Satisfaction Survey

Ease of doing business

95%
agreed

Customer-friendly and reliable

97%
agreed

Responsible and proactive towards OHS*

95%
agreed

* Occupational Health & Safety

Chairman's Message

Dear Stakeholders,

Greetings! India, with its vast resources and a large, young, and productive population is well-positioned in today's global economic scenario. Our GDP is expected to more than double in the next decade, growing at annual rates of over 7%, and it is now certain that by 2030 India will be a $6-7 trillion economy and the world's third largest nation in GDP terms.

Expectedly, along with this growth of the economy, one of the sectors that will see the fastest growth is logistics. Currently, India remains a nation where logistics as a percentage of the GDP stands at about 14% (on a comparative basis, developed nations are less than 9%). This is indicative of the inefficiencies of the logistics sector in India and therefore the potential for driving greater productivity across the entire logistics value chain, along with the tailwind of a rapidly rising GDP, makes this sector an exciting and high growth one that is expected to grow at a 15% CAGR and be worth over $300 billion by 2020.

A key factor for the global resurgence and excitement in the logistics sector is the pace and applicability of almost every new evolving technology that is enabling customers to create new transformational business models. We remain fully focused on continuing to be a leader in adopting technologies that will allow us to digitise our core processes and reinforce our technology foundations to drive towards greater levels of productivity as well as offer our national and international customers new forms of services that align with their business models. These new business models provide us with new avenues of growth.

Our unique advantage comes from the different hub ports we have built across India's coastline. This puts us in a competitive position to expand deeper into the hinterland and build on the synergies of a hub-and-spoke model that we are setting up across the country, as we build out spokes in the form of a network of warehouses and inland ports. This will allow us to focus more holistically on our customers and provide them with an end-to-end logistics service that possibly no other company in the country can offer as broadly and deeply as we can. This in turn will drive greater traffic to our ports thereby allowing us to expand the most profitable part of our business within the logistics value chain.

In this context the move by the Central Government, that recently created a dedicated logistics division in the Ministry of Commerce and Industry, to oversee inputs from the roadways, shipping, aviation and railway ministries should add further impetus to this sector that will stimulate key national programmes including 'Make in India' and 'Digital India' and spur job creation as well as improve India's ease-of-doing-business ranking. Our incumbent

Gautam Adani,
Chairman, Adani Ports
and Special Economic Zone Limited

position as India's logistics leader stands to benefit strongly with the streamlining of these programmes.

Therefore, our strategy to capitalise on our operating model by internally developing some of the best leaders in the logistics sector and hiring among the best talents from the market, being laser focused in increasing our levels of integration across different parts of the logistics value chain, investing in infrastructure to stay ahead of the curve to build competitive differentiation, being a fast technology adopter, and moving deeper into the hinterland to continue to strengthen our hub and spoke model – remains the way we will continue to deliver shareholder value. We are confident in the significant medium to long term growth potential of the ports and logistics sector as well as the complementary businesses and expect to continue to gain competitive market share. We have therefore carved out a 3-year, ₹ 2,500 crore annual capital expenditure plan to capitalise on this growth potential.

As always, we take a long view of our business and sustainability remains at the heart of all our strategies. We continue to steadily reduce our carbon footprint, encouraging renewable energy usage and afforestation, while at the same time empowering communities wherever we operate. Our community development spans education, healthcare, sustainable livelihood creation and rural infrastructure development. Our CSR initiatives are in line with the Sustainable Development Goals.

On behalf of the Board, I seek the support and guidance of all our stakeholders for our present and future endeavours.

Gautam Adani

"Our community development spans education, healthcare, sustainable livelihood creation and rural infrastructure development. Our CSR initiatives are in line with the Sustainable Development Goals."

Integrity in operations

- Customer-centric approach
- Robust financial and operational performance
- Health & safety for all
- Responsibility towards environment and communities
- Sustained growth in shareholder value

CEO's Message

Dear Stakeholders,

It gives me great pleasure to present to you our performance for the FY18. I am happy to share that APSEZ has continued to exceed expectations, steering the industry forward with consistent operational and financial results, with a strong focus on sustainability.

We are India's largest commercial ports operator and a Pan-India integrated logistics solutions provider with presence across the ports, logistics and SEZ businesses. True to our value of maintaining the scale of our ambition, we have been handling 15% of all-India cargo share across our 10 strategically located ports along India's coastline. In FY18, as in the past, we focused on delivering best-in-class customer experience through strategic investments in location, technology, services and competencies.

Our commitment to becoming a leading end-to-end logistics player in the wider region is in line with the Government's focus on ramping up the infrastructure of the nation. With smart cities, world-class road networks, and integrated rail corridors, all connected to multi-modal facilities, we are proud to headline the logistics sector, one of the most rapidly growing domains that is expected to be worth over $300 billion by 2020. Through our robust, integrated network of ports that offer increasing access to India's hinterland, and our focus on technology, we are committed to enhancing the value of our customers' businesses. At the same time, we are determined to preserve our social license to operate at each of our locations. With this combination of focus on the consumer, the environment and the community, we are confident of achieving scale through agile operations and greater integration of our businesses.

Financial and Operating Performance in 2017-18

I am delighted to announce that we surpassed expectations again in FY18 by registering a 34% increase YoY in our operating income, which now stands at ₹ 11,323 crore (FY17: ₹ 8,439 crore). Although Profit After Tax (PAT) dropped 6% to ₹ 3,683 crore (FY17: ₹ 3,920 crore), this was because of the higher tax incidence in FY18. However, there has been no impact on our cash flows as we continue to avail the Minimum Alternative Tax (MAT) credit. Indeed, profit before tax increased by 25% to ₹ 5,234 crore. EBIDTA increased 24% to ₹ 7,062 crore (FY17: ₹ 5,692 crore). We continued our focus on maintaining a prudent cost structure, which has increased the margin of our Ports business by over 100 bps. In FY18, APSEZ generated a free-cash-flow of ₹ 1,253 crore, which helped reduce our net debt by ₹ 655 crore.

Our strong financial performance rode on the robustness of our operational capabilities. Once again, our overall cargo throughput and container handling capacity improved and outperformed those of our peers in India. We handled 180 MMT of cargo in FY18, which marks a 7% increase YoY. In fact, we surpassed the all-India cargo growth of 4% despite a partial shutdown at Dhamra port for further expansion and mechanisation. We handled over 5 million Twenty-Foot Equivalent Units (TEUs) of containers in FY18, a 20% increase YoY against an all-India average of 13%. Our market share continues to expand in both overall cargo and container volumes.

Critical to our sustained leadership has been our continued effort to diversify our cargo mix. As a result, in FY18, our total cargo handled comprised 41% containers (up from 37% in FY17), 33% coal (down from 36% in FY17), and 26% of crude and other cargo. Moreover, long-term contracts constituted 57% of our total volumes. The new CT-3 extension at Mundra port further accelerated cargo growth. We signed new long term contracts worth 7.7 MMT which will reflect in our FY 19 volumes.

Karan Adani
Chief Executive Officer,
Adani Ports and Special Economic Zone Limited

Our SEZ business continues to show strong potential. In FY18, we leased 83 acres of land – Britannia and the prestigious state-owned Navratna, CONCOR, joined the fold as some of our newest clients.

Adani Logistics Limited (ALL), our wholly-owned subsidiary, continues to leverage the benefits of a deep draft seaport, last-mile connectivity and state-of-the-art infrastructure, making it the most preferred maritime gateway for diverse businesses. To bolster our logistics business, we have commenced the construction of Private Freight Terminals (PFTs) in Vadodara and Bengaluru, and are in the process of acquiring land for PFTs in Panipat and Kochi. We are also securing 10 rakes under a long-term lease.

We continue to tap the enormous potential of India's hinterland. We are expanding our reach to Tier-II and Tier-III cities and small towns by establishing Inland Container Depots (ICDs) / Private Freight Terminals (PFTs) and warehousing spaces. This strategy has received further impetus from the Goods and Services Tax regime, the Delhi-Mumbai Industrial Corridor and the Dedicated Freight Corridor of India.

In FY18, we made strides to integrate technology into our culture. Our 'Smart Port' initiative uses IoT devices to optimise operations and track resources efficiently. We leverage Big Data analytics to offer superior value to our customers, further cementing our position as the industry leader.

Better Governance

At APSEZ, we recognise that the sustained support of our stakeholders drives us to scale greater heights. Therefore, I am happy to announce that in FY18, the Board approved a modified dividend policy, linking dividend pay-out to PAT. Dividend has been approved at 100% for FY18, which translates to an increase in pay-out from ₹ 269 crore in FY17 to ₹ 414 crore in FY18.

The Board has also instituted a new capital allocation policy which will ensure optimal use of cash generated from our operations. Henceforth, we will maintain a hurdle rate before embarking on a new project – we expect a project IRR of 16-18% to ensure that our net debt to EBIDTA remains below 3x. This will allow us to continue delivering higher value to our shareholders.

In our endeavor to continue pursuing better governance, we have also strengthened our Whistleblower Policy, making it more effective in driving accountability and transparency.

Spearheading Sustainability

At APSEZ, we understand that the bedrock of our existence is our social license to operate. Thanks to our water management plan for six of our ports, we treated and reused wastewater to build a green cover around the port sites, enhancing the quality of life of the local communities. With the help of our CSR partner, Adani Foundation, we continue our focus on education, community health, sustainable livelihood and rural infrastructure development. We facilitated a vocational training programme for 1,700 women at Vizhinjam in Kerala, empowering them to build better livelihoods.

The Dahej, Dhamra, Goa, Hazira, Mundra and Tuna ports are ISO 14001 certified, signalling an effective environmental management system.

Our diverse initiatives are covered in greater detail in our annual Sustainability Report prepared as per GRI standards in accordance with core principle reporting.

Looking Ahead

About three years ago, containers disrupted the way we moved cargo. Today, we have recognised another paradigm shift in the horizon. With India's increasingly strong commitment towards clean energy, LNG and LPG will emerge as game changers. However, in the case of LNG, the lack of adequate infrastructure in the country to handle imports and distribution of gas serves as the biggest hurdle. This is where we at APSEZ will step in again, to contribute to the nation. Our 3-5 year focus will be on developing our infrastructure in line with this demand. We have already signed a long-term agreement with Indian Oil Corporation Ltd. to provide 3 MMTPA of LNG re-gasification services at Dhamra port. Further, we expect to commission our LPG facility at Mundra and construct an LPG facility at Dhamra in FY19. The Government of India's pro-LPG policies such as the 'Ujjwala' scheme and its focus on gas distribution will further boost demand for LPG, translating to rapid growth for APSEZ and a cleaner environment for the next generation.

Our growth prospects are bolstered by macroeconomic fundamentals that are stacked in our favor. In FY19, we expect to surpass 150% of average all-India cargo volumes, while container volume alone is expected to be double that of the national average. We will look to harness our existing capacities to achieve these results. Therefore, our EBIDTA margins too are expected to rise by at least 100 bps.

In FY19, we will continue to focus on reducing capex to under ₹ 2,500 crore from the existing ₹ 2,694 crore in FY18. With consistent efforts over the next three years, this will translate into improved free-cash-flow of around ₹ 2,000 crore. Our focus on delivering increasing value to shareholders remains absolute. Therefore, in FY19, we will target dividend pay-out upto 15% of PAT.

APSEZ is committed to leading the way as a responsible leader. In FY19 and beyond, we will keep improving corporate governance and make consistent disclosures. We will continue to preserve the environment and work alongside our communities, improving our ESG performance. We look forward to yet another exciting year full of opportunities.

Karan Adani

Megatrends

The importance of well-functioning seaports for industrial activity, merchandise trade, globalised production processes and economic growth cannot be over emphasised. Ports handle over 80% of global merchandise trade in volume and more than two thirds of its value. As key nodes in transport chains that provide access to markets, support supply chains and link consumers and producers, ports need to adapt to changes in the economic, institutional, regulatory and operating landscapes.

Container ship upsizing

The industry has witnessed consolidation of ship liners and upsizing of container ships, which means ports have to be capable and efficient in handling larger ships. Given that maritime access is limited by draught restrictions, larger container ships normally call at fewer ports. Moreover, given their massive structures and handling requirements, these mega-container ships add pressure to berth and crane operations.

The other challenges, especially for smaller ports with narrow draughts, are how to decide on the design of terminals, the type of cargo-handling equipment to invest in, the extent of automation and digitalisation of equipment, the type of technology to adopt, and how to efficiently execute port and staffing-level management. Hence, with the upsizing of container ships, ports with deep draughts and integrated volume-handling facilities will be able to sustain this trend and drive long-term growth.

13%
rise expected in largest container ships on order by 2020

Public-private partnerships at major ports

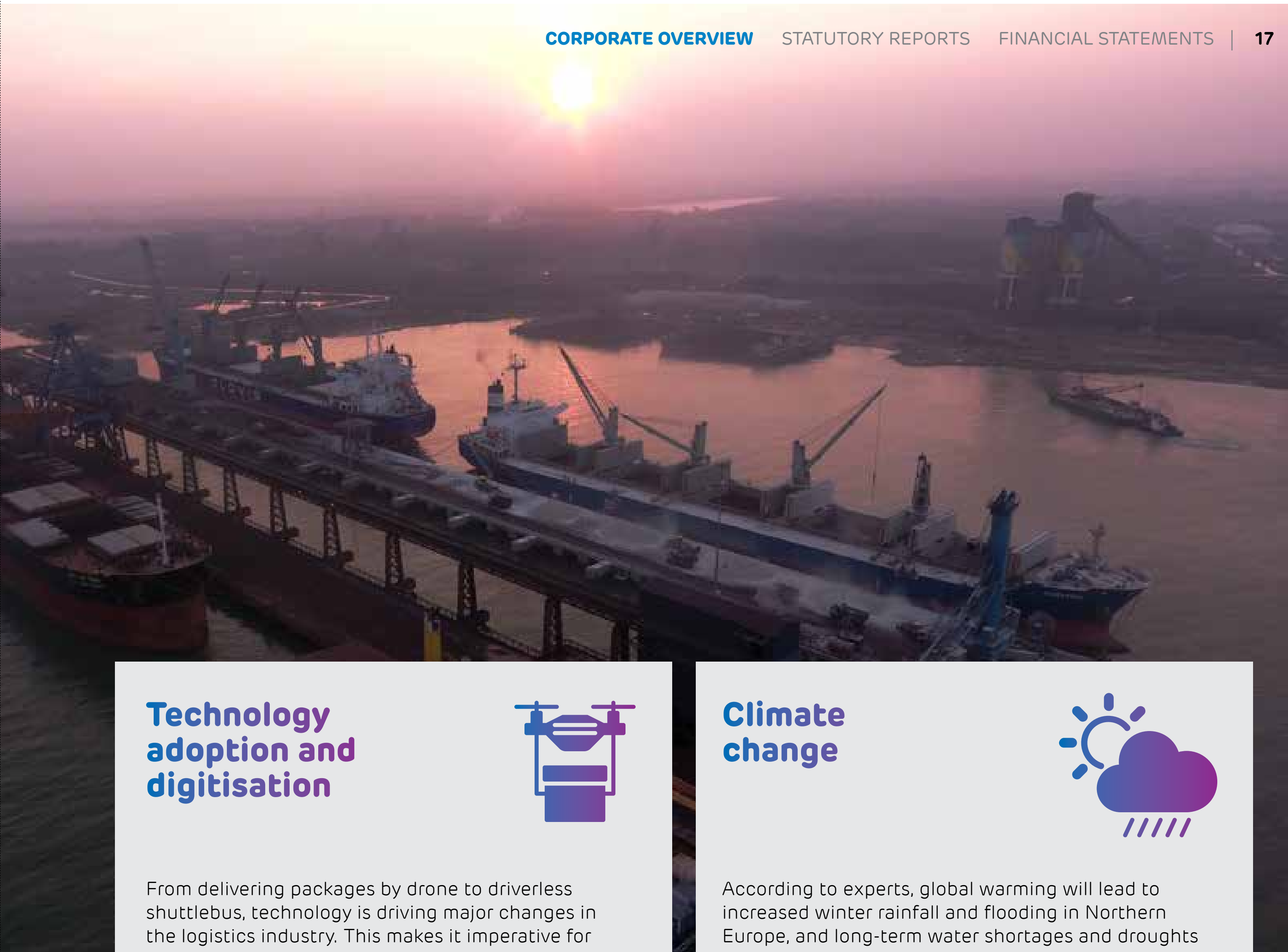
As more modern ports and cargo-handling facilities demand better terminal management and security systems, the financial investment required is increasing. This necessitates greater collaboration between the private and public sector.

Currently, the characteristic institutional structure in the port sector is the landlord port model. Private partners are responsible for terminal operations and related investments. Legal complexity stemming from several jurisdictions is the biggest hurdle in this model. Moreover, often there are regulations that limit private and/or foreign participation, owing to the strategic nature of ports and terminals.

In India, to encourage investments into the port sector, the Government revised the Model Concession Agreement (MCA) for PPP projects in major ports. The revision provides an exit route to developers by way of divesting their equity up to 100% after completion of two years from the commercial operation date.

142
cargo terminals to be built at major ports under MCA

₹8tn
Sagarmala programme with revised MCA policies announced



Technology adoption and digitisation

From delivering packages by drone to driverless shuttlebus, technology is driving major changes in the logistics industry. This makes it imperative for companies in the logistics sector to constantly upgrade their work processes for greater efficiency. Digitisation offers the opportunity to use mobility data in a targeted way to direct traffic, improving services without the need to build additional infrastructure.

Increased use of sensors on trains, trucks and ships is improving maintenance, which experts believe will result in lower dependency on manual labour, especially in the shipping industry.

Technology has improved both complex and mundane processes across the ports sector. The internet of things (IoT), robotics and mobility offer transformative opportunities to change the way businesses manage and move cargo.

Real-time tracking has led to:

26.7%
reduction in dwell-time at ICDs and container freight stations (CFSs) on the western corridor

42.86%
reduction in dwell-time for import-bound containers

Climate change

According to experts, global warming will lead to increased winter rainfall and flooding in Northern Europe, and long-term water shortages and droughts in the Mediterranean. Changes in weather patterns will create problems for transport by road and river, leading to inconvenient delays.

Meanwhile, the transport sector, which is dependent on oil, will need to cut CO_2 emissions by 60% by 2050. Efforts to find substitutes for traditional transport by rail, road, air and sea are underway, and the investment needed is significant.

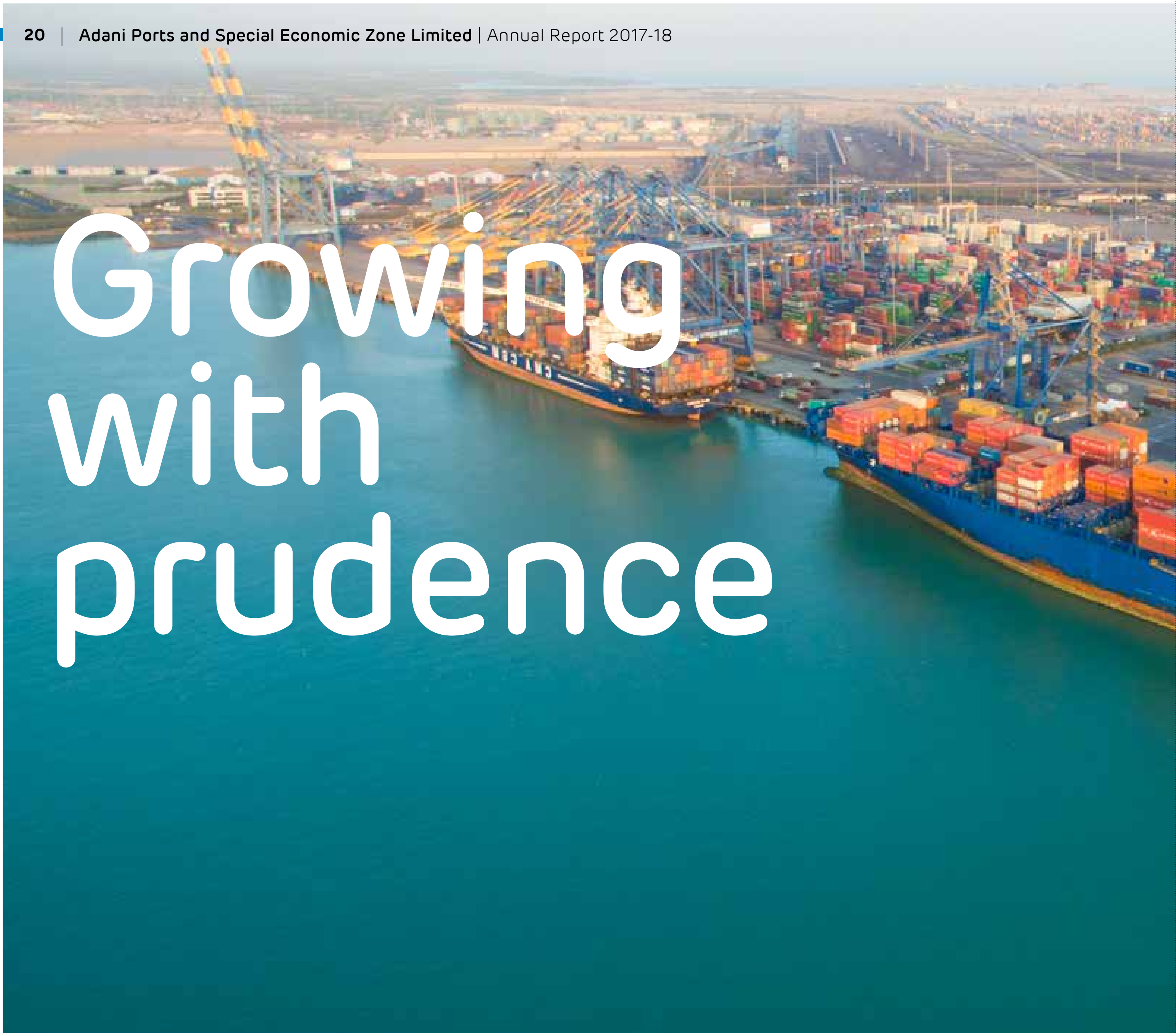
Sustainability is becoming an increasingly important objective for the ports sector and the global industry is committing itself to drive initiatives that preserve our ecosystem. Increasingly, ports businesses across the globe are working towards reducing CO_2 emissions from shipping, port and landside operations. In addition, they are taking initiatives to enable energy transition, improve air quality and stimulate circular economy.

60%
reduction in CO_2 emissions to be driven by transport sector

Our Strategic Priorities

Strategic objectives	Top priorities	FY18 achievements
1 **Improving efficiency** Drive profitable and sustainable growth through a world-class portfolio of assets and services	**Sustaining business growth**	Prudent capital allocation and operational efficiency has driven EBIDTA margin growth **7%** growth in cargo volume **15.2%** market share
	Improving asset utilisation	**14.4%** ROCE **48%** current asset utilisation
	Focus on innovation	Remote access and control of port activities
2 **Customer Centric** Develop new revenue streams through acquiring new customer segments and service portfolio	**Full-scale logistics**	Establish Adani Logistics Limited (ALL) as a dominant player in the Indian logistics space by providing simple solutions to customers' complex supply chain needs, creating value and elevating customer experience by focusing on technology-enabled, end-to-end logistics solutions and consistent service delivery.
	Asset-lite model	Will continue to pursue expansion of ICDs/ PFTs, rails, warehousing and aggregation of trucks to deliver first and last mile connectivity **11%** growth in logistics revenue

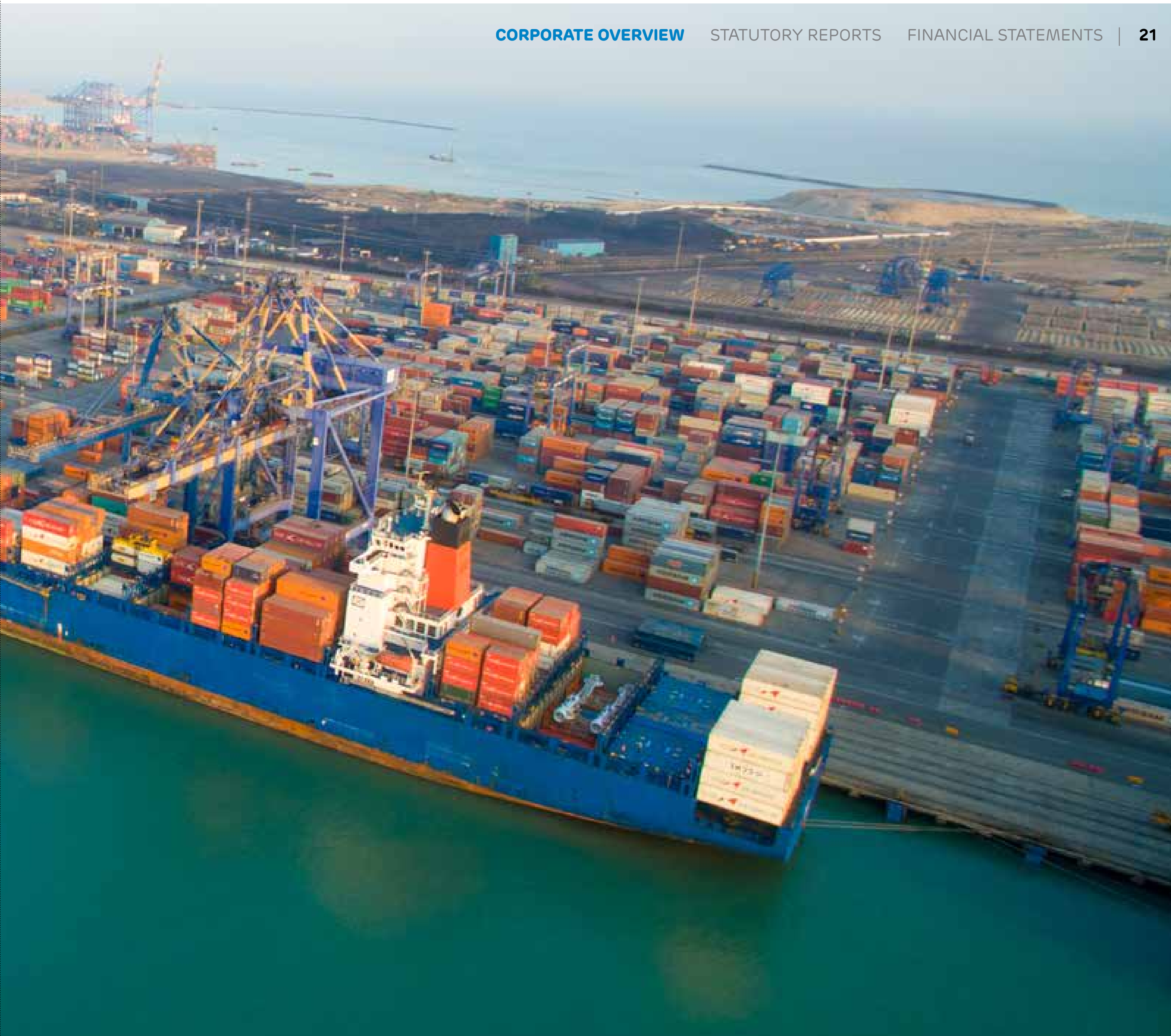
Strategic objectives	Top priorities	FY18 achievements
3 **Container and cargo growth** Ensure diversification and collaboration to improve cargo growth	**Long-term contracts**	**7.7 MMT worth** long-term contracts signed **83 acres** of SEZ lease agreements
	Cargo diversification	**20% growth** in container volumes **8% growth** in Non-coal bulk cargo In the overall cargo composition: **Container: 41%** vs **29%** in FY15 **Coal: 33%** vs **47%** in FY15 **Crude + Others: 26%** vs **24%** in FY15
	Tie-ups with ship liners	Additional ship liners – CI3 at Kattupalli, INDIAMED at Hazira, INDAMEX by CMA CGM, Hapag Lloyd, OOCL at Mundra
4 **Community & Environment** Committed to conserve and improve our environment and take steps towards building a vibrant, secure and resilient society	**Community development**	₹ **57 crore** total CSR investment ₹ **45 crore** total Community development spend
	Environmental sustainability	Performance of Dahej, Dhamra, Goa, Hazira, Mundra and Tuna: **Energy reduction** **0.2%** vs **10.5%** in FY16 **Carbon footprint reduction** **2.9%** vs **6.1%** in FY16 **Water footprint reduction** **6.9%** vs **30%** in FY16



Growing with prudence

It has always been and remains an integral part of our purpose to safeguard the long-term viability of our business by investing in and building value-creating businesses that have positive impact on society. This has been a guiding principle in our long-term strategy, as well as of our work to define viable solutions for our ports and related businesses.

We believe future will be driven by both organic and inorganic growth in transport and logistics businesses. By offering a wider range of logistics services, as well as products not related to sea transport, we will deliver more value to our customers, seek growth, increase earnings, and reduce volatility in our business. Adani Logistics Limited (ALL), our wholly-owned subsidiary, has leveraged advantages of a deep draft seaport, logistical connectivity and aligned infrastructure to position itself as the most preferred player in the Indian logistics space.



We further aim to invest in integrated assets and reduce bottlenecks in the overall logistics value chain. Thus enabling seamless service delivery to our customers and providing them time and cost advantages. We have commenced the construction of Private Freight Terminals (PFTs) in Baroda and Bengaluru, while land acquisition is in place for Panipat and Cochin. We have also placed an order for 10 rakes under long-term lease. We will adopt an asset-light approach.

As Tier-II, Tier-III cities and small towns emerging into enormous consumption hubs, we are expanding our reach by building a Pan-India integrated infrastructure of Logistics Parks including warehousing spaces. The Government is providing stimulus through policy reforms like Goods and Services Tax (GST). The centre has also envisaged benefits for the sector through Delhi Mumbai Industrial Corridor (DMIC) and Dedicated Freight corridor of India (DFC).

Another area of growth identified is LNG and LPG. To this end, we are setting up LNG and LPG facilities both at Mundra and Dhamra.

Mundra LNG and LPG will be commissioned in FY19, while construction of LNG and LPG facilities at Dhamra will start in FY19.

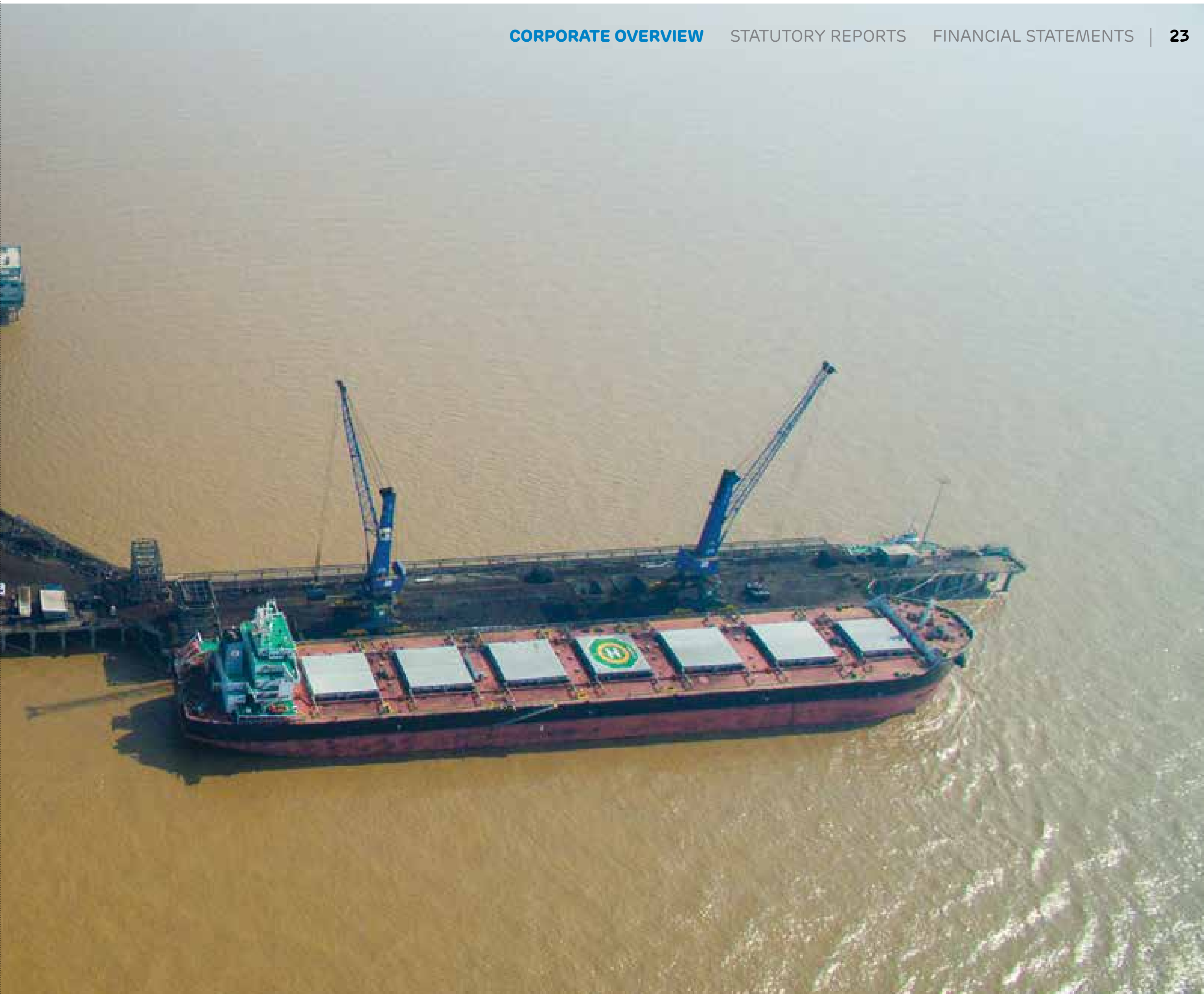
Growing with optimism

The Indian economy is growing steadily and a large contributor in this is flourishing trade. As India's largest port company, we want to focus on building efficiencies and capacities that help us participate in this growth. Thus, we are increasingly focusing on expanding our portfolio to cater to a larger set of clients and also ensure long-term growth for the Company.

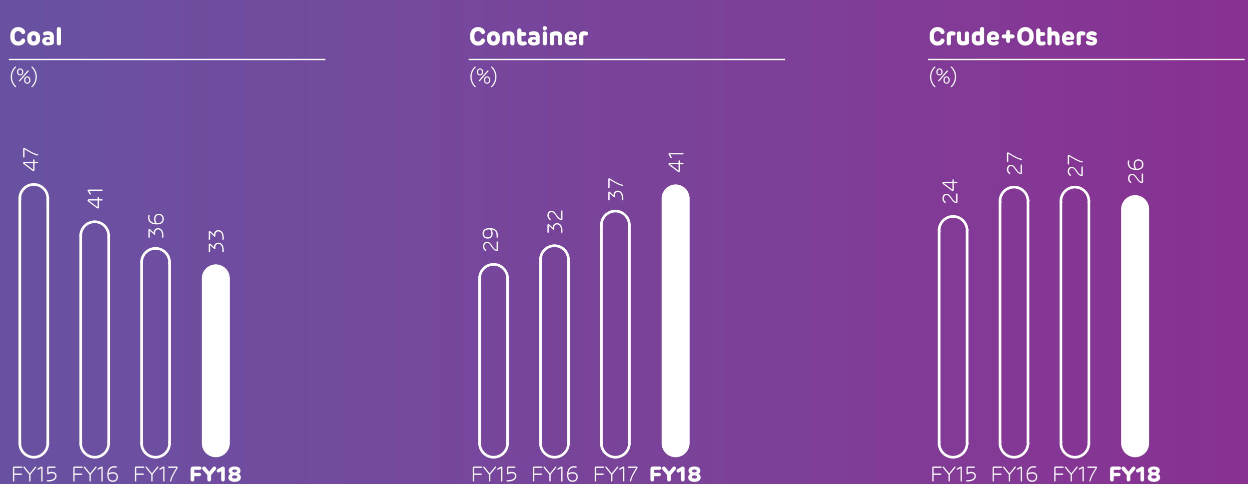
Beyond coal

In FY18, we handled cargo volumes of 180 MMT, registering a year-on-year volume growth of 7%. This is against 4% all India volume growth. Today, 57% of our volumes are stable and long-term cargo.

Our strategy to diversify and handle all types of cargo at all the ports continued in the year. Containers grew by 20% and other bulk cargo grew by 8%. We are confident that our outperformance in gaining market share both in cargo and container volumes will continue in the years to come. We expect our cargo volumes to grow one-and-a-half times of all-India cargo growth, and in the container segment, our growth will be more than two times the growth of India-wide container volumes.



FY18 cargo composition



Growing with efficiency

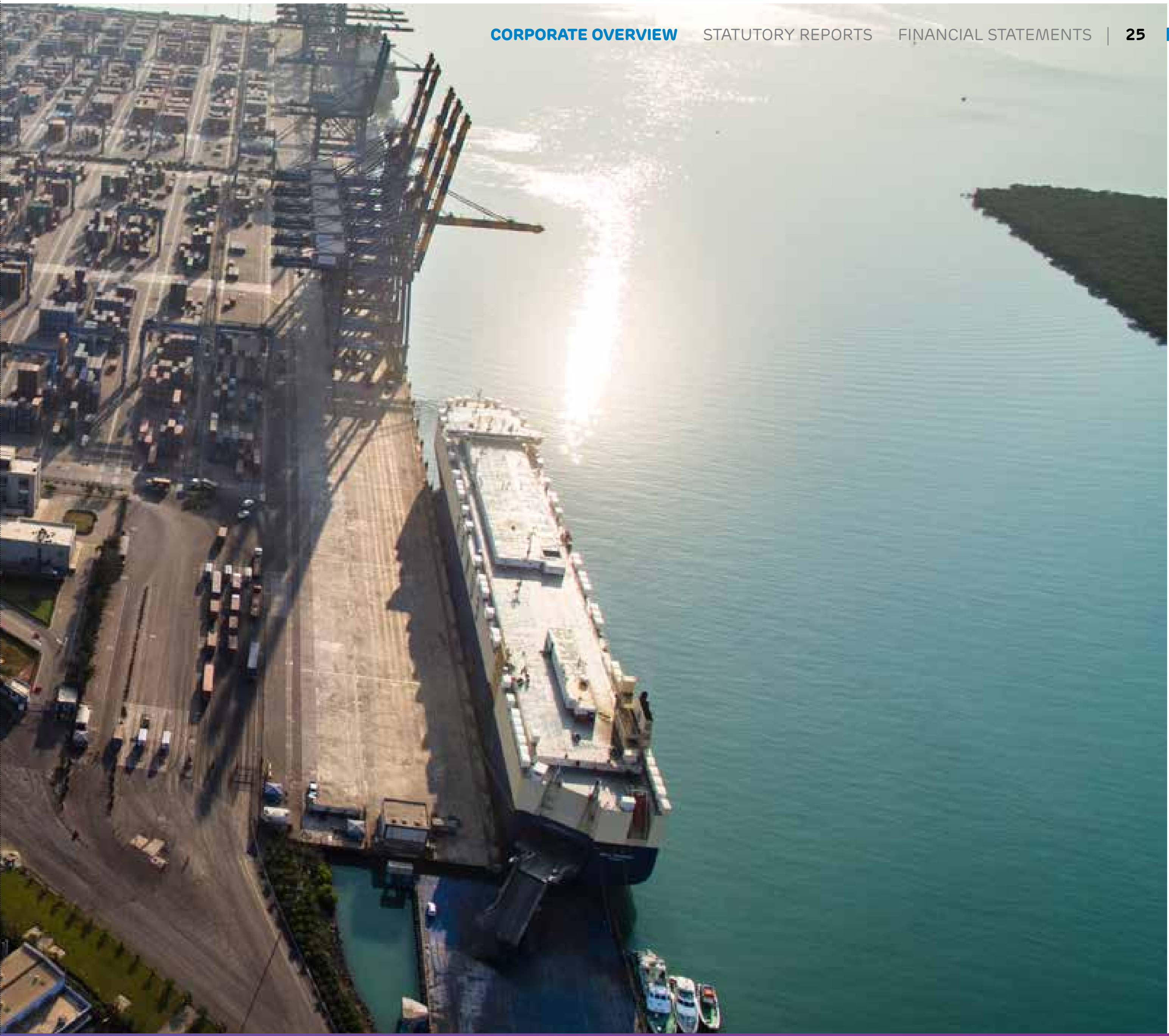
Over the years, it has been our continuous endeavour to provide relevant services to our customers. During the fiscal, we strengthened our delivery mechanisms and added capacities to ensure a seamlessly integrated services platform for our clients.

Long-term contracts

Consistent operational efficiency has helped us sign long-term contracts which ensures stable growth. In addition to existing contracts, the Company has signed new long-term contracts for cargo volumes of 7.7 MMT, which will help increase cargo volumes in FY19.

Cargo contracts

- Three-year contract with SAIL to handle coking coal imports at Dhamra port with minimum guaranteed volume of 7 MMT during the contract period
- Three-year contract with JSW Cement for handling imported clinker at Dhamra port with minimum guaranteed volume of 1.2 MMT during contract period
- Five-year contract with JSW for 2 MMT coal per year at Goa
- Contract with Cairn India Ltd. to provide port services from Hazira to support offshore oil well drilling and completions
- Contract with Hindustan Petroleum Corporation Limited (HPCL) for increasing the throughput of



petroleum oil and lubricants (POL) from 5 MMTPA to 8 MMTPA.

SEZ land sale

- CONCOR is planning to develop a rail-linked logistics park at Mundra, for which a land area of 77 acres is being leased out
- Britannia is setting up an export-oriented manufacturing facility in Mundra and has taken up six acres of land

Digitalisation to drive efficiency

At Adani Ports, we are focusing on building a strong technology backbone in view of our leading position in port activities and integrated logistics solutions. We intend to improve and simplify the experience by utilising and integrating our capabilities across the value chain. This will enable us to offer seamless value-addition and end-to-end services to customers through digital and innovative solutions.

We reckon that the opportunities from digitalisation are significant. It has the potential to simplify the customer experience, provide visibility in movement of cargo, improve the productivity of assets and reduce costs across the value chain.

Technological interventions will not only reduce inefficiencies but also empower our customers to choose the mode of delivery and transport.

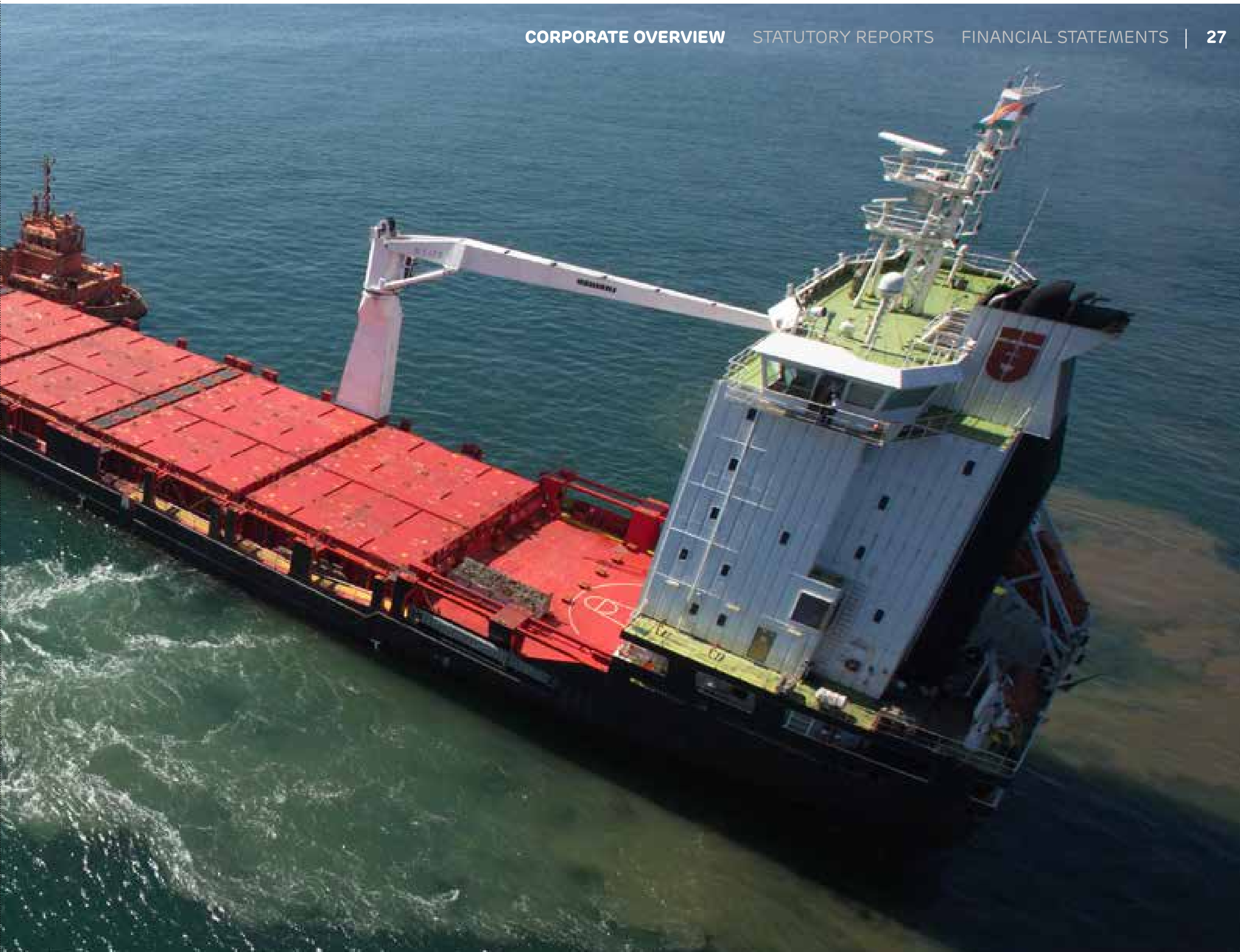
Growing with financial acumen

APSEZ continues to be the largest port developer and operator in India with a strong balance sheet.

With free-cash-flows of ~₹1,253 crore and debt maturity profile improving to an average of 4.74 years in FY18 from 4.09 years in the previous year, we continue to be suitably positioned to invest in our long-term growth.

The reason for this competitive advantage is the business decisions we took in the last fiscal. Our ports have time and again reiterated our operational strength, further fortifying our financial footing. Our net debt-to-equity ratio of 2.54x provides us with sufficient bearing to explore market opportunities that are low on risk and high on long-term value creation. We are conscious of the value we create for our stakeholders. Our dividend pay-out ratio increased to 11% for FY18 vs 7% in the previous year. The Board has also modified the dividend policy and has decided to link the pay-out ratio with PAT. We aim to pay up to 15% of PAT from FY19 onwards.

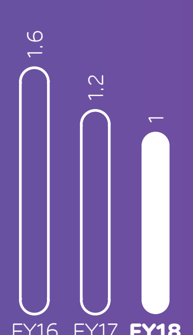
- **Free-cash-flow positive**
- **Dividend-paying track record**
- **Well capitalised balance sheet/ low-gearing ratios**



Key Financial Parameters

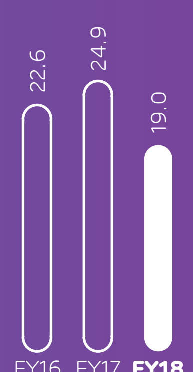
Debt-to-equity ratio

(x)



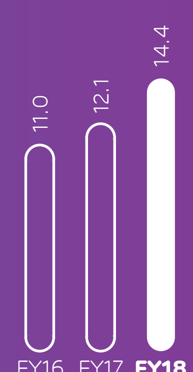
Return on avg. Equity*

(%)



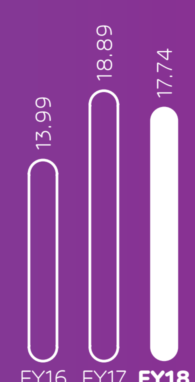
Return on avg. Capital Employed

(%)



EPS

(₹ Per Share)



*Return on equity is lower due to Mundra coming out of tax holiday period in FY18

Board of Directors

Mr. Gautam S. Adani

Chairman and Managing Director

Mr. Gautam Adani has more than 33 years of business experience. Under his leadership, Adani Group has emerged as a global integrated infrastructure player with interest across resources, logistics and energy verticals.

His journey has been marked by his ambitious and entrepreneurial vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve numerous milestones, but has also resulted in a robust business model which is contributing towards building sound infrastructure in India.

Mr. Rajesh S. Adani

Non-Independent and Non-Executive Director

Mr. Rajesh Adani has been associated with Adani Group since its inception. He is in-charge of the operations of the Group and is responsible for developing its business relationships. His proactive and personalised approach to the business and competitive spirit has helped the Group grow and branch out into various businesses.

Mr. Karan Adani

CEO and Whole-Time Director

Mr. Karan Adani holds a degree in economics from Purdue University, USA. He started his career by learning the intricacies of port operations at Mundra. Having accumulated experience throughout all levels of operations since 2009, he is responsible for the strategic development of Adani Group and supervises its day-to-day operations. He aims to build Adani Group's identity around an integrated business model backed by his sound understanding of new processes, systems, macroeconomic issues and growing experience.

Dr. Malay Mahadevia

Whole-Time Director

Dr. Malay Mahadevia is a whole-time Director of our Company. He holds a master's degree in dental surgery from University of Bombay. He was conferred with a doctorate of philosophy in coastal ecology around Mundra area, Kutch District, by Gujarat University. He has been with our Company since 1992 and has worked on the development of Mundra port since its conceptualisation. He is vice president of Ahmedabad Management Association.

Mr. Sanjay Lalbhai

Independent and Non-Executive Director

Mr. Sanjay Lalbhai holds a bachelor's degree in science from Gujarat University and a master's degree in business management from Jamnalal Bajaj Institute of Management Studies. He is the chairman and managing director of Arvind Limited, president of Ahmedabad Education Society and Ahmedabad University, chairman of Council of Administration of Ahmedabad Textile Industry's Research Association and a member of the Council of Management of Physical Research Laboratory. He is the chairman of Centre for Environmental Planning and Technology. Mr. Lalbhai is a member on the Board of Governors of National Institute of Fashion Technology.

Prof. Ganesan Raghuram

Independent and Non-Executive Director

Prof. Raghuram has been Director, IIM Bangalore, since February 2017. Prior to taking over as director of IIM Bangalore, he was professor and chairperson of the Public Systems Group at IIMA. He has been Dean (Faculty), IIMA, Vice-Chancellor of the Indian Maritime University and Indian Railways Chair Professor.

He specialises in infrastructure and transport systems, logistics and supply chain management. He is a Fellow of the Operational Research Society of India and Chartered Institute of Logistics and Transport. He has teaching experience at universities in India, USA, Canada, Yugoslavia, Singapore, Tanzania, UAE and Japan.

Prof. Raghuram has a BTech from IIT, Madras, has a postgraduate diploma in management from IIM, Ahmedabad; and a PhD from Northwestern University, USA.

Mr. Gopal Krishna Pillai

Independent and Non-Executive Director

Mr. G. K. Pillai retired from the IAS as Union Home Secretary in 2011. He is a distinguished alumni of IIT Madras.

He worked for the State Government of Kerala, holding various positions including that of District Collector, Quilon, Special Secretary Industries, Secretary Health and Principal Secretary to the Chief Minister.

In the Government of India, he has worked in the Ministries of Defence, Surface Transport, Home and Commerce. He was chairman of Board of Approvals for SEZ, chief negotiator for India at the WTO and Secretary Commerce, Government of India.

Ms. Radhika Haribhakti

Independent and Non-Executive Director

Ms. Radhika Haribhakti has over 30 years of experience in commercial and investment banking with Bank of America, JM Morgan Stanley and DSP Merrill Lynch. She now heads RH Financial Services, a boutique advisory firm focused on M&A and Private Equity. She serves as an Independent Director on six other Boards and their various committees.

Ms. Haribhakti is closely associated with issues related to financial inclusion and women empowerment and is the former chairperson of Friends of Women's World Banking (FWWB) and Swadhaar FinAccess, both non-profits. She has served on CII's National Committee on Women Empowerment and the Governing Council of Citigroup Micro Enterprise Award.

Ms. Haribhakti is a commerce graduate from Gujarat University and holds a postgraduate diploma in management (finance) from IIM Ahmedabad.

Our Risk Mitigation Strategy

Risks	Material matters	What are the risks	How are we mitigated	Movement in risk
Strategic risks	**Challenging macro-economic environment**	The macro-economic environment with unstable demand growth, commodity prices and market volatility gives rise to business and credit risks.	As other global competitors grapple with severe geo-political fluctuations, we are in a better position to improve business growth given the strength of the Indian economy's pace of development.	↓
	Evolving regulatory landscape	Trade restrictions and regulatory policies stemming from geo-political events that can hamper seamless functioning.	Geopolitical relevance of India and consumption driven economy coupled with our companies, diversified business and commodity portfolio and our strategy of forging long-term contracts addresses this risk.	↑
Financial risks	**Counterparty credit and performance**	Global country and industry specific diverse set of risks impact our customers, thus indirectly having impact on their credit quality.	We monitor the credit quality of our counterparties and seek to reduce the risk of customer non-performance by requiring credit support from creditworthy financial institutions.	↓

Risks	Material matters	What are the risks	How are we mitigated	Movement in risk
Operational risks	**Multi-location operations**	Maintaining operational efficiency across all verticals of the business can be a challenge.	SOP-driven operations, skilled manpower, enhanced use of technology, following global best practices to ensure superiority and consistency in operations.	↓
Sustainable development	**Employee engagement**	Failure to attract and retain talent can deter growth and gives rise to reputational risks.	We believe inclusive growth and employee engagement are important aspects. Continual efforts are made to improve employee well-being and satisfaction level.	↓
	Community building	The continued success of our existing operations and future projects are in part dependent upon broad support and a healthy relationship with the respective local communities.	Strategic CSR to enhance our reach to the community through robust mechanism of need identification, project implementation, impact assessment and assessing the social return on investment.	↔

↓ Decreased ↔ Unchanged ↑ Increased

People Practices

The scope, multitude and complexity of APSEZ's operations across the globe entails attracting, acquiring, orienting, deploying, retaining and developing human resources to spearhead various positions for today and tomorrow.

We at APSEZ acknowledge that capable, competent, motivated and well-trained talent is essential to sustaining and providing a quantum leap to its activities.

Employees are our most valuable asset and it is through their hard work, diligence and perseverance that APSEZ is able to carve a niche for itself in this challenging business landscape. For us, the parameters of growth are not only limited to achieving profits but also closely linked to employee development. We believe in growing together. Each employee at APSEZ shares a common purpose and collectively works towards achieving a common objective. Over the years, we have grown both in scale and scope with their efforts.

Acquiring and nurturing talent

Our focus remains to grow talent from within, enabling us to create a team of motivated leaders and employees. APSEZ has a multi-channel hiring process that enables recruitment through various avenues including job portals, employee references, external consultants and relevant industries. The systems and processes related to hiring, promotion and other growth opportunities are non-discriminatory and transparent.

Dignified work environment

APSEZ strives to create a workplace where employees are treated with dignity and respect. In the recent past, a survey known as 'Respect and Dignity survey' was launched. It was based on observable behaviours of the employees. Through this survey employees were given the opportunity to both receive and give feedback to their reporting managers and co-workers' observable behaviours related to respect and dignity. In addition to such measures, we allow our employees to express themselves and raise concerns.

Measuring performance

We encourage employees to perform better and aspire to achieve greater heights. Regular performance appraisal is a medium through which performance of employees is assessed on the basis of set Key Result Areas. To establish a culture of continuous feedback, a significant change is introduced in the performance management system wherein mandatory quarterly feedback is made a part of system. During FY18, 100% of employees on the pay roll at the ports have undergone the annual performance appraisal.

Employee engagement initiatives

Happiness is key to productivity. Keeping this in mind, numerous engagement initiatives are driven across port sites. Get-togethers, staff picnics and target achievement celebrations are a routine feature.

Holistic development of our employees is given prime importance at APSEZ. This year, we initiated a structured training needs identification process for all our employees. APSEZ is committed to providing periodic opportunities by way of internal and external learning programmes to augment employee skills, enhance their knowledge and further their understanding to enable them to function with greater competence, confidence and conviction in their fields of expertise. Specialised workshops focussing on Mindfulness & Wellness have been introduced for better work-life balance.

Skill-building

With the objective of making APSEZ a 'Learning Organisation', strong focus is being given to Leadership Development – specifically towards the Senior Management and High Potential Employees. In 2017, these employees have undergone various Long Term Developmental Interventions.

One of the major highlight programmes was the Harvard Leadership Direct Programme – christened 'Northstar Programme'. This was planned, designed and executed in association with Harvard Business School. As part of the programme, the employees underwent an extensive learning experience involving the 70:20:10 Development Principle which comprised Classroom Workshops conducted by Harvard faculty and prominent industry leaders, Online (WebEx) sessions, exclusive Harvard case studies, MBTI-based group coaching and on-the-job live projects. This ensured that our employees were exposed to world-class faculty and teaching methodology which was translated into business results through projects. eLearning modules were the flavour of the year as all junior, middle and senior management employees were assigned unique logins to the two finest online learning platforms – Harvard Manage Mentor (HMM) and Skillsoft.

In addition to these external programmes, In-house Leadership Development Interventions have been designed and implemented. High Potential Mentoring & Development Programmes (LEAD Mentoring and Talent Development Programme) and Senior Leader Mentoring Programmes are being implemented with the objectives of developing a culture of mentoring within.

APSEZ Sustainability Framework

Excellence in every facet of the organisation becomes a prerequisite, if we are to grow at the pace matching our vision to become the leading global organisation in the port sector. Data management plays crucial role in monitoring and showcasing our performance. Data analytics also plays an important role in setting targets and creating benchmarks.

In line with the organisation's approach towards sustainable business, we have developed and designed an in-house data collection tool 'Sustainability Information Management System (SIMS)' to provide all the necessary information for the organisation's sustainability reporting. It initially covers six sites – Dahej, Dhamra, Goa, Hazira, Mundra and Tuna – which will be eventually expanded to all the operating sites. This tool is a mark of our seamless approach, as collaborative efforts of interdepartmental contributions has made it widely accepted and user friendly.

Objective

- To streamline the database and its access to all concerned on their dashboards, avoiding multiple communications for data request.
- To minimise or eliminate the Excel sheet approach for data sharing and improve data reliability by reducing dependency on individuals.
- To establish systemised approach for database management and generate Management Information System.
- To showcase the site-wise sustainability performance to the top management to help in decision-making.

Approach

- Reduction of Data Redundancies
- Shared Data
- Data Independence
- Improved Data Integrity
- Efficient Data Access
- Multiple Users
- Improved Data Security

Key Highlights

Carbon footprint

- GHG emission – 0.28 Million tonne CO2 equivalent
- Saved 0.01 Million tonne CO2 equivalent through renewable energy initiatives

Waste management

- Hazardous waste – 377 MT disposed (No HW waste sent to landfill site): 48% Recycle, 37% Recovery, 14% Incineration, 1% Reuse
- Non-Hazardous waste – 6,284 MT disposed: 80% Recycle, 17% Reprocessed, 2% Landfill, 1% Reuse

Water management

- 3.5 Million meter cube consumption (94% fresh water & 6% wastewater from other industry)
- Reduced 0.6 Million meter cube of freshwater by recycling wastewater
- No wastewater discharged

Our Sustainability Initiatives

Ports are strategically important for the growth of trade and to facilitate efficient and fast transport of large cargos to distant locations. However, daily operations at a port, which include handling of cargo and movement of vehicles, could lead to discharge of effluents from port activities as well as noise pollution.

At APSEZ, we understand the importance of protecting our planet. Hence, we are focusing our efforts on incorporating responsible practises that curb the environmental impact of our business. The deep blue sea and the green environs around our ports are testimony to our efforts towards development and maintenance of our ports in a sustainable manner. In FY18, ₹ 21.13 crore was spent on environmental protection activities across six locations (Dahej, Dhamra, Goa, Hazira, Mundra and Tuna).

Energy efficiency

During the reporting period, the total energy consumption within the organisation (electricity as well as fuels) was 22,84,738 GJ, combined for all the six locations covered in the report, which is 0.2% less than the previous year.

Energy consumption and subsequent emissions both play a significant role in catalysing climate change. GHG emissions are directly related to the amount of energy consumed, which is impacted by the increase in total volume of cargo handled every year.

Over the years, the share of renewable energy into our energy mix has increased. Solar and wind energy form a part of APSEZ renewable energy portfolio. At Mundra, we have more than doubled the solar energy capacity from 1.5 MW to 3.33 MW. With this, our overall renewable energy capacity has increased to 9.33 MW including our 6 MW (wind turbine of 2 MW capacity for Hazira, Dahej and Tuna ports). In the reporting year, 44,582 GJ (16% solar and 84% wind) of renewable energy was consumed for our operations. Therefore, renewable energy forms 2% of total energy consumption.

Reducing carbon footprint

Dahej, Dhamra, Goa, Hazira, Mundra and Tuna ports are ISO 14001 certified.

APSEZ carried out the GHG inventorisation study at six operational locations (Dahej, Dhamra, Goa, Hazira, Mundra and Tuna). The study was guided by the Corporate Accounting and Reporting standard under the GHG protocol of WBCSD, which covers all the seven GHGs laid out in by the Kyoto protocol.

In FY18, the GHG emission was 0.28 Million tCO_2e, showing almost 2.9% reduction compared to the previous year. The Company has saved 0.01 Million tCO_2, resulting in 3.5% reduction of carbon footprint by implementing renewable energy projects at strategic locations. We are committed to reducing our emissions by increasing our renewable energy share in a phase-wise manner.

Water conservation

We have site-specific water management plan which outlines various water conservation initiatives and targets. With our efforts, in-spite of increase in cargo volume handling we managed to reduce our water footprint by almost 7% compared to last year.

To minimise the freshwater requirements, 6% of the total water consumption was wastewater, sourced from other industries.

To reduce our water footprint, we have channelised our wastewater to treatment facilities and 0.6 Mm3 treated water was used within our premises for horticulture activities in the reporting year.

Zero Waste initiative

During port operations, different kinds of hazardous and non-hazardous wastes are generated. In FY18, 6,284 MT of non-hazardous and 377 MT of hazardous waste was disposed.

It is our endeavour to become a Zero Waste organisation, and we have adopted 5R principles – reduce, reprocess, reuse, recycle and recover.

Reduce – With our paperless initiatives across our ports and corporate offices, we have saved 5.3 MT of paper in the fiscal.

Reprocess – By installing the Organic Waste Converter (OWC) and vermicomposting, 1,054 MT manure was produced and utilised for plantation activities by our horticulture department.

Recover – We have disposed 153 MT of hazardous and non-hazardous waste through our energy recovery facility or co-processing by our cement plant.

Recycle – We have established a Material Recovery Facility for managing dry solid waste in an environmentally sound manner where waste materials are segregated manually and sent for recycling.

In this fiscal, around 5,187 MT of hazardous and non-hazardous waste was disposed through authorised recyclers from port and residential colonies as per the applicable norms.

Reuse – During the reporting period, 42 MT waste was reused by our various locations.

Biodiversity

We value the floral and faunal diversity which is important for sustainable growth of port and surroundings. Considering this, we have signed the India Business and Biodiversity Initiative (IBBI) declaration during the reporting year.

A dedicated horticulture team at all sites is carrying out plantation, maintenance and conservation activities to enhance marine and terrestrial biodiversity. Till the reporting period, 10,88,685 trees and 52,59,954 shrubs are sustained covering 632.56 ha area. The green carpet area has also increased to 36.08 ha and mangrove cover to 2,889 ha (Mundra - 574.3 ha).

Our Focus on Inclusive Growth

As a responsible business, the Adani Group is committed to conducting its CSR activities in line with the Government's goal of nation building. Our CSR projects are directed through the Adani Foundation and are aligned with the UN Sustainable Development Goals. The Foundation has dedicated itself to the communities in which it operates. People's aspirations have far-reaching consequences at societal and national level. At the Adani Foundation, we aim to play the role of a catalyst in enabling our communities to achieve their dreams. We firmly believe that empowering the nation means empowering its people. Hence, we have initiated a movement from the grassroots level to develop the potential of millions. With the core philosophy of nation building, all our actions are aimed towards nurturing the dreams of a New India.

The Adani Foundation works relentlessly in empowering communities, enhancing the quality of their lives and inspiring hope for a better future. The Foundation perceives its role as an 'enabler' and 'facilitator', bridging the gaps between existing opportunities and potential beneficiaries, while investing in new facilities and infrastructure. This approach has optimised community and individual growth in a sustainable manner.

At the Foundation, we believe in encouraging specialisation, knowledge accretion and best practices in all our activities. These are extending beyond territorial boundaries, and directed towards not just the advancement of humankind but also nation building.

The Adani Foundation focuses its activities around four core areas:

- Education
- Community Health
- Sustainable Livelihood, and
- Community Infrastructure Development

It covers virtually all aspects in community transformation across various locations such as Mundra, Ahmedabad, Dahej, Hazira, Dhamra, Tiroda, Udupi, Surguja, Kawai, Vizhinjam, Shimla and Godda.

Working closely with communities, the Foundation assumes the role of a facilitator by creating an enabling environment for upliftment of numerous families. The Foundation has become a strong proponent championing the cause of bringing positive changes in the lives of the deprived and underprivileged. It has been working relentlessly across 13 states, covering 20 locations and 1,470 villages, to uplift the lives of more than 5,00,000 families with a human centric approach to make the processes sustainable, transparent and replicable.

Education

In our rapidly developing economy, education has emerged as the most powerful tool that can help utilise the immense potential of billions to fuel the growth of our nation. Education is the foremost and strongest factor influencing change and empowerment. Hence, we at Adani Foundation have chosen to focus our efforts, in line with the Sustainable Development Goals, on providing inclusive and quality education to meritorious children irrespective of their social or economic backgrounds. All our education endeavors are aimed towards nurturing children by providing them with quality education for lifelong learning and an enabling environment for their holistic development, preparing them for the future of gainful employment.

Adani Vidya Mandir

Adani Vidya Mandir provides completely cost-free quality education to 2,100 meritorious students from economically weaker sections of the society in Ahmedabad, Bhadreshwar (Gujarat) and Surguja (Chhattisgarh). The first

Adani Vidya Mandir was commissioned in 2008 in Ahmedabad. The students are given free transportation, uniforms, textbooks, notebooks and meals. A number of community-based programmes and activities are organised, which, coupled with a value-based curriculum, help students acquire academic capabilities while remaining rooted to their family structure and community values.

The direct impact of the AVM initiative is on parents, siblings and the students themselves. The indirect impact is on the neighbors and their children. Parents feel proud because their children are studying in one of the best schools, getting quality education and have ample opportunities to grow. The behavioral skills of most of the children are substantially improved and there is a gradual improvement in reading, mathematics, general science and social sciences. Siblings and neighbor's children are being inspired by AVM students as role models and they want to be like them in terms of personality, behavior and spoken English. Long-term impact is seen in students who have graduated from AVM. Besides curricular, co-curricular and extra-curricular activities, the school provided additional coaching for the students taking board and competitive examinations.

Adani Vidya Mandir at Bhadreshwar is a GSEB-affiliated school serving the education needs of economically disadvantaged families, especially from the fisherfolk communities of Mundra region. Of the 384 enrolled students, 134 students of AVMB belong to fishing communities, a majority of whom are first generation learners. The school provides these students free education along with nutritious meals, uniforms, books and stationery.

The Foundation commissioned Adani Vidya Mandir at Surguja (Chhattisgarh) in 2013 to address the educational needs of children of project site workers. The school was commissioned around the AVM model, providing free quality education to the region's under-privileged children.

Subsidised schools

Adani Foundation provides subsidised quality education to more than 2,600 students through Adani Public School in Mundra (Gujarat) which has 1,613 students, Adani Vidyalaya in Tiroda (Maharashtra) has 178 students, Kawai (Rajasthan) caters to 117 students, Navchetan Vidyalaya in Junagam (Gujarat) has 350 students and Adani DAV Public School in Dhamra (Odisha) is attended by 389 students.

The schools are focused on quality teaching and learning and also regularly conduct a number of curricular and co-curricular activities along with various exhibitions for the overall development of the students.

Adani Public School at Mundra, Gujarat, offers excellent education to students of the nearby areas. It is an English medium, CBSE-affiliated, co-educational school that offers science and commerce streams. It also lays special emphasis on regular coaching by expert faculty to students aspiring to appear in competitive examinations. It has a well-balanced combination of curricular and extra-curricular activities to ensure the holistic development of students.

Adani DAV Public School provides quality education to students from the nearby communities of Bhadrak District of Odisha. The school's ground plus two floors building has a built-up area of 3,501 sq. mt. and is spread across land of more than 5 acres. This new state-of-the-art infrastructure is equipped with 16 modern classrooms, two libraries, science and computer labs, an audiovisual room as well as facilities to promote sports and creative activities. This school is run by the Adani Foundation in collaboration with the DAV College Trust and management societies.

The aim of the Navchetan Vidyalaya situated at Junagam in Hazira, Gujarat, is to provide subsidised high-quality education to children from nearby rural areas. To promote education amongst the regional populace, the school provides free food and academic material support such as uniforms, notebooks, workbooks, textbooks and stationery to the students. The school is well-equipped with smart classrooms and houses all facilities required for the holistic development of its students.

Other education initiatives

The Adani Foundation, in collaboration with the renowned Kalinga Institute of Social Sciences, is setting up a branch of the institute with state-of-the-art infrastructural facilities for the benefit of tribal children in the tribal-populated Mayurbhanj district of Odisha. In association with respective state governments, the Foundation provides infrastructure support such as infrastructure upgradation, furniture and sound systems to more than 300 government schools as well as educational and sports material, school bags and books to the students. It also aids Aanganwadis and Balwaadis by creating a fun-filled environment for the children. It has played a significant role in nurturing around 1,00,000 children of Gujarat, Maharashtra, Rajasthan, Odisha, Jharkhand, Karnataka and Kerala.

To ensure that the meritorious students are not deprived of educational opportunities due to lack of funds, the Foundation has awarded scholarships to around 1,400 students at Udupi – Karnataka, Vizhinjam – Kerala and Dhamra – Odisha.

Community Health

We firmly believe that improving the health of citizens can directly result in economic growth of the nation. Healthy people can utilise growth opportunities made available to them in a better way,

way, while lack of basic healthcare facilities has detrimental impact on the health and well-being of people. We at Adani Foundation have committed to reach basic healthcare facilities to the unreached and strengthen the available health care system in and around our operational locations in India, to ensure healthy lives and promote well-being at all ages in alignment with Sustainable Development Goals of the UN. Through our efforts in community healthcare, we aim to help people realise their dreams of leading a healthy and happy life.

Gujarat Adani Institute of Medical Sciences (GAIMS)

GAIMS is the first medical college based on the Public-Private Partnership model in the medical education sector. Spread across a sprawling area of 27 acres, it offers MBBS and post graduation courses in almost all clinical branches. It has enrollment strength of 900 students and interns. Situated in the center of Bhuj, GAIMS – GK General Hospital is the biggest hospital in the largest district of India. This 750-bedded hospital has state-of-the-art infrastructure and offers free-of-cost medical care to an average of 1,500 patients and conducts 40 surgeries every day.

Mobile Health Care Units (MHCU) and Rural Clinics

The MHCUs are deployed by Adani Foundation nationally with the objective of providing basic healthcare facilities to the remotest rural areas. These facilities include diagnostics, medicines, free consultation and referrals by certified doctors at the doorstep of community members. As a result, these patients save money on consultation fees, medicines and travel costs, reducing the possibility of losing livelihood due to weak connectivity to the public healthcare system. These MHCUs are operational in Mundra, Bitta and Dahej in Gujarat, Tirora in Maharashtra, Kawai in Rajasthan, Surguja in Chhattisgarh, Dhamra in Odisha, Udupi in Karnataka, Godda in Jharkhand, Vizhinjam in Kerala and Shimla in Himachal Pradesh. During the year almost 3,00,000 cost-free treatments were rendered.

The Adani Foundation also operates numerous Rural Health Clinics where healthcare services are provided free of cost to the needy people daily. These clinics, operating in Mundra and Anjar in Gujarat, Dhamra in Odisha, Salhi in Chattisgarh and Sainj in Himanchal Pradesh, are an important step by the Foundation to ensure quality medical services are made accessible to the rural populace. During the year, it provided around 38,000 free treatments to needy patients belonging to the community.

Health Cards to Senior Citizens and Medical Insurance

Health Card to Senior Citizens is a scheme under which health cards are provided to 8,515 senior citizens from socio-economically marginalised sections. The main objective of this scheme is to make timely healthcare services available according to needs of these senior citizens.

The Foundation also provides medical insurance to the families of up to seven members, through the Adani Aarogya Card scheme in Udupi, Karnataka. Under this scheme, 2,341 families are given medical insurance coverage of ₹ 50,000.

Medical camps

Adani Foundation regularly conducts various general and specialised medical camps in and around its operational locations for the benefit of local communities. At these camps services of gynaecologists, orthopaedic surgeons, heart specialists, skin specialists, paediatricians, ophthalmologists, and ENT surgeons are provided to community members at no cost. Free follow-up services are also made available and necessary discounts are negotiated in cases requiring surgery. These camps are conducted in Mundra, Dahej and Hazira in Gujarat, Tiroda in Maharashtra, Godda in Jharkhand, Kawai in Rajasthan, Dhamra in Odisha and Udupi in Karnataka. During the year, more than 43,000 patients took advantage of these specialised services.

Sustainable Livelihood

Empowering people through sustainable livelihoods helps them transform their lives and contribute to the growth of the nation. Due to lack of adequate skills and livelihood opportunities many people still live in deplorable conditions. Helping them become self-reliant and earn sufficient incomes is the only way to counter poverty and unemployment. Hence, through its initiatives, the Adani Foundation aims at holistic growth and development of the marginalised sections of the society by providing necessary skill development training and alternative livelihood opportunities, hence reducing poverty and inequality to align itself with the Sustainable Development Goals. We firmly believe that self-reliant and financially empowered people will ultimately nurture the dreams of a new India.

Support to Farmers

With the objective of promoting organic farming using the Systematic Rice Intensification (SRI) method, the Foundation, in cooperation with respective Block Agriculture Departments, regularly conducts training programmes for the farmers. They have been introduced to various innovative and cost-saving practices in farm cultivation, techniques of low water usage and labour-intensive organic method of growing the crop. This project has been successfully implemented on 11,316 acres of land by 6,364 farmers so far in Tirora in Maharashtra. The SRI method has also been introduced at Surguja in Chhattisgarh and at Dhamra in Odisha. On an average, it increases the agricultural production by 33% and reduces farming costs by 32%.

The Adani Foundation initiated training programmes at Go Vigyan Anusandhan Kendra, a cow-based livelihood programme, a fly ash utilisation programme and the formation of

Farmers' Producer's Company at Tirora, Maharashtra. It has also provided support for construction of biogas plants for households, promotion of farmers' produce of date fruits through various market linkages, fodder for the livestock and held an agriculture development programme in collaboration with Krishi Vikas Kendra in Mundra, Gujarat. Other efforts undertaken by the Foundation to support farmers include animal health and vaccination camps in Dhamra in Odisha and Godda, Jharkhand, as well as a cattle breed improvement programme in Kawai, Rajasthan and Tiroda in Maharashtra.

Initiatives to Uplift the Fisherfolk Community

The Adani Foundation works closely with the fisherfolk community to introduce alternative livelihoods and income generation opportunities for their socio-economic development and has provided 37,000 man-days worth of employment during non-fishing months. It has implemented the Ajivika Uparjan Yojana, Mundra in Gujarat, which provides employment to 150 fisherfolk families in a mangrove afforestation programme. It has also introduced polyculture and cage culture techniques to fishermen willing to diversify their occupation. The Foundation has also provided equipment support like fishing nets, anchors, drying platforms, first-aid equipment for fishing boats and solar dryers to the fishermen from various places including Mundra, Hazira and Dahej in Gujarat and Dhamra in Odisha.

Projects to Empower Women

The Adani Foundation has taken some important projects to encourage women in becoming self-reliant. These projects include training in sewing and garment making, soft toy making, lac bangle making, LMV driving, etc. for women in Tirora, Kawai, Dhamra, Mundra and Surguja. The Foundation helps women in earning income through the formation of Self Help Groups (SHGs). The members of these groups are trained in making saleable products and also engage in managing the finances, marketing and administration, etc. They are provided with a platform to display and sell their work through various exhibitions and market linkages. Saheli Mahila Gruh Udhyog, in Mundra, has been providing training to the women in preparing various kinds of soaps, detergents and disinfectants for sale. SHG members in Hazira provide nutritious food to Aanganwadis in that region. Women producers' co-operative provides training in making handicrafts, bari as well as mushroom cultivation, etc. Such empowerment trainings in business strategies and management have inspired women from Vizhinjam to run their own canteen business. More than 1,700 women were trained for livelihood enhancement and more than 2,500 women and girls were empowered through various awareness programmes.

Community Infrastructure Development

Quality rural and community infrastructure bears a direct influence on living standards and the development of the rural population. Lack of it may push the rural populace towards poverty and deprivation. To achieve redistributive growth in India, gaps in rural infrastructure need to be addressed. At Adani Foundation, we have committed ourselves to building sustainable rural infrastructure to overcome developmental challenges in the rural areas keeping national goals in view. We are committed to making a long-term investment in rural infrastructure development as it will connect its dream with the progress of the nation. This sector of Adani Foundation achieves multiple targets of Sustainable Development Goals in direct as well as indirect way establishing the fact that quality infrastructure is key to a nation's growth.

Construction of Schools and Other Education Infrastructure

The Foundation has been instrumental in constructing landmark school buildings for all the eight schools run by Adani Foundation. The recently constructed buildings of Adani DAV Public school at Dhamra, Odisha, Adani Vidya Mandir and a vocational training centre at Surguja, Chhattisgarh, bears testimony to the quality conscious approach towards infrastructure development that the Foundation believes in. The Foundation also undertakes construction and repair work for improving the infrastructure of various government schools to create a conducive learning environment for the students. Education infrastructure work undertaken by the Foundation includes construction of additional classrooms, toilets, science labs, dust-free areas with paver blocks, raising the height of walls for the safety of the students and regular renovation and maintenance of buildings of all Adani-run schools.

Water Conservation

Under the umbrella of water conservation activities in the states of Gujarat, Maharashtra, Rajasthan and Chhattisgarh, the Foundation has constructed various check dams, farm ponds and earthen bunds across streams. During the year, the Foundation has undertaken the work of deepening 19 streams as well as desilting of 23 existing ponds in Mundra and Tiroda region. The Foundation has also created recharge pits near wells and hand pumps to ensure adequate water availability for the communities in and around Godda, Jharkhand. As a part of the rural Infrastructure development initiative, a total of 135 ponds and 64 farm ponds have been deepened and 66 streams have been widened, resulting in increase of 32,52,882 cu.mt storage capacity.

Housing

To meet the basic housing needs of the fisherfolk community and the population living below poverty line in Gujarat, Adani Foundation had constructed 143 and refurbished 218 Aavas in Dahej and Hazira. Two hundred and seventy new shelters were also constructed for the fisherfolk community in Mundra. Continuing the activity, the Foundation constructed nine new Aavas and repaired six at Dahej. The Foundation also constructed individual and community toilets to provide adequate sanitation and hygiene facilities for the people.

Community Infrastructure Projects

In a bid to make potable water available, the Adani Foundation has provided 335 potable water facilities including installation of various community RO plants and water ATMs and handed them over to the community members or local panchayats to operate. It has constructed underwater tanks, pitched ponds, dug bore wells and tube wells and installed hand pumps to meet safe drinking water needs of the communities. The Foundation has also undertaken various community welfare projects like construction of healthcare centres, community halls, individual/ community toilet block facilities, approach roads, platforms for drying fish, cowsheds, minor bridges, market platforms, bus-stands and renovated temples. It has provided solar lighting facilities, solar pumps for irrigation and electrification in the villages. These activities have benefited the people of Mundra, Hazira and Dahej in Gujarat, Kawai in Rajasthan, Godda in Jharkhand, Surguja in Chhattisgarh, Dhamra in Odisha, Tirora in Maharashtra, Udupi in Karnataka and Vizhinjam in Kerala.

Special Projects

Holistic Development to Nurture a New India

The true nature of Adani Foundation's deep commitment to the welfare of the community is glimpsed in the special projects it undertakes. These projects address issues of the society that are vital for the development of the nation and need special attention for Pan-India implementation and not only at business influenced zones. Through these special projects that harmonise with the efforts of the Government, the Foundation partakes in launching, operationalising, impacting and promoting the issues of national interest. Leaving no stone unturned when it comes to empowering the people of the nation, these projects by the Foundation are aimed at achieving the dreams of nurturing a New India.

Swachhagraha
स्वच्छाग्रह
स्वच्छता का सत्याग्रह

Swachhagraha – Swachhata ka Satyagraha

Inspired by the Satyagraha movement, and in support of the National Swachh Bharat Mission, the Swachhagraha project is dedicated to creating a culture of cleanliness by bringing about a behavioural change and promote anti-littering among the masses. Each month, this movement spreads the message of cleanliness to more than 70,000 people. Swachhagraha activity books for school projects have been published and made available in 11 Indian languages for this programme.

After successfully carrying out the programme in 650 schools of Gujarat in 2017, Swachhagraha has now been implemented in 40 cities across 17 states of India. After successful implementation in schools, the programme has been extended to colleges to include the youth of the nation in this noble initiative. The project has gained momentum with over 86,000 active followers on Facebook and an online user engagement of 15,00,000. 55,000 young Swachhagrahis from 3,075 schools through 3,220 Swachhagraha Preraks from the 17 states, spread the message of cleanliness to 35,00,000 people.

Innovative campaigns that helped popularise this initiative comprised 'Selfie with Safai ke Sitare', Swachhagraha pledge campaign at Fun Street, street plays by 81 schools, online campaign 'Gandagi se Azadi' and 'Swachhagraha Ke Reporters'. A 70-day Swachhagraha campaign over Radio Mirchi, Ahmedabad, reached more than 30 lakh listeners. Swachhagraha also featured on the UNESCO Green Initiative website.

Saksham

This flagship initiative of Adani Skill Development Centre is built around the vision of creating a 'Saksham' India, where the youth are capable of achieving their goals by transforming into skilled professionals. The objective is to bring world-class skill development opportunities to Indian youth, an opportunity they would otherwise have no access to. The Saksham initiative functions through partnerships with various schemes under the Government of India, and support from esteemed corporates.

Under Project Saksham, by Adani Skill Development Centre (ASDC), an initiative of the Adani Foundation, the Foundation conducts skill-based training programmes, which includes 34 government courses and 11 ASDC-customised and government approved courses, for the youth of India, thereby increasing their skill sets and employability. ASDC operates nine fully-owned centres across Gujarat, Maharashtra, Chhattisgarh, Rajasthan and Jharkhand as well as 16 centres in Madhya Pradesh, Kerala and Odisha in infra-partnership mode with a total capacity to skill 20,000 youth annually.

ASDC is the first skill imparting institute in the country to offer courses like Simulator-based Crane Operation, 3D printing and Welding through Augmented Reality.

Adani Skill Development Centre, aligning itself to the Sustainable Development goals such as No Poverty and Decent work and economic growth, aims at making 3,00,000 Indian youths saksham by 2022. ASDC signed an MoU with the National Skill Development Corporation (NSDC) in the presence of Hon'ble Prime Minister of India, Shri Narendra Modi and Shri Rajiv Pratap Rudy (Hon'ble Minister of State Skill Development and Entrepreneurship) on 19th December 2016. ASDC also signed an MoU with the Government of Gujarat on 12th January 2017 during Vibrant Gujarat 8th Global Summit 2017, in order to establish two Skill Development Centres in Gujarat. ASDC is working in phases to set up Skill Development Centres across the nation. As part of the first phase, skill development centres have been set up in Ahmedabad, Mundra, Surat, Tiroda, Surguja, Vizhinjam, Indore and Bhopal during FY18.

Adani Skill Development Centre has trained over 6,500 candidates in FY18 on various skill development programmes and over 70% candidates are provided with livelihood opportunities. ASDC is focusing on Sustainable Development Goals of No Poverty and Decent Work and Economic Growth.

SuPoshan

Project SuPoshan is being implemented for curbing malnutrition and anaemia, a common issue amongst children, adolescent girls and women of our country, by aligning with the Sustainable Development Goal of Ending all forms of Malnutrition. In Suposhan village level health volunteers take lead for implementing community based life cycle approach with a focus on behavioral change communication. Presently, 209 Sanginis are working in 309 villages/municipal wards across the country, covering 501 Anganwadis and providing services to 90,565 households. During this year, 2.39 Lakh women and adolescent girls were provided guidance for nutrition and health through 18,400 focus group discussions and 46,711 family counselings. A total of 1,844 village events were organised to involve all stakeholders in the journey towards SuPoshit Village. Supplementary nutritious food was provided to 138 children during the year. The project helped 2,317 children to come out of the clutches of malnutrition and 70,000 women and adolescent girls were screened for anemia using non-invasive TouchHb instrument. Along with inculcating healthy eating habits, the use of iron folic acid tablets was facilitated for 8,362 cases of anemia which resulted in recovery of 1,885 cases of anemia.

Encouraged by the success of this initiative, Adani Wilmar has come forward to support the rapid expansion of the programme and doubling its reach. A meticulous planning for selecting sites and preparation and mobilisation of human resources has been done for adding 1,00,000 households spread across five locations, namely Tharad – Gujarat, Varanasi – UP, Saoner – Maharashtra, Haldia – West Bengal and Bundi – Rajasthan.

Udaan

The aim of the Udaan project is to inspire young minds to dream big. Udaan is a learning-based initiative focusing on Sustainable Development Goal of Quality Education and creating exposure for the youth of educational institutes across Gujarat. Under this project, a two-day exposure tour is organised, wherein numerous school and college students are given an opportunity to visit the Adani Group's business establishments in Mundra, Kawai, Tirora, Dhamra, Hazira and Udupi and gain insight about its operations. It gives these students an opportunity to broaden their horizons in terms of career possibilities and opportunities that lie ahead. Udaan visits are completely free for all government schools and colleges and are conducted round the year. The project was inspired by Mr. Gautam Adani, Chairman of the Adani Group, whose visit to Kandla port as a child inspired him to build a world-class port. The project impacted more than 2,50,000 students from 3,000 institutes.

Awards and Accolades

Awards and Accreditations

Adani Ports and Special Economic Zone Ltd. and its subsidiaries were bestowed with numerous awards in FY18.

1. **Golden Peacock Award for Occupational Health & Safety at 19th World Congress Global Conference**
2. **Private Port of the Year by Sea Trade Award**
3. **Best Environment Protection Award by Maritime Nation India Environment Protection Award**
4. **Best Terminals and Ports Operator at the 11th Express, Logistics & Supply Chain Leadership Awards**
5. **Best Shipping Port of the Year award at India Cargo**
6. **Gold at 'Best Simulation based Learning Programme' at CLO award organised by Leapvault with knowledge associate Tata Institute of Social Sciences**
7. **Commendation for Significant Achievement by CII-ITC Sustainability Awards 2017 for Domain Excellence - CSR**
8. **Gold Award in '2nd Annual EKDKN EMINENT Award 2017' - Ek Kam Desh Ke Nam (EKDKN) CSR category in port sector**
9. **Silver Award – Innovation under the category of Transport & Logistics from OSH India Global Safety Conference – A UBM Event**
10. **Silver Plaque at 30th World Ports Conference organised by International Association of Ports and Harbours**
11. **Gold and Silver Awards in 31st National Convention on Quality Concepts for Dahej and Haizra Ports**

CII-ITC CESD Sustainability Award 2017 – Corporate Social Responsibility Special Commendation

Trademark of our excellent work towards elevating the social stature of our nearby communities
Site – Mundra, Kutch, Gujarat

9th South East Cargo & Logistics Awards 2017

Certifications & Accreditations

Dahej, Dhamra, Goa, Hazira, Mundra and Tuna ports have Integrated Management System with ISO 9001, 14001 and OHSAS 18001 certifications. Additionally, the Mundra port is certified with ISO 28000 security management system for supply chain.

Adani Petronet (Dahej) Port Private Ltd. has successfully renewed International Ship and Port Facility Security (ISPS) and Navigational Safety in Port Committee (NSPC) certification in the current fiscal.

IMS certification for Adani Logistics Limited, The Adani Harbour Services Private Limited & Shantisagar International Dredging Private Limited have been initiated and are deemed to be completed during the coming fiscal.

Corporate Information

Board of Directors

Mr. Gautam S. Adani
Chairman and Managing Director

Mr. Rajesh S. Adani
Non-Independent and
Non-Executive Director

Mr. Karan Adani
CEO and Whole-Time Director

Dr. Malay Mahadevia
Whole-Time Director

Mr. Sanjay Lalbhai
Independent and
Non-Executive Director

Prof. Ganesan Raghuram
Independent and
Non-Executive Director

Mr. Gopal Krishna Pillai
Independent and
Non-Executive Director

Ms. Radhika Haribhakti
Independent and
Non-Executive Director

Key Managerial Personnel

Mr. Deepak Maheshwari
Chief Financial Officer

Ms. Dipti Shah
Company Secretary

Auditors

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants
Ahmedabad

Registered Office

"Adani House", Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad-380009
Gujarat

CIN: L63090GJ1998PLC034182

Registrar and Transfer Agent

M/s. Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai-400083
Phone: +91-22-49186270
Fax: +91-22-49186060

Bankers and Financial Institutions

Axis Bank Ltd.

Bank of America

Barclays Bank PLC

Citi Bank NA

DZ Bank AG, Germany

Export-Import Bank of India

Export Development Canada

HDFC Bank Ltd.

HSH Nord Bank AG

ICICI Bank Ltd.

IDFC Bank Ltd.

IndusInd Bank Ltd.

Kotak Mahindra Bank Ltd.

Mizuho Corporate Bank Ltd.

RBL Bank Ltd.

State Bank of India

Societe Generale

The Bank of Tokyo - Mitsubishi UFJ, Ltd.

Yes Bank Ltd.

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.

Statutory Reports & Financial Statements

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 19th Annual Report along with the audited financial statements of your Company for the financial year ended on March 31, 2018.

Financial Performance:

The audited financial statements of the Company as on March 31, 2018 are prepared in accordance with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and provisions of the Companies Act, 2013 ("Act").

The summarized financial highlight is depicted below:

(₹ in crore)

Particulars	Consolidated		Standalone	
	2017-18	2016-17	2017-18	2016-17
Revenue from operations	11,322.96	8,439.35	6,533.82	4,878.86
Other Income	1,010.93	1,040.11	1,607.32	1,284.67
Total Income	**12,333.89**	**9,479.46**	**8,141.14**	**6,163.53**
Operating expenses	4,177.55	3,024.66	2,024.96	1,331.81
Depreciation and Amortisation Expenses	1,188.37	1,160.19	470.52	540.71
Foreign Exchange (Gain) / Loss (net)	83.29	(277.44)	62.22	(200.33)
Finance Cost				
- Interest and Bank Charges	1,257.35	1,281.24	1,218.08	1,103.40
- Derivative (Gain)/Loss	238.02	111.94	238.80	95.00
Total Expenditure	**6,944.58**	**5,300.59**	**4,014.58**	**2,870.59**
Profit before share of profit from joint ventures, exceptional items and tax	**5,389.31**	**4,178.87**	**4,126.56**	**3,292.94**
Add/(Less):- Exceptional Items	(155.18)	-	(297.38)	-
Tax Expense (net) (Refer note below)	1,544.18	286.63	1,421.08	192.33
Profit after tax and before share of profit from joint ventures	**3,689.95**	**3,892.24**	**2,408.10**	**3,100.61**
Share of Profit from Joint Ventures	-	9.26	-	-
Net Profit for the year	**3,689.95**	**3,901.50**	**2,408.10**	**3,100.61**
Other Comprehensive income (net of tax)	**9.85**	**6.67**	**8.61**	**12.33**
Total Comprehensive Income for the period / year	**3,699.80**	**3,908.17**	**2,416.71**	**3,112.94**
Attributable to:				
Equity holders of the parent	3,683.02	3,919.94	2,416.71	3,112.94
Non-controlling interests	16.78	(11.77)	-	-

Note: The Company was availing tax holiday under section 80IAB of Income Tax Act, 1961 till March 31, 2017 and w.e.f April 1, 2017, the Company is subject to normal tax regime.

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

Performance Highlights:

Your Company has created a milestone in Indian commercial ports history by handling 122 MMT of cargo. Mundra Port continues to rank 1st in terms of total cargo handling and 2nd in terms of container cargo handling during the year under review. The other ports developed and being operated by your Company at Dahej, Hazira, Kandla, Dhamra, Murmugao and Kattupalli have performed well.

The key aspects of your Company's consolidated performance during the financial year 2017-18 are as follows:

- Handled cargo of 180 MMT, a growth of 7% YOY surpassing all India cargo growth of 4%.
- Container volumes cross 5 million TEUs an increase of 20% on YOY basis, surpassing all India container growth of 13%.
- Consolidated revenue from operations registered a growth of 34% from ₹ 8,439.35 crore in FY 2016-17 to ₹ 11,322.96 crore in FY 2017-18.
- Revenue up by 34%, EBITDA up by 32% and PBT up by 25%.
- Profit after tax for the FY 2017-18 stood at ₹ 3,689.95 crore.
- Signed long term contracts for 7.7 MMT.

The detailed operational performance of the Company has been comprehensively discussed in the Management Discussion and Analysis Report which forms part of this Report.

Dividend:

Your Directors have recommended a dividend of 100% (₹ 2 per equity share of ₹ 2 each) on the equity shares and 0.01% dividend on 0.01% Non-Cumulative Redeemable Preference Shares of ₹ 10 each for the financial year 2017-18. The said dividend, if approved by the shareholders, would involve a cash outflow of ₹ 499.33 crore including tax thereon.

The Board has also approved a Dividend Policy which is now linked with profit after tax. From financial year 2018-19, the Company would pay upto 15% of profit after tax as Dividend to Shareholders.

Transfer to Reserves:

The Company proposes to transfer ₹ 304.82 crore to Debenture Redemption Reserve out of the amount available for appropriation.

Status of Scheme of Arrangement:

During the year under review, the Hon'ble National Company Law Tribunal had, vide its order dated August 18, 2017 sanctioned the Scheme of Arrangement between Adani Ports and Special Economic Zone Limited (the "Company") and The Adani Harbour Services Private Limited (the "Transferee Company") and their respective shareholders and creditors (the "Scheme").

The Scheme, with effect from April 1, 2016, inter alia, provided for transfer and vesting of Marine Business Undertaking of the Company to the Transferee Company as a going concern, on Slump Sale basis.

Fixed Deposits:

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Act read with rules made there under.

Non-Convertible Debentures:

During the year under review, your Company has issued 16,000 Rated, Listed, Secured Redeemable Non-Convertible Debentures (NCDs) of face value of ₹ 10 lakh each aggregating to ₹ 1600 crore on a private placement basis listed on the Wholesale Debt Market Segment of BSE Limited.

Further, your Company has redeemed 3,667 NCDs of face value of ₹ 10 lakh each issued on private placement basis.

Particulars of loans, guarantees or investments:

The provisions of Section 186 of the Act, with respect to a loan, guarantee or security is not applicable to the Company as the Company is engaged in providing infrastructural facilities which is exempted under Section 186 of the Act. The details of investment made during the year under review are disclosed in the financial statements.

Subsidiaries, Joint Ventures and Associate Companies:

Your Company had 28 (direct and indirect) subsidiaries as on March 31, 2018.

During the year under review, the following changes have taken place:

- Mundra International Gateway Terminal Private Limited was incorporated as wholly owned subsidiary of the Company on May 17, 2017 with an object to develop, operate, maintain ports and related infrastructure facilities.
- Adani International Terminals Pte Ltd., Singapore was incorporated as wholly owned subsidiary of the Company on June 30, 2017 with an object to develop, operate, maintain ports and related infrastructure facilities.

No Company has become/ceased to be a joint venture/ associate during the financial year 2017-18.

Adani Logistics Limited, a wholly owned subsidiary of the Company has acquired 100% stake of Blue Star Realtors Private Limited on April 26, 2018.

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules made thereunder and Regulation 33 of the Listing Regulations, the Company has prepared consolidated financial statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 forms part of this Annual Report.

The annual financial statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours. The financial statements of the subsidiary companies shall also be kept for inspection by any shareholder/s during working hours at the Company's registered office and that of the respective subsidiary companies concerned. In accordance with Section 136 of the Act, the audited financial statements, including consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on website, www.adaniports.com. Details of developments of subsidiaries of the Company are covered in the Management Discussion and Analysis Report which forms part of this Report.

Directors and Key Managerial Personnel:

Pursuant to the requirements of the Act and Articles of Association of the Company, Dr. Malay Mahadevia (DIN: 00064110) is liable to retire by rotation and being eligible offers himself for re-appointment. The Board recommends the appointment of Dr. Malay Mahadevia as Director of the Company retiring by rotation.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and there has been no change in the circumstances which may affect their status as independent director during the year.

During the year, Mr. B. Ravi had resigned as Chief Financial Officer of the Company with effect from close of business hours of February 12, 2018.

The Board has appointed Mr. Deepak Maheshwari as Chief Financial Officer and Key Managerial Personnel of the Company with effect from May 3, 2018.

Brief details of Dr. Malay Mahadevia as required under Regulation 36 of the Listing Regulations are provided in the Notice of the Annual General Meeting.

Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, state the following:

a. that in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. that such accounting policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c. that proper and sufficient care has been taken for the 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 fraud and other irregularities;

d. that the annual financial statements have been prepared on a going concern basis;

e. that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;

f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Number of Board Meetings:

The Board of Directors met 5 (five) times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Report.

Independent Directors' Meeting:

The Independent Directors met on March 13, 2018, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Board Evaluation:

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgement, governance issues etc.

All Directors participated in the evaluation survey and review was carried out through a peer-evaluation excluding the Director being evaluated. The result of evaluation was discussed in the Independent Director's meeting held on March 13, 2018, Nomination and Remuneration Committee meeting and in the Board Meeting held on May 3, 2018.

Policy on directors' appointment and remuneration:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act is available on the website of the Company at http://www.adaniports.com/investor/investordownload

Internal Financial control system and their adequacy:

The details in respect of internal financial control and their adequacy are included in Management Discussion and Analysis Report which forms part of this report.

Risk Management:

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis.

Committees of Board:

Details of various committees constituted by the Board of Directors as per the provisions of the Act and Listing Regulations are given in the Corporate Governance Report which forms part of this report.

Sustainability and Corporate Social Responsibility:

The Company has constituted a Sustainability and Corporate Social Responsibility Committee and has framed a Policy. The brief details of Committee are provided in the Corporate Governance Report. The Annual Report on CSR activities is annexed and forms part of this report. The policy is available on the website of the Company at http://www.adaniports.com/sustainability/policies.

Corporate Governance and Management Discussion and Analysis Report:

A separate report on Corporate Governance compliance and a Management Discussion and Analysis Report as stipulated by Listing Regulations forms part of this Annual Report along with the required Certificate from a Practising Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated.

In compliance with Corporate Governance requirements, your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

Business Responsibility Report:

The Business Responsibility Report for the year ended March 31, 2018 as stipulated under Regulation 34 of Listing Regulations is annexed which forms part of this Annual Report.

Prevention of Sexual Harassment at Workplace:

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

Extract of Annual Return:

The details forming part of the extract of the Annual Return in Form MGT-9, is annexed to this report as Annexure-A.

Related Party Transactions:

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act.

During the year, your Company has entered into a transaction with Shanti Sagar International Dredging Private Limited, wholly owned subsidiary, to sell its Maintenance Dredging Undertaking. Details of the transaction are provided in Form AOC-2, is annexed to this report as Annexure-B.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

Insurance:

Your Company has taken appropriate insurance for all assets against foreseeable perils.

Quality, Health, Safety and Environment:

At Adani Ports and Special Economic Zone Limited (APSEZL), Quality, Health, Safety and Environmental (QHSE) responsibilities are integral to operations. Your Company has acquired International Standards ISO 9001:2015, ISO 14001:2004, OHSAS 18001:2007, ISO 28000:2007 certifications specifying the requirements for an Integrated Management System (IMS) as part of its objective to improve quality, health, safety and environment in the work place.

Apart from the ISO certification your company has adopted its own Safety Management System (SMS) which is based on the philosophy that safety is primarily line management's responsibility. The SMS is divided into 20 elements, with each element being owned by an element owner who is from the line management at Port. These element owners are accountable for implementation, monitoring and sustenance of their respective element.

Your company aspires to be globally admired Occupational, Health and Safety (OHS) leader in infrastructure space. The lifesaving safety rules are non-negotiable and sacrosanct.

The QHSE policy, OHS vision and mission and Life Saving Rules have been communicated to all the stakeholders. Further, to give impetus to organization's HSE & well-being, messages have been issued by the senior leadership team emphasizing the Safety First culture.

The Company has taken following major initiatives to advance the QHSE commitment:

Significant Safety Initiatives:

1. Successfully completed IMS surveillance audit for Adani Ports / Terminals at Dahej, Dhamra, Goa, Hazira and Tuna.

2. Business wide implementation of Adani Group Safety Management System (SMS). Till date total 4 Port Sites are certified as Level 1 and 3 Port Sites are Level 0 certified.

3. Have clocked more than 87 million man hours, inducted more than 50,000 workers and trained more than 36,000 workers and employees.

4. Have implemented online OHS – ERP solution – Adani Gensuite, through which any employee / worker can report a safety concern using his / her mobile phone. These concerns are reviewed and addressed by respective department leads.

5. Have implemented a Behaviour Based Safety tool called – Suraksha Samwaad, wherein the leaders interact with the workforce regularly to engage them on safety.

Your Company released its maiden sustainability report for FY 2015-16 as per GRI-G4 guidelines and its second sustainability report for FY 2016-17 based on GRI standard. With this, the Company has become the leader in port sector for disclosing its sustainability performance in the country.

Your Company believes stakeholder engagement finds its place at the core of business strategies which thrives for inclusive development therefore the Company has outlined its commitment in stakeholder engagement policy and developed the stakeholder engagement procedure.

Your Company ensures compliance to environment and related applicable regulations and continually improves its performance.

Your Company acknowledges its responsibility towards the environment and has initiated numerous initiatives to reduce impact on environment. The Company has developed a vision for "Zero Waste to landfill" and is working towards making APSEZ – a Zero Waste Company. As part of vision for Zero Waste, your Company has taken several initiatives in the handling and management of hazardous and non-hazardous waste at all operating port locations by focusing on 5R principles of waste management i.e. Reduce, Reuse, Reprocess, Recycle and Recover. Major initiatives includes, Reuse of treated sewage, Recycling of paper, plastic, metal, E-waste, Used oil etc., Reprocess of food waste, STP & ETP sludge, Oily cotton waste etc.

- Various initiatives are implemented for reduction in water and energy consumption footprint. Such initiatives have not only resulted in net environmental benefits but have also reduced the operational costs. To meet the fresh water demand, sea water is utilized through desalination plant at Mundra.
- Cumulative installation of rooftop solar power generation at office buildings has reached to 3.3 MW at Mundra.
- Total cumulative terrestrial greenbelt development done till date is about 450 hectares across all port locations, cumulative mangrove afforestation is done in an area over 2,800 hectares across the coast of Gujarat and a unique pilot project of development of bio-shield for protection of coastal areas is in progress at Jambusar, Gujarat.
- APSEZ has conducted Greenhouse Gas (GHG) emission study for Scope 1 and Scope 2 emissions. During the reporting period, GHG emission of APSEZ, Mundra location for Scope 1 is 89,435.3 tCO2 and Scope 2 is 91,569.25 tCO2.

Auditors & Auditors' Report:

Pursuant to the provisions of Section 139 of the Act read with rules made thereunder, as amended from time to time, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No 117366W/W-100018), were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting (AGM) of the Company to be held in the calendar year 2022, subject to ratification of their appointment at every AGM, if required under law. Accordingly, the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as Statutory Auditors of the Company is placed for ratification by the Shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Act.

Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Act. The Auditors' Report is enclosed with the financial statements in this Annual Report.

Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Act read with the rules made thereunder, your Company had appointed Mr. Ashwin Shah, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for financial year 2017-18 is annexed which forms part of this report as Annexure-C. There were no qualifications, reservation or adverse remarks in the Secretarial Audit Report of the Company.

Information Technology- an enabler for Growth:

In this digital era, technology is fundamentally changing our society and world of business. We strive to develop the ability to understand and make use of the power of information technology to our advantage. Our strategy is to use technology to improve our competitive position and support business transformation.

We at APSEZ have initiated to integrate the current business processes with the new age digital technologies to transform our business into a digital business. With the aim to delight our customers we strive to use the emerging technologies like Block chain and provide the complete visibility of their business interests through timely, accurate and exhaustive data services. This will help us improve our competitive advantage and exceed customer expectations.

With the increase of digitization and automation, we are becoming more efficient in our service delivery and these will play a strategic role in the pursuit of sustenance and growth which can be characterized by the value drivers' viz., Improved Productivity, Increased Efficiency, Stability, Optimized Resources, Customer Enablement, Safety and Security, and Faster Decision. Our technological advancements will build capabilities to survive and win independent of future constraints and customer needs.

True power of technology can be leveraged only by establishing a robust cyber security. We are committed to reduce the business risk and our brand value by managing the cyber risk through data security, network security, platform security, access control and monitoring.

Particulars of Employees:

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in separate annexure forming part of this Report as Annexure-D.

The statement containing particulars of employees as required under Section 197 of the Act read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with rule 8 of The Companies (Accounts) Rules, 2014, as amended from time to time is annexed to this Report as Annexure-E.

Acknowledgement:

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Government of Gujarat, Gujarat Maritime Board, Financial Institutions and Banks. Your Directors thank all shareholders, esteemed customers, suppliers and business associates for their faith, trust and confidence reposed in the Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman and Managing Director
(DIN: 00006273)

Place : Ahmedabad
Date : May 3, 2018

Annexure – A to the Directors' Report

Form No. MGT-9

Extract of Annual Return
as on the financial year ended March 31, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

CIN	L63090GJ1998PLC034182
Registration Date	May 26, 1998
Name of the Company	Adani Ports and Special Economic Zone Limited
Category / Sub-Category of the Company	Company limited by share
Address of the Registered office and contact details	Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009, Gujarat Phone No.: 91-79-26565555
Whether listed company	Yes
Name, Registered Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400083, Maharashtra Phone No. : 91-22-49186270

II. Principal business activities of the Company:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Name and description of main Products/ Services	NIC Code of the Product/ Service	% to total turnover of the company
Cargo handling incidental to water transport	52242	100%

III. Particulars of holding, subsidiary and associate companies:

Sr No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Adani Petronet (Dahej) Port Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U63012GJ2003PTC041919	Subsidiary	74.00	2(87)
2.	Mundra SEZ Textile and Apparel Park Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U74999GJ2005PTC046978	Subsidiary	51.41	2(87)
3.	Adani Murmugao Port Terminal Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U61100GJ2009PTC057727	Subsidiary	100	2(87)
4.	Adani Kandla Bulk Terminal Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U63090GJ2012PTC069305	Subsidiary	100	2(87)
5.	Adani Vizag Coal Terminal Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U45203GJ2011PTC064976	Subsidiary	100	2(87)
6.	Adani Hazira Port Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U45209GJ2009PTC058789	Subsidiary	100	2(87)
7.	MPSEZ Utilities Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U45209GJ2007PTC051323	Subsidiary	100	2(87)
8.	Adani Logistics Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U63090GJ2005PLC046419	Subsidiary	100	2(87)

Sr No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
9.	Adani Ennore Container Terminal Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U61200GJ2014PTC078795	Subsidiary	100	2(87)
10.	Mundra International Airport Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U62200GJ2009PTC057726	Subsidiary	100	2(87)
11.	Karnavati Aviation Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U63090GJ2007PTC051309	Subsidiary	100	2(87)
12.	Adani Warehousing Services Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U63020GJ2012PTC069972	Subsidiary	100	2(87)
13.	Adani Hospitals Mundra Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U85110GJ2013PTC077422	Subsidiary	100	2(87)
14.	The Dhamra Port Company Ltd. HIG-20 BDA Colony, Jayadev Vihar Bhubaneswar, Odisha-751013	U45205OR1998PLC005448	Subsidiary	100	2(87)
15.	Mundra LPG Infrastructure Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U45200GJ2010PTC062503	Subsidiary	100	2(87)
16.	Shanti Sagar International Dredging Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U01403GJ2015PTC083090	Subsidiary	100	2(87)
17.	Adani Kattupalli Port Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U61100GJ2015PTC084219	Subsidiary	100	2(87)
18.	Adani Vizhinjam Port Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U61200GJ2015PTC083954	Subsidiary	100	2(87)
19.	Adani Petroleum Terminal Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U11201GJ2016PTC091695	Subsidiary	100	2(87)
20.	The Adani Harbour Services Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U61100GJ2009FTC095953	Subsidiary	100	2(87)
21.	Mundra International Gateway Terminal Pvt. Ltd. Adani House, 56, Shrimali Society Navrangpura, Ahmedabad-380009	U61100GJ2017PTC097358	Subsidiary	100	2(87)
22.	Hazira Infrastructure Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U45203GJ2010PTC061029	Step down Subsidiary	100	2(87)
23.	Mundra LPG Terminal Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U40106GJ2015PTC084303	Step down Subsidiary	100	2(87)
24.	Adani Dhamra LPG Terminal Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U40106GJ2015PTC084295	Step down Subsidiary	100	2(87)
25.	Dhamra LNG Terminal Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U11200GJ2015PTC081996	Step down Subsidiary	100	2(87)

Sr No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
26.	Abbot Point Operations Pty Ltd. 'AMP Place' Level 30, 10 Eagle Street, Brisbane City, QLD 4000	Foreign Company	Subsidiary	100	2(87)
27.	Abbot Point Bulkcoal Pty Ltd. Level 25, 10 Eagle Street, Brisbane City, QLD 4000	Foreign Company	Step down Subsidiary	100	2(87)
28.	Adani International Terminals Pte Ltd 80. Raffles Place #33-20, UOB Plaza II, Singapore 048624	Foreign Company	Subsidiary	100	2(87)
29.	Adani International Container Terminal Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U61200GJ2011PTC065095	Joint Venture	50	2(6)
30.	Adani CMA Mundra Terminal Pvt. Ltd. Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009	U61200GJ2014PTC080300	Joint Venture	50	2(6)
31.	Dholera Infrastructure Pvt. Ltd. 51, Geekni House, 5th Floor, Near Law Garden, Ahmedabad- 390006	U45203GJ2006PTC049426	Associate	49	2(6)

IV. Share Holding Pattern (equity share capital breakup as percentage of total equity as on March 31, 2018)

i) Category-wise Share Holding

Sr No	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A.	**Promoter**									
1	**Indian**									
a)	Individuals/HUF	-	-	-	-	2	-	2	0.00	0.00
b)	Central Govt./ State Govt.	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	14,05,12,153	-	14,05,12,153	6.78	14,05,12,153	-	14,05,12,153	6.78	-
d)	Banks/FI	-	-	-	-	-	-	-	-	-
e)	Any Others	-	-	-	-	-	-	-	-	-
	Family Trust	88,98,27,949	-	88,98,27,949	42.97	88,98,27,949	-	88,98,27,949	42.97	-
Sub Total(A)(1)		**1,03,03,40,102**	**-**	**1,03,03,40,102**	**49.75**	**1,03,03,40,104**	**-**	**1,03,03,40,104**	**49.75**	**0.00**
2	**Foreign**									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	23,92,10,775	-	23,92,10,775	11.55	34,21,30,972	-	34,21,30,972	16.52	4.97
d)	Banks/FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)		**23,92,10,775**	**-**	**23,92,10,775**	**11.55**	**34,21,30,972**	**-**	**34,21,30,972**	**16.52**	**4.97**
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		**1,26,95,50,877**	**-**	**1,26,95,50,877**	**61.30**	**1,37,24,71,076**	**-**	**1,37,24,71,076**	**66.27**	**4.97**
B.	**Public shareholding**									
1	**Institutions**									
a)	Mutual Funds/ UTI	7,64,31,754	-	7,64,31,754	3.69	4,61,02,624	-	4,61,02,624	2.23	(1.46)
b)	Banks/FI	48,59,234	-	48,59,234	0.23	47,41,394	-	47,41,394	0.23	-
c)	Central Govt./ State Govt.	10,54,010	-	10,54,010	0.05	14,24,194	-	14,24,194	0.07	0.02
d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
e)	Insurance Companies	8,82,43,669	-	8,82,43,669	4.26	19,57,05,645	-	19,57,05,645	9.45	5.19
f)	FII	4,44,39,953	-	4,44,39,953	2.15	54,97,526	-	54,97,526	0.26	(1.89)
g)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h)	Any Other									
	Foreign Portfolio Investor	48,15,92,479	-	48,15,92,479	23.25	37,31,87,615	-	37,31,87,615	18.02	(5.23)
	Alternate Investment Funds	-	-	-	-	3,000	-	3,000	0.00	0.00

Sr No	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
Sub-Total (B)(1)		**69,66,21,099**		**69,66,21,099**	**33.63**	**62,66,61,998**	**-**	**62,66,61,998**	**30.26**	**(3.37)**
2	**Non-institutions**									
a)	Bodies Corporate									
i	Indian	3,14,04,868	5,648	3,14,10,516	1.52	1,75,12,603	5,648	1,75,18,251	0.85	(0.67)
ii	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i	Individuals shareholders holding nominal share capital up to ₹ 1 lakh	4,42,09,429	6,27,736	4,48,37,165	2.18	3,75,96,498	6,09,808	3,82,06,306	1.84	(0.34)
ii	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,21,08,156	-	1,21,08,156	0.58	1,05,77,062	-	1,05,77,062	0.51	(0.07)
c)	Other (specify)									
	Clearing Member	37,26,980	-	37,26,980	0.18	7,87,145	-	7,87,145	0.04	(0.14)
	Non Resident Indian (Repat)	84,55,207	-	84,55,207	0.41	8,25,350	-	8,25,350	0.04	(0.37)
	Non Resident Indian (Non Repat)	3,24,042	-	3,24,042	0.02	3,40,565	-	3,40,565	0.02	-
	Foreign Companies	59,679	-	59,679	0.00	-	-	-	-	(0.00)
	Trusts	4,77,103	-	4,77,103	0.02	2,10,457	-	2,10,457	0.01	(0.01)
	Foreign Nationals	14,273	-	14,273	0.00	14,123	-	14,123	0.00	-
	Hindu Undivided Family	33,66,664	-	33,66,664	0.16	32,04,121	-	32,04,121	0.15	(0.01)
	IEPF	-	-	-	-	1,35,307	-	1,35,307	0.01	(0.01)
Sub-Total (B)(2)		**10,41,46,401**	**6,33,384**	**10,47,79,785**	**5.07**	**7,12,03,231**	**6,15,456**	**7,18,18,687**	**3.47**	**(1.60)**
Total Public Shareholding (B)= (B)(1)+(B)(2)		**80,07,67,500**	**6,33,384**	**80,14,00,884**	**38.70**	**69,78,65,229**	**6,15,456**	**69,84,80,685**	**33.73**	**(4.97)**
-	Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)		**2,07,03,18,377**	**6,33,384**	**2,07,09,51,761**	**100.00**	**2,07,03,36,305**	**6,15,456**	**2,07,09,51,761**	**100.00**	**-**

ii) Shareholding of Promoters/Promoters Group:

Sr No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the company	% shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% shares pledged/ encumbered to total shares	
1	Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S. B. Adani Family Trust)	87,73,17,807	42.36	18.12	87,73,17,807	42.36	22.54	-
2	Gautambhai Shantilal Adani & Pritiben Gautambhai Adani (on behalf of Gautam S. Adani Family Trust)	1,24,80,142	0.60	-	1,24,80,142	0.60	-	-
3	Rajeshbhai Shantilal Adani & Shilin Rajeshbhai Adani (on behalf of Rajesh S. Adani Family Trust)	30,000	0.00	-	30,000	0.00	-	-
4	Adani Tradeline LLP (Formerly, known as Parsa Kente Rail Infra LLP)	14,05,12,153	6.78	-	14,05,12,153	6.78	0.21	-

Sr No	Shareholder's Name	Shareholding at the beginning of the year No. of Shares	% of total shares of the company	% shares pledged/ encumbered to total shares	Shareholding at the end of the year No. of Shares	% of total shares of the company	% shares pledged/ encumbered to total shares	% Change in shareholding during the year
5	Pan Asia Trade & Investment Private Limited	52,08,562	0.25	-	52,08,562	0.25	-	-
6	Worldwide Emerging Market Holding Limited	7,90,46,818	3.83	-	7,90,46,818	3.83	-	-
7	Universal Trade And Investments Limited	8,08,61,339	3.90	-	8,08,61,339	3.90	-	-
8	Afro Asia Trade and Investments Limited	7,40,94,056	3.58	-	9,14,37,969	4.42	-	0.84
9	Emerging Market Investment DMCC	-	-	-	8,55,76,284	4.13	-	4.13
10	Gautambhai Shantilal Adani	-	-	-	1	0.00	-	0.00
11	Rajeshbhai Shantilal Adani	-	-		1	0.00	-	0.00
Total		**1,26,95,50,877**	**61.30**	**18.12**	**1,37,24,71,076**	**66.27**	**22.75**	**4.97**

iii) Change in Promoters'/Promoters' Group Shareholding:

Particulars	Shareholding at the beginning of the year No. of Shares	% of total shares of the Company	Cumulative Shareholding during the year No. of Shares	% of total shares of the Company
At the beginning of the year	1,26,95,50,877	61.30	-	-
- Market Purchase#	10,29,20,199	4.97	1,37,24,71,076	66.27
At the end of the year	-	-	1,37,24,71,076	66.27

#Details of shares purchased by Promoter/Promoter's Group companies during the year is as under:

Sr No	Name	Shareholding at the beginning of the year No. of Shares	% of total shares of the company	Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year No. of Shares	% of total shares of the Company
1	Afro Asia Trade and Investments Ltd	7,40,94,056	3.58	12.04.17	3,50,000	Market Purchase	7,44,44,056	3.59
				13.04.17	5,00,000		7,49,44,056	3.62
				17.04.17	4,00,000		7,53,44,056	3.64
				24.04.17	5,00,000		7,58,44,056	3.66
				25.04.17	5,00,000		7,63,44,056	3.69
				26.04.17	3,00,000		7,66,44,056	3.70
				02.05.17	3,50,000		7,69,94,056	3.72
				04.05.17	5,00,000		7,74,94,056	3.74
				05.05.17	3,50,000		7,78,44,056	3.76
				09.05.17	8,00,000		7,86,44,056	3.80
				10.05.17	3,00,000		7,89,44,056	3.81
				11.05.17	3,00,000		7,92,44,056	3.83
				12.05.17	7,50,000		7,99,94,056	3.86
				29.05.17	5,00,000		8,04,94,056	3.89
				30.05.17	6,50,000		8,11,44,056	3.92
				31.05.17	1,00,000		8,12,44,056	3.92
				06.06.17	5,00,000		8,17,44,056	3.95
				07.06.17	7,00,000		8,24,44,056	3.98
				08.06.17	5,00,000		8,29,44,056	4.01
				09.06.17	3,00,000		8,32,44,056	4.02

Sr No	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
				12.06.17	5,00,000		8,37,44,056	4.04
				13.06.17	4,25,000		8,41,69,056	4.06
				14.06.17	3,00,000		8,44,69,056	4.08
				15.06.17	2,00,000		8,46,69,056	4.09
				16.06.17	4,38,913		8,51,07,969	4.11
				19.06.17	7,00,000		8,58,07,969	4.14
				20.06.17	7,00,000		8,65,07,969	4.18
				22.06.17	4,00,000		8,69,07,969	4.20
				23.06.17	3,00,000		8,72,07,969	4.21
				28.06.17	4,00,000		8,76,07,969	4.23
				29.06.17	4,50,000		8,80,57,969	4.25
				04.07.17	7,00,000		8,87,57,969	4.29
				06.07.17	4,50,000		8,92,07,969	4.31
				26.07.17	3,80,000		8,95,87,969	4.33
				24.10.17	5,00,000		9,00,87,969	4.35
				25.10.17	7,50,000		9,08,37,969	4.39
				26.10.17	1,00,000		9,09,37,969	4.39
				27.10.17	5,00,000		9,14,37,969	4.42
2	Emerging Market Investment DMCC	-	-	05.07.17	1,50,000	Market Purchase	1,50,000	0.01
				07.07.17	7,00,000		8,50,000	0.04
				11.07.17	8,00,000		16,50,000	0.08
				12.07.17	7,50,000		24,00,000	0.12
				13.07.17	12,00,000		36,00,000	0.17
				14.07.17	6,00,000		42,00,000	0.20
				17.07.17	8,00,000		50,00,000	0.24
				18.07.17	10,00,000		60,00,000	0.29
				19.07.17	8,00,000		68,00,000	0.33
				20.07.17	10,00,000		78,00,000	0.38
				21.07.17	8,00,000		86,00,000	0.42
				24.07.17	13,00,000		99,00,000	0.48
				25.07.17	11,00,000		110,00,000	0.53
				26.07.17	8,50,000		1,18,50,000	0.57
				27.07.17	8,25,000		1,26,75,000	0.61
				17.08.17	8,00,000		1,34,75,000	0.65
				18.08.17	7,00,000		1,41,75,000	0.68
				21.08.17	6,50,000		1,48,25,000	0.72
				22.08.17	8,00,000		1,56,25,000	0.75
				23.08.17	10,00,000		1,66,25,000	0.80
				24.08.17	8,50,000		1,74,75,000	0.84
				28.08.17	7,50,000		1,82,25,000	0.88
				29.08.17	8,00,000		1,90,25,000	0.92
				30.08.17	5,00,000		1,95,25,000	0.94
				04.09.17	5,00,000		2,00,25,000	0.97
				05.09.17	2,00,000		2,02,25,000	0.98
				06.09.17	4,00,000		2,06,25,000	1.00
				07.09.17	6,00,000		2,12,25,000	1.02
				08.09.17	7,50,000		2,19,75,000	1.06
				11.09.17	8,00,000		2,27,75,000	1.10
				12.09.17	7,50,000		2,35,25,000	1.14
				14.09.17	7,50,000		2,42,75,000	1.17
				15.09.17	7,00,000		2,49,75,000	1.21
				18.09.17	5,00,000		2,54,75,000	1.23
				20.09.17	7,50,000		2,62,25,000	1.27
				21.09.17	5,00,000		2,67,25,000	1.29
				25.09.17	5,00,000		2,72,25,000	1.31

Sr No	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
				26.09.17	5,00,000		2,77,25,000	1.34
				27.09.17	8,00,000		2,85,25,000	1.38
				28.09.17	8,00,000		2,93,25,000	1.42
				03.10.17	5,00,000		2,98,25,000	1.44
				04.10.17	8,00,000		3,06,25,000	1.48
				05.10.17	9,00,000		3,15,25,000	1.52
				06.10.17	9,50,000		3,24,75,000	1.57
				09.10.17	4,00,000		3,28,75,000	1.59
				10.10.17	8,00,000		3,36,75,000	1.63
				11.10.17	10,00,000		3,46,75,000	1.67
				12.10.17	8,50,000		3,55,25,000	1.72
				13.10.17	6,50,000		3,61,75,000	1.75
				16.10.17	3,00,000		3,64,75,000	1.76
				18.10.17	5,00,000		3,69,75,000	1.79
				23.10.17	5,00,000		3,74,75,000	1.81
				16.11.17	20,50,000		3,95,25,000	1.91
				17.11.17	25,00,000		4,20,25,000	2.03
				20.11.17	10,00,000		4,30,25,000	2.08
				21.11.17	15,00,000		4,45,25,000	2.15
				22.11.17	15,00,000		4,60,25,000	2.22
				23.11.17	18,00,000		4,78,25,000	2.31
				24.11.17	3,00,000		4,81,25,000	2.32
				27.11.17	10,50,000		4,91,75,000	2.37
				28.11.17	26,50,000		5,18,25,000	2.50
				29.11.17	20,00,000		5,38,25,000	2.60
				30.11.17	11,00,000		5,49,25,000	2.65
				04.12.17	5,00,000		5,54,25,000	2.68
				05.12.17	15,00,000		5,69,25,000	2.75
				06.12.17	15,50,000		5,84,75,000	2.82
				07.12.17	20,00,000		6,04,75,000	2.92
				08.12.17	15,00,000		6,19,75,000	2.99
				11.12.17	12,01,284		6,31,76,284	3.05
				12.12.17	15,00,000		6,46,76,284	3.12
				13.12.17	17,00,000		6,63,76,284	3.21
				14.12.17	12,00,000		6,75,76,284	3.26
				15.12.17	10,00,000		6,85,76,284	3.31
				18.12.17	15,00,000		7,00,76,284	3.38
				19.12.17	8,00,000		7,08,76,284	3.42
				20.12.17	17,50,000		7,26,26,284	3.51
				21.12.17	12,00,000		7,38,26,284	3.56
				26.12.17	12,00,000		7,50,26,284	3.62
				27.12.17	18,00,000		7,68,26,284	3.71
				28.12.17	17,00,000		7,85,26,284	3.79
				29.12.17	12,50,000		7,97,76,284	3.85
				01.01.18	9,50,000		8,07,26,284	3.90
				22.01.18	17,50,000		8,24,76,284	3.98
				23.01.18	12,00,000		8,36,76,284	4.04
				24.01.18	10,00,000		8,46,76,284	4.09
				25.01.18	7,50,000		8,54,26,284	4.12
				02.02.18	1,50,000		8,55,76,284	4.13
3	Gautambhai Shantilal Adani	-	-	04.10.17	1	Market Purchase	1	0.00
4	Rajeshbhai Shantilal Adani	-	-	04.10.17	1	Market Purchase	1	0.00

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoter and Holders of GDRs and ADRs):

Sr No	Name of Shareholder*	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Decrease	Increase	No. of Shares	% of total shares of the Company
1.	Life Insurance Corporation of India	9,20,06,093	4.44	-	10,75,04,172	19,95,10,265	9.63
2.	Baytree Investments (Mauritius) Pte Ltd	3,02,17,884	1.46	94,60,974	-	2,07,56,910	1.00
3.	SBI Magnum Balance Fund	1,64,69,027	0.80	2,88,769	-	1,61,80,258	0.78
4.	Vanguard Emerging Markets Stock Index Fund, a Series of Vanguard International Equity Index Funds	1,37,21,596	0.66	-	8,43,732	1,45,65,328	0.70
5.	Government of Singapore	1,83,31,712	0.89	41,12,703	-	1,42,19,009	0.69
6.	Government Pension Fund Global	1,32,89,579	0.64	-	7,37,583	1,40,27,162	0.68
7.	Vanguard Total International Stock Index Fund	99,53,360	0.48	-	11,67,566	1,11,20,926	0.54
8.	UTI Transportation And Logistics Fund	94,24,707	0.46	-	26,745	94,51,452	0.46
9.	Ishares India Index Mauritius Company	1,00,26,325	0.48	16,19,275	-	84,07,050	0.41
10.	Abu Dhabi Investment Authority	1,57,19,359	0.76	74,09,749	-	83,09,610	0.40

*The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

v) Shareholding of Directors and Key Managerial Personnel:

Name	Shareholding at the beginning of the year		Date	Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company		Decrease	Increase	No. of Shares	% of total shares of the Company
Directors:							
Mr. Gautam S. Adani	-	-	04.10.17	-	1	1	0.00
Mr. Rajesh S. Adani	-	-	04.10.17	-	1	1	0.00
Dr. Malay Mahadevia	-	-	-	-	-	-	-
Mr. Karan Adani	-	-	-	-	-	-	-
Prof. G. Raghuram	-	-	-	-	-	-	-
Mr. G. K. Pillai	-	-	-	-	-	-	-
Mr. Sanjay Lalbhai	-	-	-	-	-	-	-
Ms. Radhika Haribhakti	-	-	-	-	-	-	-
Key Managerial Personnel:							
Mr. B. Ravi[1]	1,075	0.00	10.07.17	1,075	-	-	-
Ms. Dipti Shah	3,600	0.00	-	-	-	3,600	0.00

[1]Resigned as Chief Financial Officer w.e.f February 12, 2018

V. Indebtedness:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	7,233.20	12,310.47	-	19,543.67
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	196.64	57.23	-	253.88
Total (i+ii+iii)	**7,429.85**	**12,367.70**	**-**	**19,797.55**
Change in Indebtedness during the financial year				
Addition(Principal & Interest)	2,586.15	19,494.30	-	22,080.44
Reduction(Principal & Interest)	2,247.23	20,024.90	-	22,272.13
Exchange Difference	(36.68)	(66.51)	-	(103.19)
Net Change	**302.23**	**(597.12)**	**-**	**(294.88)**
Indebtedness at the end of the financial year				
i) Principal Amount	7,575.52	11,829.62	-	19,405.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	229.92	73.99	-	303.91
Total (i+ii+iii)	**7,805.45**	**11,903.61**	**-**	**19,709.05**

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lakhs)

Sr No	Particulars of Remuneration	Gautam S. Adani Managing Director	Malay Mahadevia Whole Time Director	Karan Adani Whole Time Director & CEO	Total Amount
1	Gross salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	180.00	1,086.22	150.00	1,416.22
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	3.50	-	3.50
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission				
	- as % of profit	100.00	-	-	100.00
	- others, specify	-	-	-	
5	Others-contribution towards PF etc.	-	22.17	-	22.17
	Total	**280.00**	**1,111.89**	**150.00**	**1,541.89**
	Ceiling as per the Act	₹ 38,369.50 Lakhs (@ 10% of profits calculated as per Section 198 of the Act).			

B. Remuneration to other Directors:

(₹ in Lakhs)

Sr No	Particulars of Remuneration	Fee for attending board/ committee meetings	Commission	Others, please specify	Total Amount
1	**Independent Directors**				
	Prof. G. Raghuram	3.20	12.00	-	15.20
	Mr. G. K. Pillai	0.80	12.00	-	12.80
	Mr. Sanjay Lalbhai	0.60	-	-	0.60
	Ms. Radhika Haribhakti	2.60	12.00	-	14.60
	Total (1)	**7.20**	**36.00**	**-**	**43.20**
2	**Other Non-Executive Directors**				
	Mr. Rajesh S. Adani	6.00	-	-	6.00
	Total (2)	**6.00**	**-**	**-**	**6.00**
	Total (1+2)	**13.20**	**36.00**	**-**	**49.20**
	Overall ceiling as per the Act	₹ 3,836.95 Lakhs (@ 1% of profits calculated as per Section 198 of the Act).			

C. Remuneration to key managerial personnel other than MD/WTD/Manager

(₹ in Lakhs)

Sr No	Particulars of Remuneration	Chief Financial Officer[1]	Company Secretary	Total Amount
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	321.00	23.28	344.28
	a) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.66	1.75	4.41
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
5	Others- contribution towards PF etc.	184.08	1.12	185.20
	Total	**507.74**	**26.15**	**533.89**

[1]Resigned as Chief Financial Officer w.e.f February 12, 2018. The remuneration includes retirement benefits.

VII. Penalties / Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of penalty/ punishment/ compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment	None				
Compounding					
B. Directors					
Penalty					
Punishment	None				
Compounding					
C. Other Officers in default					
Penalty					
Punishment	None				
Compounding					

Annexure – B to the Directors' Report

Form No. AOC-2

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2018, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

The detail of transaction at arm's length basis for the year ended March 31, 2018 is as under:

Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances if any
Shanti Sagar International Dredging Private Limited (Wholly Owned Subsidiary Company)	Sell of Maintenance Dredging Undertaking	Not applicable	Slump Sale through Business Transfer Agreement entered on April 1, 2018 for consideration of ₹ 96 crores	14.02.2017	Nil

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman and Managing Director
DIN: 00006273

Place : Ahmedabad
Date : May 3, 2018

Annexure – C to the Directors' Report

Form No. MR-3

Secretarial Audit Report
for the financial year ended March 31, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014]

To
The Members
Adani Ports and Special Economic Zone Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Adani Ports and Special Economic Zone Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);

   d. The Securities and Exchange Board of India (Share Based Employee Benefit) Regulation, 2014 (Not Applicable to the Company during the Audit Period);

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and;

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);

vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

   a. The Explosives Act, 1884 and Gas Cylinder Rules, 2004

   b. The Legal Metrology Act, 2009 & The Gujarat Legal Metrology (Enforcement) Rules, 2011

   c. The Petroleum Act, 1934 and The Petroleum Rules, 2002

   d. The Gujarat Special Economic Zone Act, 2004 & The Gujarat Special Economic Zone Rules, 2005

   e. The Merchant Shipping Act, 1958

   f. International Convention For The Safety of Life At Sea, 2002

   g. Gujarat Maritime Board Act, 1981

   h. The Indian Railways Act, 1989 & Wagon Investment Scheme

I have also examined compliance with the applicable clauses of the following:

a. Secretarial Standards issued by the Institute of Company Secretaries of India.

b. The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to filing of certain e-forms with additional fees.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has:

1. Passed a special resolution for approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹ 5,000 Crores.

2. Passed a special resolution for approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement basis.

3. Passed a special resolution for approval of Scheme of Arrangement between Adani Ports and Special Economic Zone Limited and The Adani Harbour Services Private Limited and their respective shareholders and creditors.

CS Ashwin Shah

Place : Ahmedabad Company Secretary
Date : May 3, 2018 C. P. No. 1640

Note: This report is to be read with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

'Annexure-A' to the Secretarial Audit Report

To
The Members
Adani Ports and Special Economic Zone Limited

Our report of even date is to be read along with this letter

1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

CS Ashwin Shah

Place : Ahmedabad Company Secretary
Date : May 3, 2018 C. P. No. 1640

Annexure – D to the Directors' Report

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2017-18:

Name of Directors/KMP	Ratio of remuneration to median remuneration of employees	% increase in remuneration in the financial year
Executive Directors:		
Mr. Gautam S. Adani	38.15:1	-
Dr. Malay Mahadevia	151.48:1	0.15
Mr. Karan Adani	20.44:1	-
Non-Executive Directors:		
Mr. Rajesh S. Adani[1]	0.82:1	20.00
Mr. Sanjay Lalbhai[1]	0.08:1	(25.00)
Prof. G. Raghuram[2]	2.07:1	1.33
Mr. G. K. Pillai[2]	1.74:1	(1.54)
Ms. Radhika Haribhakti[2]	1.99:1	(2.67)
Key Managerial Personnel:		
Mr. B. Ravi[3]	N.A.	3.30
Ms. Dipti Shah	N.A.	14.39

[1]Reflects sitting fees

[2]Reflects sitting fees and commission

[3]Resigned as Chief Financial Officer w.e.f February 12, 2018

ii) The percentage increase in the median remuneration of employees in the financial year: 6.79%

iii) The number of permanent employees on the rolls of Company: 1,210 as on March 31, 2018.

iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- Average increase in remuneration of employees excluding KMPs: 6.89%
- Average increase in remuneration of KMPs: 0.90%
- KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

v) Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The Company affirms remuneration is as per the Remuneration Policy of the Company.

Annexure – E to the Directors' Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

A. Conservation of Energy:

I) Steps taken or impact on conservation of energy:

Average power factor of the system has been maintained up to 0.972. This is attributable to numerous initiatives / improvisations which have helped to cut down on energy consumption. Some of these initiatives are:

- Power saving through use of LED lighting at steel yard, terminal 3 jetty & main gate high mast towers.
- Optimum use of lights in TLF (truck loading facility) and PH (pump house) with circuit modification during non-loading hours.
- Optimum use of lights at platform and conveyor area while non-operational hours with PLC (programmable logic controller) based control.
- Power saving through compressor house run hours optimize with APL (Adani Power Limited) & WLS (Wagon loading System) run Hours.
- All office lights in SS-1 building converted to LED lights to save power.

II) Steps taken by the company for utilizing alternate sources of energy:

Steps taken by the Company for utilizing reverse power within terminal:

- Earlier the power distribution through 2X16MVA transformers with separate network (grid) at 11kv bus due to which reverse power was not consumed fully and some amount of reverse power went back to the grid. Due to change in distribution network, we can save at least ₹ 22 Lakhs per annum.
- Commissioning of 1.5 MW Solar PV (photovoltaic system) on roof tops of Samudra Township, it will generate 2.2 million units per annum.

III) Capital investment on energy conservation equipment:

- Planning to implement energy saving LED lamps for HM (high mast) tower in financial year 2018-19.

B. Technology Absorption:

I) Efforts made towards technology absorption:

A number of automation and technological initiatives have been undertaken during the year. Some of these include:

- In gate and out gate provided ring main system for alternate power in case of failure of existing power source.
- Installed auto announcement system in all STS (ship to shore) for hatch cover lowering in back reach area for safety purpose.
- Energy meter installed in STS and RTG to monitor and Record Energy Reading in RCMS (remote crane monitoring system) by interfacing with PLC.
- Installed CCTV camera on E-RTG crane, gate terminal & workshop to reduce manual intervention, to increase the visibility and security.
- Installed LED light in kalmar for reducing the maintenance cost & extra visibility for operation in yard.
- Approx. 300 km road and yard marking through line lazer machine to enhance safety and visibility of port.
- Prevention of repetitive replacement of metallic hood cover by change of MOC (material of construction) from metal to FRP (fibre-reinforced plastic). Replacement of 2000 meter length in BC 21 / BC 31 & FCC (fertilizer cargo complex).
- Introduced GSM based technology to on/off the lightings and air conditioning system through mobile.
- Astro base timer fitted on 55 lighting tower out of 68 to control the lighting based on sunrise and sunset.
- Enhancement of operation efficiency by TLF (tanker loading farm) automation .
- Introduced real time monitoring power maximum demand & control overriding of maximum demand.
- GIS (gas insulated substation) 11KV panel auto energy consumption hourly base report generates

so, manual errors nullify & manpower utilize for other work.

- Rip detection system installed in AD3C conveyors to avoid long distance belt damage at West Basin.

II) Benefits derived like product improvement, cost reduction, product development or import substitution:

- GSU (grab ship unloader) cabin view computer replaced by indigenous make & program converted to windows 7.
- VFD (variable speed drive) drive cooling fan bearing replacement instead of cooling fan which has saved substantial cost.

III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not applicable

IV) Expenditure incurred on Research and Development: Not applicable

C. Foreign Exchange Earnings and Outgo:

The particulars relating to foreign exchange earnings and outgo during the year under review are as under:

(₹ in Crore)

Particulars	2017-18	2016-17
Foreign exchange earned	-	-
Foreign exchange outgo	541.64	378.92

Annexure to the Directors' Report

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2017-18 as per Section 135 of the Companies Act, 2013

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

The Company carried out/ implemented its CSR activities/ projects through Adani Foundation. The Company has identified Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development as the core sectors for CSR activities. The CSR Policy has been uploaded on the website of the Company at http://www.adaniports.com/Sustainability/Policies.

2. The Composition of the CSR Committee:

- Mr. Rajesh S. Adani, Chairman
- Mr. Sanjay Lalbhai, Member
- Dr. Malay Mahadevia, Member

3. Average net profit of the Company for last three financial years: ₹ 2,856.69 crore

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 57.13 crore

5. Details of CSR spent during the financial year:

a) Total amount spent for the financial year 2017-18: ₹ 5,718.41 Lakhs

b) Amount unspent, if any: Nil

c) Manner in which the amount spent during the financial year: Details are as under :

(₹ in Lakhs)

1	2	3	4	5	6		7	8
Sr No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs	(2) Overheads	Cumulative expenditure upto to reporting period.	Amount spent: Direct or through implementing agency
1.	Adani Vidya Mandir	Education	Ahmedabad & Bhadreshwar, Gujarat Surguja, Chhattisgarh	496.00	495.43	-	1,231.31	Through Adani Foundation
2.	Adani DAV Public School and Adani - KISS building cost		Mundra, Gujarat Dhamra & Baripada, Odisha	850.00	842.32	-	2,501.08	
3.	Support to Govt. Schools by providing education material, teacher training and coaching to improve learning level of students		Mundra & Ahmedabad, Gujarat Udupi, Karnataka Tiroda, Maharashtra Kattupalli, Tamilnadu	167.50	162.29	-	696.76	
4.	Project - Udaan with Other programmes		Mundra, Gujarat Tiroda, Maharashtra	427.50	428.21	-	1,210.44	
5.	Education and Social development		Ahmedabad & Bhuj, Gujarat	16.96	17.00	-	118.00	Direct

(₹ in Lakhs)

1	2	3	4	5	6		7	8
Sr No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs	(2) Overheads	Cumulative expenditure upto to reporting period.	Amount spent: Direct or through implementing agency
6.	Providing Infrastructure support to Gujarat Adani Institute of Medical Sciences	Community Health	Bhuj, Gujarat	-	1.00		751.00	Direct
				175.00	165.00	-	254.26	Through Adani Foundation
7.	Swachhagraha		Ahmedabad, Gujarat	270.00	263.01	-	357.77	
8.	Mobile Health Care Units		Mundra, Gujarat Tiroda, Maharashtra Udupi, Karnataka	34.25	34.05	-	93.75	
9.	Medical Support to needy and poor patients including senior citizen by rural clinics and medical camps and de-addiction camps		Ahmedabad & Mundra, Gujarat Tiroda, Maharashtra Orissa & Udupi, Karnataka	183.00	182.16	-	377.10	
10.	Collaborative Actions in Lowering Maternity Encounters Death (CALMED)		Mundra, Gujarat	-	-	-	5.54	
11.	Dead body carrier vehicle support		Mundra, Gujarat	11.00	10.77	-	18.29	
12.	Health Card to Senior citizens and Truck Drivers		Mundra, Gujarat	105.00	103.41	-	538.97	
13.	Flagship Project: Anaemia Reduction and Prevention Programme & Support to ICDC to reduce Malnutrition		Mundra, Gujarat Tiroda, Maharashtra	0.70	0.63	-	12.57	
14.	Establishing multi-specialty Charusat Hospital		Anand, Gujarat	40.00	40.00	-	120.00	Direct
15.	Health, sanitation and education related awareness activity		Ahmedabad, & Mundra, Gujarat	-	-	-	19.65	Direct
16.	Health Services			512.00	512.08	-	512.08	Direct
17.	Eradicating extreme hunger and poverty	Sustainable Livelihood Development	Mumbai & Pune, Maharashtra	280.00	286.76		286.76	Direct
18.	Skill development activities to generate employability at local level		Mundra, Gujarat	830.00	823.10	-	1,435.72	Through Adani Foundation
19.	Improving agricultural production using technology by providing training to farmers at local level		Tiroda, Maharashtra	77.00	76.03	-	97.06	
20.	Support to Om Creation Trust		Mumbai, Maharashtra	-	-	-	306.58	
21.	G-Auto Project		Ahmedabad, Gujarat	-	-	-	30.66	
22.	Ensuring environmental sustainability			15.00	24.77	-	24.77	Direct

(₹ in Lakhs)

1	2	3	4	5	6		7	8
Sr No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs	(2) Overheads	Cumulative expenditure upto to reporting period.	Amount spent: Direct or through implementing agency
23.	Support provided to improve rural infrastructure works such as community hall, pond deepening, repairing and constructing houses, bore well repairing, safe drinking water etc.	Rural Infrastructure Development	Mundra & Hazira, Gujarat Tiroda, Maharashtra, Chhindwara, Madhya Pradesh, Udupi, Karnataka, Vizhinjam, Kerala	662.50	662.04	-	2,807.95	Through Adani Foundation
24.	Promoting Rural Sport and mobilizing youth	Rural Sports	Mundra, Gujarat Udupi, Karnataka Vizhinjham, Kerela	65.00	62.72	-	176.47	
25.	Disaster Management – Flood relief work in Banaskantha	Disaster Management	Banaskantha, Gujarat	50.00	75.63	-	75.63	
26.	Environment Awareness and maintenance of Ecological balance through rally for rivers	Environment	Pan India	450.00	450.00	-	450.00	
27.	Support Olympics Athletes	Supporting Athletes	Gujarat	-	-	-	67.50	
	Total			**5,718.41**	**5,718.41**		**14,577.67**	

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report: Not applicable

7. CSR Committee Responsibility Statement:

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

Gautam S. Adani
Chairman and Managing Director
(DIN : 00006273)

Rajesh S. Adani
Chairman - CSR Committee
(DIN: 00006322)

Annexure to the Directors' Report

Management Discussion and Analysis

The discussion hereunder covers Company's performance and its business outlook for the future. This outlook is based on assessment of the current business environment and Government policies. The change in future economic and other developments are likely to cause variation in this outlook.

Economic Outlook:

Global economic activity gathered further momentum in 2017, both in advanced and emerging market economies. Global growth is estimated to have grown 3.7% in 2017. IMF estimates global growth at 3.9% for 2018 and 2019, revised up from October forecasts reflecting rising growth momentum and the expected impact of the recently approved US tax policy changes. Growth recovery also coincides with the return of trade drivers across the world (save the recent unwarranted trade wars posturing, most of which is still evolving for now and unlikely to have major impact). IMF estimates that global trade volume in goods and services will grow 4.7% in 2018. World Trade Organization also foresees return of trade as a driver in global growth.

The US economy continued to make growth strides, albeit ending CY2017 on a slightly weak note appeared to have bounced back in Q1CY2018, aided by a robust improvement in labour market with hiring around multi-month high and commensurate rise in consumer spending. Risks of reflationary policies remain in the US and so are an ahead-of-anticipated rate hike moves by the US Fed.

Euro area economic activity remained buoyant, even as consumer spending and factory activity slowed down due to the rising strength of the euro. However, the economic outlook is robust on account of a consistently falling unemployment rate and elevated consumer confidence.

Japan recovered in 2017, and registered eight straight quarters of growth till Q4FY2017 with rise in private consumption and fixed investment. China grew above the official target in 2017, driven by strong domestic consumption and robust exports. Downside growth risks in form of easing fixed asset investment and surging debt levels continue to threaten the stabilisation narrative.

Business cycle in India is now strongly in a trough to peak phase and will remain for at least 4-5 quarters before potential is hit. Growth outlook ahead remains even better on account of aggregation on account of reforms, formalization of the economy, aided by a low base. Successive sequential growth gains of more than 50bps over previous two quarters reflect tangibility of the turnaround and FY2018 should see headline growth of 7.5%.

Industry Structure:

Ports:

Indian Scenario:

In contrast to the world, India has not seen the noticeable recovery in cargo handling. In FY 2017-18, at an estimated 1182 MMT in FY 2017-18, this translates into a growth of 4.0% over 6.0% growth in FY 2016-17 on all India basis (includes coastal coal and transhipments). Overall volume growth for the Indian major port for FY 2017-18 came in at 4.8% YoY, which is below the 6.8% YoY for FY 2016-17 but higher than 4.3% YoY in FY 2015-16. Growth in non-major ports remained subdued compared to last 10 years growth trends in their annual cargo handling. In FY 2017-18, at pan India level containers, petroleum-oil-lubricants (POL) witnessed modest growth however iron ore, coal, and fertilizers volumes remains subdued.

Among major ports in FY 2017-18, Kandla Port handled maximum traffic (110 MMT), followed by the Paradip port (102 MMT). In terms of YoY growth in cargo handling at major ports, Cochin (17%), Paradip (15%) and Kolkata + Haldia (14%) has witnessed healthy growth, however three major ports witnessed contracted volumes namely Mormugao (-19%), VoC (-5%) and Mumbai (-1%).

At 122 MMT in FY 2017-18, Mundra port ranked number one in commercial cargo handled at all India level.

At Government level the launch of sagarmala has brought optimism and given a new focuses area-port-led development, although real impact will take some time to show, the steady progress on the port modernisation and the connectivity front is a positive sign. The amendments in the model concession agreement are expected to make port projects more investor friendly and make investment climate in the port sector more attractive. According to India Infrastructure report published in year 2018; there is a strong pipeline of 343 projects worth over ₹ 1,75,700 crore at Indian Port sector. Major and non-major ports have a pipeline of ₹ 1,30,200 crore and ₹ 45,600 crore worth projects respectively.

Performance Overview:

During the year under review the performance of your Company is encouraging. The Company has been leading across all the fronts and Mundra Port continues to be the largest commercial port in India by handling 122 MMT of cargo in FY 2017-18 and total cargo handled across all Adani Ports is 180 MMT.

Your Company maintained better than industry growth record and registered a 7% growth in cargo volumes in FY 2017-18 as compared to FY 2016-17. The Company would continue to lead innovative practices, adoption of technology and setting examples of efficient port operations.

Performance Highlights:

Your Company operates nine ports and terminals across the coastline of India. APSEZ facilities have a pan-India footprint with presence in 5 maritime states of India viz. Gujarat, Goa, Andhra Pradesh, Tamil Nadu and Odisha. One port / terminal is in project phase - Vizhinjam Port which is India's First Transhipment port is expected to be operational by 2020.

The nine ports and terminals consist of 48 berths spanning across 13,000+ metres of quay length and two single point moorings to facilitate the handling of Dry, Liquid, Crude oil, Containers, Ro-Ro and Project Cargo. Your Company's operational facilities are equipped with the latest cargo handling facilities which are not only best in class but capable of handling the largest vessels calling at Indian ports.

APSEZ formed a strategic collaboration with CMA Terminals (CMAT) - part of the France based CMA CGM group, owner of one of the world's leading Container Carriers and port operators. These two conglomerates operationalised the new container terminal named Adani CMA Mundra Terminal Private Limited (ACMTPL). This new container terminal, which is now operational has been commissioned three months ahead of schedule and will have an annual capacity of 1.3 million TEUs.

The Dhamra Port Company Limited (DPCL), a subsidiary of your Company inaugurated the Phase II expansion of Dhamra Port in Odisha. The phase II expansion of Dhamra Port will increase the Cargo handling capacity of the port to over 100 million tonne per annum.

With Governments initiatives of debottlenecking at all Ports with the launch of Direct Port Delivery (DPD), Adani Kattupalli Port Private Limited, a subsidiary of your Company, has increased its DPD from 31.38% to 45.53% placing itself in the forefront and also other container terminals have joined in doing the same.

Adani Logistics Limited (ALL), a subsidiary of your Company, is a major player in the container train business and operates a fleet 20+ rakes pan India. ALL has decided to increase its rake capacity and will be operating a fleet size of more than 25 rakes by the end of FY 2018-19.

ALL operates logistics parks at Patli, Kishangarh and Kila-Raipur. ALL also operate CFS / EXIM yards at Mundra, Hazira and Kattupalli. ALL shall be adding more facilities during the coming fiscal.

ALL operates 400,000 sq. ft. warehousing space across various locations in India and has plans to augment the warehousing capacity by 400,000 sq. ft. in 2018. ALL also extends trucking solution for first / last mile transport solution and domestic movements.

Shanti Sagar International Dredging Private Limited, a subsidiary of your Company has commenced operating the newly procured 'SHANTI SAGAR 17' & 'SHANTI SAGAR 18', a Trailing Suction Hopper Dredger, to its dredging fleet. Our dredging fleet stands at nineteen dredgers.

The Company also provides other services, including infrastructure, leasing and logistics services at the Mundra Port through its surrounding infrastructure, including the Mundra SEZ, which the Company has developed and operates. Mundra SEZ is one of the largest operating port based multi-product special economic zones in India.

Your Company's port services include marine, handling intra-port transport, storage, other value-added and evacuation services for a diverse range of customers, primarily terminal operators, shipping lines and agents, exporters, importers and other port users. This helps your Company to diversify its income sources, eliminate revenue leakage, reduce financial risk and compete more effectively. Consequently, your Company's cargo and service mix has a significant effect on its results of operations.

Your Company has built a diverse portfolio across all Ports and Terminals and every year we enhance our basket of commodities by handling new cargoes such as Gypsum, Clinker & Fertilizers etc. at various locations.

Special Economic Zone:

Your Company's Multi-product SEZ at Mundra is the largest notified SEZ in the country with notified area of 8,481.28 Hectares. Exports from Mundra SEZ upto March, 2018 was about ₹ 16,384.83 crore (cumulative). Mundra SEZ with its multi-modal connectivity including road, rail, sea port and airport is expected to attract more and more investments in the coming years.

As part of strategy for cluster based development, an Electronics Manufacturing Cluster (EMC) including solar energy equipment & its ancillary units is also being developed within the SEZ over an area of 259.70 Hectares.

In addition to the 16 co-developers approved by Government of India for providing various infrastructure facilities, as at March 31, 2018, total 42 entities have obtained approval for setting up of their units in the SEZ. Some of them have already started operations & export activities. Some are under construction. These units have already invested about ₹ 8,571 crore.

Competition:

Modernization and capacity addition at major ports of India has created competition to APSEZ ports in recent years. However deep draught berths, minimum pre-berthing delays and fast turnaround of vessels are the factors which make APSEZ stand out from its competitors. Other attributes like state-of-art port infrastructure facilities, domain expertise in the port services industry, specialized infrastructure constructed to handle specific commodities, established customer relationships, ability to facilitate port based development, consistent high-quality service and our ability to flexibly meet our customers' requirements including flexibility in tariffs support APSEZ to compete with state-run as well as private ports. To pave way for next round of growth, we would put thrust on comprehensive logistics services. A number of new ICDs, PFTs would be developed across the country; similarly number of rake fleet would be increased substantially in coming years. E2E logistics, trucking, 3PL, warehousing, cold storage and other similar facilities and services shall be offered to customers to enhance competitiveness of APSEZ.

Risk, Opportunity and Threats:

Overcapacities in container port infrastructure at Chennai port cluster which includes ports of Chennai, Kattupalli, Ennore and Krishnapatnam will likely develop stiff competition for common hinterland container cargo in a region. Commencement of operations at JNPT 4th Container Terminal along with de-bottlenecking of port gates may increase competitiveness of JNPT. On the front of cargo commodities, thermal coal imports are seeing an increase. However, in medium to long-term, import of thermal coal might witness a decreasing trend, given Government's focus on enhancing domestic production and availability of thermal coal. Connectivity and operational efficiency improvement at Major Ports is also likely to pose challenge to APSEZ ports and marketing efforts. APSEZ has a formal risk assessment and management system which periodically identifies risk areas, evaluates their consequences, initiates risk mitigation strategies and implements corrective actions where required. The Audit Committee reviews the report on risk management on quarterly basis and recommends corrective actions for implementation. The risk assessment developed at APSEZ as per OHSAS 18001 standards are reviewed regularly or as and when any change in system/ process takes place or any incident takes place. APSEZ has been making steady progress in addressing specific risks and threats through cargo diversification, strategic capacities at ports, long-term customer contracts, enhancement in operational efficiencies, cost optimization and provision of integrated logistics services.

At pan India level, new business opportunities are also being generated especially in gas (LPG+LNG) and handling transshipment volumes of containers. With increased vessel sizes/ULCCs, liners prefer ports with deep draft, longer quay, lengths, high mechanization and developed evacuation infrastructure attracts many customers to APSEZ port facilities as their first choice of call. Superior and reliable services, as well as deep long-term, relationships with the customers give an edge to APSEZ in the market. New opportunities in coastal shipping, inland waterways and dredging are opening up. APSEZ is keenly following these markets to leverage the same for future growth; in fact presently our many infrastructure projects are getting ready to capture value from such businesses at right time. For an integrated logistics business like APSEZ, there are ample opportunities to grow organically as well as inorganically in coming future.

Internal control systems and their adequacy:

The Company has put in place strong internal control systems and best in class processes commensurate with its size and scale of operations.

There is a well-established multidisciplinary Management Audit & Assurance Services (MA&AS) that consists of professionally qualified accountants, engineers and SAP experienced executives which carries out extensive audit throughout the year, across all functional areas and submits its reports to Management and Audit Committee about the compliance with internal controls and efficiency and effectiveness of operations and key processes risks.

Some Key Features of the Company's internal controls system are:

- Adequate documentation of Policies & Guidelines.
- Preparation & monitoring of Annual Budgets through monthly review for all operating & service functions.
- MA&AS department prepares Risk Based Internal Audit scope with the frequency of audit being decided by risk ratings of areas / functions. Risk based scope is discussed amongst MA&AS team, functional heads / process owners / CEO & CFO. The audit plan is formally reviewed and approved by Audit Committee of the Board.
- The entire internal audit processes are web enabled and managed on-line by Audit Management System.
- The Company has a strong compliance management system which runs on an online monitoring system.
- The Company has a well-defined delegation of power with authority limits for approving revenue & capex expenditure which is reviewed and suitably amended on an annual basis.
- The Company uses ERP system (SAP) to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information.
- Apart from having all policies, procedures and internal audit mechanism in place, Company periodically engages outside experts to carry out an independent review of the effectiveness of various business processes.
- Internal Audit is carried out in accordance with auditing standards to review design effectiveness of internal control system & procedures to manage risks, operation of monitoring control, compliance with relevant policies & procedure and recommend improvement in processes and procedure.

The Audit Committee of the Board of Directors regularly reviews execution of Audit Plan, the adequacy & effectiveness of internal audit systems, and monitors implementation of internal audit recommendations including those relating to strengthening of Company's risk management policies & systems.

Human Resource Development:

At Adani Ports and Special Economic Zone Ltd., people are our competitive advantage. It is our employees who create extraordinary results for our customers on continuous basis.

Growth and Speed are a way of life at APSEZ. Exponential Growth, expansion and exploring new territories have created a wide range of career opportunities, which not only fuel the passion for work of people but also meet their professional aspiration needs.

APSEZ provides an open and dynamic work environment where the organization believes in its people and also recognizes that its success and growth are driven by people. It is the competence and capability of our people that sets us apart from other players in industry and lends us the competitive edge on building tomorrow's enterprise, today.

We understand the strategic important of organizational and employee capability building in achieving vision and business result. Therefore all systems, processes and people practices are designed and executed at the best in class level to enhance organizational performance.

We pride ourselves of our people management processes that help us meet commitments consistently. We offer not just a job but a satisfying career and a workplace of the future. APSEZ is a young and vibrant company where the average workforce age is 36 years. We respect our people and value the strength of each and every employee.

Through acquiring the right talent, providing a motivating work environment, empowering employees to be pro-active encouraging informed risk taking, offering growth opportunities and developing future leaders, we have built a strong team culture.

At APSEZ, our people always come first, profits natural follow. We strive to be not merely another employer but an employer that empower its people to experience & celebrate success of businesses.

Consolidated Financial Performance of the Company:

Your Company has recorded total income to the tune of ₹ 12,333.89 crore during the financial year 2017-18 compared to ₹ 9,479.46 crore in the corresponding previous financial year.

Your Company generated earnings before interest, depreciation and tax (EBIDTA) of ₹ 7,145.41 crore during the financial year 2017-18 compared to ₹ 5,414.69 crore in the previous year (excluding foreign exchange gain/loss).

Profit before Tax for the financial year 2017-18 is ₹ 5,234.13 crore as compared to ₹ 4,178.87 crore in the previous year.

Net profit for the financial year 2017-18 is ₹ 3,689.95 crore as compared to ₹ 3,901.50 crore in the previous financial year. The PAT is lower on account of higher tax incidence.

Earnings per share stood at ₹ 17.74 on face value of ₹ 2 each.

Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and others may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied. Several factors that could significantly impact the Company's operations include economic conditions affecting demand, supply and price conditions in the domestic and overseas markets, changes in the Government regulations, tax laws and other statutes, climatic conditions and such incidental factors over which the Company does not have any direct control.

The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Annexure to the Directors' Report

Corporate Governance Report

1. Company's philosophy on code of governance

At Adani Group, Corporate Governance is about upholding the highest standards of integrity, transparency and accountability. Our governance standards are initiated by senior management which percolates down throughout the organization. We believe that retaining and enhancing stakeholder trust is essential for sustained corporate growth. We have engrained into our culture and into each associate the values of honesty and fairness. For us, adherence to Corporate Governance stems not only from the letter of law but also from our inherent belief in doing business the right way.

Courage, Trust and Commitment are the main tenets of our Corporate Governance Philosophy:

- **Courage:** we shall embrace new ideas and businesses.
- **Trust:** we shall believe in our employees and other stakeholders.
- **Commitment:** we shall stand by our promises and adhere to high standard of business.

The Company has complied with all the requirements stipulated under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") and the Companies Act, 2013 ("Act"), as applicable, with regard to Corporate Governance and listed below is the status with regard to same.

2. Board of Directors

At the helm of the Company's Corporate Governance practice is its Board. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations and societal expectations.

Composition of the Board:

The Company has a balanced Board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

The Board currently comprises of 8 (eight) Directors out of which 3 (three) Directors are Executive Directors, 1 (one) is Non-Executive, Non-Independent Director and remaining 4 (four) are Independent Directors. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the Listing Regulations and Section 149 of the Act. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

No Director is related to each other except Mr. Gautam S. Adani and Mr. Rajesh S. Adani, who are related to each other as brothers and Mr. Karan Adani who is son of Mr. Gautam S. Adani.

None of the Directors on the Company's Board is a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on March 31, 2018.

The composition of the Board is in conformity with the Regulation 17 of the Listing Regulations.

The composition of the Board of Directors and the number of Directorship and Committees positions held by them as on March 31, 2018 are as under:

Name, Designation & DIN of Director	Category of Directorship	No. of other Directorship held[1] (other than APSEZL)	Details of Committee[2] (other than APSEZL)	
			Chairman	Member
Mr. Gautam S. Adani, Chairman and Managing Director DIN: 00006273	Promoter & Executive	4	-	-
Mr. Rajesh S. Adani, Director DIN: 00006322	Promoter & Non-Executive	7	-	5
Dr. Malay Mahadevia, Whole-Time Director DIN: 00064110	Executive	5	-	1
Mr. Karan Adani, Whole-Time Director & CEO DIN: 03088095	Executive	8	-	-
Prof. G. Raghuram, Director DIN: 01099026	Independent & Non Executive	1	-	-
Mr. G. K. Pillai, Director DIN: 02340756	Independent & Non Executive	4	1	3
Mr. Sanjay Lalbhai, Director DIN: 00008329	Independent & Non Executive	6	1	1
Ms. Radhika Haribhakti, Director DIN: 02409519	Independent & Non Executive	5	-	5

[1]Excluding Private Limited Companies, which are not the subsidiaries of Public Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.
[2]Includes only Audit Committee and Stakeholders' Relationship Committee.

Board Meeting and Procedure:

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Board Meetings are governed by structured agenda. The required information as enumerated in Part-A of Schedule II to Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meeting. The agenda and the papers for consideration at the Board Meeting are circulated to the Directors in advance. Adequate information is circulated as part of the Board Papers and is also available at the Board Meeting to enable the Board to take decisions. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the Listing Regulations.

Detailed presentations are made at the Board / Committee meetings covering finance and operations of the Company, global business environment, all business areas of the Company including business opportunities, business strategy and the risk management practices before taking on record the quarterly / half yearly / annual financial results of the Company.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting by the Board / Committee.

The Act read with the relevant rules made thereunder, now facilitates the participation of a Director in Board/ Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/ Items which are not permitted to be transacted through video conferencing.

During the year under review, Board met five times on May 24, 2017, August 12, 2017, November 13, 2017, January 18, 2018 and March 13, 2018. The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum time gap between any two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The details of attendance of Directors at the Board Meetings and at the last Annual General Meeting are as under:

Name of Director	No. of Meetings		Attendance at last AGM
	Held during the tenure	Attended	
Mr. Gautam S. Adani	5	5	Yes
Mr. Rajesh S. Adani	5	3	Yes
Dr. Malay Mahadevia	5	5	Yes
Mr. Karan Adani[1]	4	4	Yes
Prof. G. Raghuram	5	5	No
Mr. G. K. Pillai	5	3	Yes
Mr. Sanjay Lalbhai	5	2	No
Ms. Radhika Haribhakti	5	4	No

[1]Appoitned as Director w.e.f May 24, 2017

Note on re-appointment of Director:

Dr. Malay Mahadevia, Whole Time Director is retiring at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The brief resume and other information required to be disclosed under this section is provided in the Notice convening the Annual General Meeting.

Code of Conduct:

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. The Code is available on the website of the Company www.adaniports.com. All Board Members and Senior Management Personnel have affirmed compliance of the Code of Conduct. A declaration signed by the Chief Executive Officer to this effect is attached to this report.

The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Act.

3. Committees of the Board

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

A) Audit Committee:

The Audit Committee of the Company was constituted on September 22, 2001 and subsequently reconstituted from time to time to comply with statutory requirement.

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

Terms of reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Listing Regulations and Section 177 of the Act. The brief terms of reference of Audit Committee are as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report

thereon before submission to the board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act;

b. Changes, if any, in accounting policies and practices and reasons for the same;

c. Major accounting entries involving estimates based on the exercise of judgment by management;

d. Significant adjustments made in the financial statements arising out of audit findings;

e. Compliance with listing and other legal requirements relating to financial statements;

f. Disclosure of any related party transactions;

g. Modified opinion(s) in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of Information by Audit Committee:

1. The management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions submitted by management;

3. Management letters / letters of internal control weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses; and

5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

Meeting, Attendance & Composition of the Audit Committee:

During the year under review, Audit Committee met five times on May 24, 2017, August 12, 2017, November 13, 2017, January 18, 2018 and March 13, 2018. The intervening gap between two meetings did not exceed one hundred and twenty days.

The Composition of the Audit Committee and details of attendance of the members at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. G. K. Pillai, Chairman[1]	Non-Executive & Independent Director	1	1
Prof. G. Raghuram, Member[2]	Non-Executive & Independent Director	5	5
Mr. Rajesh S. Adani, Member	Non-Executive & Non-Independent Director	5	3
Ms. Radhika Haribhakti, Member	Non-Executive & Independent Director	5	4
Mr. Sanjay Lalbhai, Member[3]	Non-Executive & Independent Director	1	1

[1]Appointed as Member & Chairman w.e.f February 22, 2018
[2]Chairman upto February 22, 2018
[3]Appoitned as Member w.e.f January 17, 2018 and ceased as Member w.e.f February 22, 2018

Ms. Dipti Shah, Company Secretary and Compliance Officer act as Secretary of the Committee.

The Chief Financial Officer, representatives of Statutory Auditors, Internal Audit and Finance & Accounts department are invited to the meetings of the Audit Committee.

Mr. Rajesh S. Adani, Member of the Audit Committee was present at the last Annual General Meeting to answer shareholder queries.

B) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company was constituted on September 3, 2005 and subsequently reconstituted from time to time to comply with statutory requirement.

Terms of reference:

The powers, role and terms of reference of Committee covers the areas as contemplated under the Listing Regulations and Section 178 of the Act. The brief terms of reference of Nomination and Remuneration Committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

2. Formulation of criteria for evaluation of Independent Directors and the Board.

3. Devising a policy on Board diversity.

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

5. To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s)/ Executive Director(s) based on their performance and defined assessment criteria.

6. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

Meeting, Attendance & Composition of the Nomination and Remuneration Committee:

During the year under review, Nomination and Remuneration Committee met two times on May 24, 2017 and August 12, 2017.

The composition of the Nomination and Remuneration Committee and details of attendance of the member at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held during the tenure	Attended
Prof. G. Raghuram, Chairman	Non-Executive & Independent Director	2	2
Mr. Rajesh S. Adani,Member	Non-Executive & Non-Independent Director	2	1
Ms. Radhika Haribhakti,Member	Non-Executive & Independent Director	2	2

Remuneration Policy:

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavours to attract, retain, develop and motivate the high-calibre executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

i) **Remuneration to Non-Executive Directors:**
The remuneration by way of commission to the non-executive directors is decided by the Board of Directors. The members at the Annual General Meeting held on August 11, 2015 approved the payment of remuneration by way of commission to the non-executive directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act for a period of 5 years commencing April 1, 2015. In addition to commission, non-executive directors are paid ₹ 20,000 as sitting fees and actual reimbursement of expenses incurred for attending each meeting of the Board and Committee.

The Company has also taken a Directors' & Officers' Liability Insurance Policy.

ii) **Performance Evaluation Criteria for Independent Directors:**
The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

iii) **Remuneration to Executive Directors:**
The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organisations. On the recommendation of the Nomination and Remuneration Committee, the remuneration paid/payable is approved by the Board of Directors and by the members in the General Meeting in terms of provisions applicable from time to time.

The Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its Committee.

Details of Remuneration:

i) **Non-Executive Directors:**
The details of sitting fees and commission paid to Non-Executive Directors during the financial year 2017-18 is as under:

(₹ in Lakhs)

Name	Commission	Sitting Fees	Total
Mr. Rajesh S. Adani	-	6.00	6.00
Prof. G. Raghuram	12.00	3.20	15.20
Mr. G. K. Pillai	12.00	0.80	12.80
Mr. Sanjay Lalbhai	-	0.60	0.60
Ms. Radhika Haribhakti	12.00	2.60	14.60

Other than sitting fees and commission paid to Non-Executive Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive Directors of the Company. The Company has not granted stock options to Non-Executive Directors.

ii) Executive Directors:

Details of remuneration paid/payable to Chairman & Managing Director and Whole Time Director during the financial year 2017-18 are as under:

(₹ in Lakhs)

Name	Salary	Perquisites, Allowances & other Benefits	Commission*	Total
Mr. Gautam S. Adani	180.00	-	100.00	280.00
Dr. Malay Mahadevia	184.75	925.52	-	1110.27
Mr. Karan Adani	150.00	-	-	150.00

*Payable in financial year 2018-19

iii) Details of shares of the Company held by Directors as on March 31, 2018 are as under:

Name	No. of shares held
Mr. Gautam S. Adani	1
Mr. Rajesh S. Adani	1

Except above, none of Directors of the Company holds equity shares of the Company in their individual capacity. The Company does not have any Employees' Stock Option Scheme and there is no separate provision for payment of Severance Fees.

C) Stakeholders' Relationship Committee:

The Stakeholders Relationship Committee of Directors was constituted on January 30, 2007 and subsequently reconstituted from time to time to comply with statutory requirement.

Terms of reference:

The brief terms of reference of Stakeholders Relationship Committee are as under:

1. To look into the redressal of shareholders and investors complaints like transfer of shares, non-receipt of Annual Report, non-receipt of declared dividend, revalidation of dividend warrant or refund order etc.

2. To consider and resolve the grievances of security holders of the company.

Meeting, Attendance & Composition of the Stakeholders' Relationship Committee:

During the year under review, Stakeholders Relationship Committee met four times on May 24, 2017, August 12, 2017, November 13, 2017 and January 18, 2018.

The composition of the Stakeholders Relationship Committee and details of attendance of the members at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Rajesh S. Adani, Chairman	Non-Executive & Non-Independent Director	4	3
Prof. G. Raghuram, Member	Non-Executive & Independent Director	4	4
Ms. Radhika Haribhakti, Member	Non-Executive & Independent Director	4	3

Ms. Dipti Shah, Company Secretary and Compliance Officer act as secretary of the Committee.

Details of complaints received and redressed during the year:

Opening Balance	During the year		Pending Complaints
	Received	Resolved	
Nil	13	12	1*

*The complaint was received on March 31, 2018 and the same was resolved on April 5, 2018

All complaints have been resolved to the satisfaction of shareholders.

D) Sustainability and Corporate Social Responsibility Committee:

The Sustainability and Corporate Social Responsibility Committee of the Company was constituted on May 15, 2014 and subsequently reconstituted from time to time to comply with statutory requirement.

Terms of reference:

1. To review from time to time Corporate Social Responsibility (CSR) policy in the light of emergent situation and statutory frame work;

2. To recommend the amount of investment to be made on CSR activities;

3. To monitor the implementation of CSR policy and review overall performance in CSR Programmes;

4. To review from time to time Sustainability policy in the global context and evolving statutory frame work such as BRR;

5. To review overall Sustainability performance and Sustainability Reporting of the Company;

6. To review from time to time different aspect of Sustainability Performance such as ethical governance, environmental stewardship, safety performance at sites, water and energy use etc.; and

7. The authority to decide on Disclosure on Management Approach in Sustainability Reporting and to steer Sustainability Performance is hereby delegated to CEO of the Company.

Meeting, Attendance & Composition of the Sustainability and Corporate Social Responsibility Committee:

During the year under review, Committee met two times on May 24, 2017 and August 11, 2017.

The composition of the Committee and details of the attendance of the members at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held	Attended
Mr. Rajesh S. Adani, Chairman	Non-Executive & Non-Independent Director	2	2
Dr. Malay Mahadevia, Member	Executive Director	2	2
Mr. Sanjay Lalbhai, Member	Non-Executive & Independent Director	2	-

CSR Policy:

The CSR Policy of the Company is available on the website of the Company at http://www.adaniports.com/sustainability/policies.

E) Risk Management Committee:

The Risk Management Committee of the Company was constituted on October 1, 2014 and subsequently reconstituted from time to time to comply with statutory requirement.

Terms of reference:

1. To review the Company's risk governance structure, risk assessment and minimization procedures and the guidelines, strategies and policies for risk mitigation on short term as well as long term basis.

2. To monitor and review the risk management plan of the Company.

3. To review the current and expected risk exposures of the organization, to ensure the same are identified, qualitatively and quantitatively evaluated, analysed and appropriately managed.

4. To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Meeting, Attendance & Composition of the Risk Management Committee:

During the year under review, Risk Management Committee met two times on May 24, 2017 and August 11, 2017.

The composition of the Committee and details of attendance of the members at the meetings held during the year are given below:

Name	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Rajesh S. Adani	Chairman	2	2
Mr. Sanjay Lalbhai	Member	2	-
Dr. Malay Mahadevia	Member	2	2
Capt. Unmesh Abhyankar	Member	2	2
Mr. B. Ravi[1]	Member	2	2
Mr. Deepak Maheshwari[2]	Member	-	-

[1]Ceased as member w.e.f February 12, 2018
[2]Appointed as member w.e.f May 3, 2018

F) Transfer Committee:

The Transfer Committee of the Company was constituted on September 25, 2000 and subsequently reconstituted from time to time to comply with statutory requirement.

Terms of reference:

1. To approve and register transfer and/or transmission of equity and preference shares and debentures.
2. To subdivide, consolidate and issue equity and preference share certificates and/or debenture certificate on behalf of the Company.
3. To affix or authorise fixation of common seal of the Company on the equity, preference share certificates and debenture certificate of the Company.
4. To issue duplicate equity and preference share certificates and debenture certificate.
5. To apply for dematerialization of the equity, preference shares and debentures.
6. To do all such acts, deeds or things as may be necessary or incidental to the exercise of above powers.

Meeting, Attendance & Composition of the Transfer Committee:

During the year under review, Transfer Committee met four times on July 27, 2017, October 9, 2017, November 18, 2017 and March 3, 2018.

The composition of the Transfer Committee and details of attendance of the members at the meetings held during the year are given below:

Name and designation	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Gautam S. Adani, Chairman	Executive Director	4	4
Mr. Rajesh S. Adani, Member	Non-Executive & Non-Independent Director	4	4
Dr. Malay Mahadevia, Member	Executive Director	4	4

4. Subsidiary Companies:

The Company does not have any material non-listed Indian subsidiary, and hence, the Company is not required to nominate an Independent Director of the Company on the Board of any subsidiary. The subsidiaries of the Company function with an adequately empowered Board of Directors and sufficient resources.

For more effective governance, the Company monitors performance of subsidiary companies, interalia, by following means:

1. Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
2. Minutes of unlisted subsidiary companies are placed before the Board of the Company regularly.
3. A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board of the Company at its meetings.

The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the Company at http://www.adaniports.com/investors/investor-download.

5. Whistle Blower Policy:

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded on the website of the Company at http://www.adaniports.com/investors/investordownload. During the year under review, there was no case of whistle blower.

6. General Body Meetings:

a) Annual General Meetings:

The date, time and location of the Annual General Meetings held during the preceding 3 years and special resolutions passed thereat are as follows:

Financial Year	Date	Location of Meeting	Time	No. of special resolutions passed
2014-15	11-08-2015	J. B. Auditorium, Ahmedabad Management Association, AMA Complex, Atira, Dr. Vikram Sarabhai Marg, Ahmedabad-380015.	9.30 a.m.	6
2015-16	09-08-2016	J. B. Auditorium, Ahmedabad Management Association, AMA Complex, Atira, Dr. Vikram Sarabhai Marg, Ahmedabad-380015.	10.30 a.m.	3
2016-17	09-08-2017	J. B. Auditorium, Ahmedabad Management Association, AMA Complex, Atira, Dr. Vikram Sarabhai Marg, Ahmedabad-380015.	9.30 a.m.	2

b) NCLT Convened Meeting of Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the Company:

In accordance with the final order dated May 18, 2017 passed by the Hon'ble National Company Law Tribunal Bench at Ahmedabad, the meetings of the Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the Company were convened on Tuesday, June 27, 2017 at 10.00 a.m., 11.00 a.m., 12:00 noon and 1:00 p.m. respectively at J.B. Auditorium, Ahmedabad Management Association, Dr. Vikram Sarabhai Marg, ATIRA, Ahmedabad-380015 for considering and approving the Scheme of Arrangement between Adani Ports and Special Economic Zone Limited and The Adani Harbour Services Private Limited and their respective shareholders and creditors under Sections 230-232 of the Act.

Subsequently, the Hon'ble National Company Law Tribunal had, vide its order dated August 18, 2017 sanctioned the Scheme of Arrangement.

c) Whether special resolutions were put through postal ballot last year, details of voting pattern:

No

d) Whether any resolutions are proposed to be conducted through postal ballot:

No Special Resolution requiring a postal ballot is being proposed at the ensuing Annual General Meeting of the Company.

e) Procedure for postal ballot:

Prescribed procedure for postal ballot as per the provisions contained in this behalf in the Act read with rules made there under as amended from time to time shall be complied with whenever necessary.

7. Means of Communication:

a) Financial Results:

The quarterly/half-yearly and annual results of the Company are normally published in the Indian Express (English) and Financial Express (a regional daily published from Gujarat). These results are not sent individually to the shareholders but are put on the website of the Company.

The Company's financial results, press release, official news and presentations to investors are displayed on the Company's web site www.adaniports.com.

b) Intimation to Stock Exchanges:

The Company also regularly intimates to the Stock Exchanges all price sensitive and other information which are material and relevant to the investors.

c) Earnings Calls and Presentations to Analysts:

At the end of each quarter, the Company organizes meetings / conference call with analysts and investors and the presentations made to analysts and transcripts of earnings calls are uploaded on the website thereafter.

Your Company has maintained consistent communication with investors at various forums organized by investment bankers and by organizing investors visit to the port and SEZ site.

8. General Shareholders Information:

a) Company Registration details:

The Company is registered in the State of Gujarat, India. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is L63090GJ1998PLC034182.

b) Annual General Meeting:

Day and Date	Time	Venue
Monday, August 6, 2018	9:30 am	J. B. Auditorium, Ahmedabad Management Association, AMA Complex, Atira, Dr. Vikram Sarabhai Marg, Ahmedabad-380015.

c) Registered Office:

"Adani House", Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009.

d) Financial Calendar for 2018-19:

Financial year is 1st April to 31st March and financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
Quarterly Results	
Quarter ending on June 30, 2018	Mid August, 2018
Quarter ending on September 30, 2018	Mid November, 2018
Quarter ending on December 31, 2018	Mid February, 2019
Annual Result of 2018-19	End May, 2019

e) Book closure date:

The Register of Members and Share Transfer Books of the Company will be closed from Monday, July 30, 2018 to Monday, August 6, 2018 (both days inclusive) for the purpose of entitlement of dividend and 19th Annual General Meeting.

f) Divined payment date:

Dividend, if declared, shall be paid to all the eligible shareholders on or after August 7, 2018.

g) Dividend Distribution Policy:

As per Regulation 43A of the Listing Regulations, the top 500 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Dividend Distribution Policy of the Company is available on the website of the Company at http://www.adaniports.com/investors/investor-download.

h) Listing on Stock Exchanges:

The Company's shares are listed on the following stock exchanges:

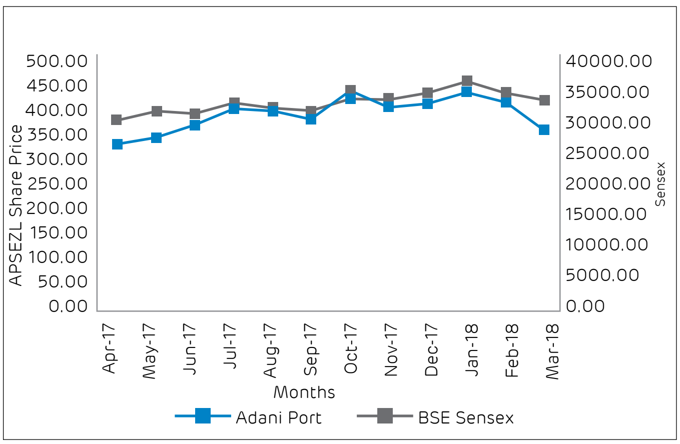
Name of Stock Exchange	Address	Code
BSE Limited (BSE)	Floor 25, P. J Towers, Dalal Street, Mumbai - 400001	532921
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051	ADANIPORTS

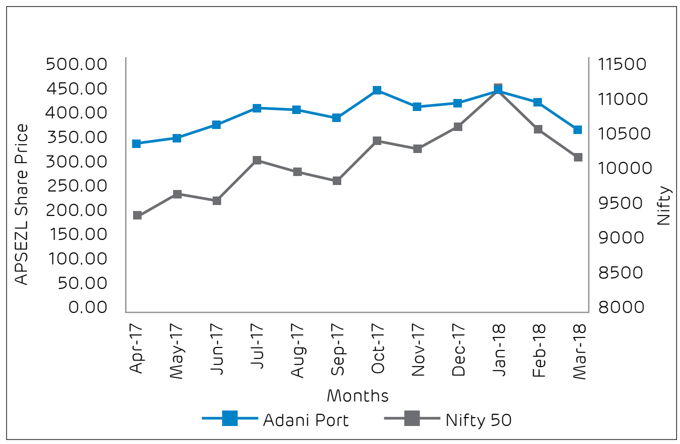
Annual listing fees for the year 2018-19 have been paid by the Company to BSE and NSE.

i) Market Price Data:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2017	358.00	318.10	359.25	317.60
May, 2017	361.60	324.45	362.55	323.90
June, 2017	377.75	338.45	377.70	337.60
July, 2017	398.40	360.00	398.45	359.50
August, 2017	421.60	361.00	421.50	369.65
September, 2017	414.30	364.00	414.70	363.70
October, 2017	438.45	375.65	439.00	375.10
November, 2017	443.35	392.00	443.30	395.00
December, 2017	414.35	374.30	414.50	374.05
January, 2018	451.55	394.50	452.35	395.00
February, 2018	432.90	387.40	433.00	387.00
March, 2018	413.30	350.20	413.75	350.45

j) Performance of the share price of the Company in comparison to BSE Sensex and NIFTY 50





k) Registrar & Transfer Agents:

Name & Address	:	Link Intime India Private Limited **Registered Office:** C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400083
Tel.	:	+91-22-4918 6270
Fax.	:	+91-22-4918 6060
E-mail	:	rnt.helpdesk@linkintime.co.in
Website	:	www.linkintime.co.in

l) Transfer to Investor Education and Protection Fund (IEPF):

In terms of the Section 125 of the Act, the amount that remained unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

During the year under review, the unclaimed dividend amount for the year 2009-10 (final) and 2010-11 (1st interim) was transferred to the IEPF established by the Central Government under applicable provisions of the Act.

In terms of Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016, the Company has transferred the shares in respect of which the dividend has not been claimed for a period of seven years or more for the final dividend declared in 2009-10 and 1st interim dividend declared in 2010-11 to the demat account of IEPF Authority.

m) Share Transfer System:

The Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. The share transfers received in physical form are processed through R & T Agent, within seven days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, issue of duplicate share certificate, dematerialization etc. to the Transfer Committee. All the physical transfers received are processed by the R & T Agent and are approved by the Transfer Committee well within the statutory period of one month. The Transfer Committee meets for approval of the transfer, transmission, issue of duplicate share certificate, dematerialization / rematerialization of shares etc. and all valid share transfers received during the year ended March 31, 2018 have been acted upon. The share certificates duly endorsed are returned immediately to the shareholders by the R & T Agent.

The Company obtained following certificate(s) from a Practising Company Secretary and submitted the same to the stock exchanges within stipulated time:

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the Listing Regulations for half year ended September 30, 2017 and March 31, 2018 respectively with the Stock Exchanges; and

2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agents of the Company at the address given above.

n) Shareholding as on March 31, 2018:

(a) Distribution of Shareholding as on March 31, 2018:

No. of shares	Equity Shares in each category		Number of shareholders	
	Total Shares	% of total	Holders	% of total
1-500	2,15,85,583	1.04	2,56,966	96.14
501-1000	37,44,219	0.18	5,040	1.89
1001-2000	31,44,538	0.15	2,168	0.81
2001-3000	20,29,230	0.10	796	0.30
3001-4000	12,02,356	0.06	343	0.13
4001-5000	12,43,862	0.06	268	0.10
5001-10000	37,26,580	0.18	533	0.20
10001 & above	2,03,42,75,393	98.23	1,160	0.43
Total	**2,07,09,51,761**	**100.00**	**2,67,274**	**100.00**

(b) Shareholding Pattern as on March 31, 2018:

Category	Total No. of Shares	% of holding
Promoter and Promoter Group	1,37,24,71,076	66.27
Foreign Institutional Investors / Portfolio Investor	37,86,85,141	18.29
Insurance Companies	19,57,05,645	9.45
Mutual Funds/Banks/Financial Institutions	5,08,47,018	2.46
NRI/Foreign Nationals	11,80,038	0.06
IEPF/Clearing Member	9,22,452	0.04
Bodies Corporate	1,75,18,251	0.85
Indian Public and others	5,36,22,140	2.58
Total	**2,07,09,51,761**	**100.00**

o) Dematerialization of Shares and Liquidity:

The Equity Shares of the Company are tradable in compulsory dematerialized segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The demat security (ISIN) code for the equity share is INE742F01042.

The equity shares of the Company representing 99.97% of the Company's share capital are dematerialized as on March 31, 2018.

The Company's shares are regularly traded on the 'BSE Limited' and 'National Stock Exchange of India Limited'.

p) Listing of Debt Securities:

The Secured Redeemable Non-Convertible Debentures issued on private placement basis by the Company are listed on the Wholesale Debt Market (WDM) of BSE Limited.

q) Debenture Trustees (for privately placed debentures):

i) IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg,
Ballard Estate, Mumbai - 400001
Phone No. +91-22-4080 7000
Fax: +91-22-6631 1776
E-mail ID: itsl@idbitrustee.com
Website: www.idbitrustee.com

ii) Axis Trustee Services Limited
Axis House, 2nd Floor "E", Unit No.C-2, Wadia International Centre, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400025
Phone No. +91-22-2425 5215
Fax: +91-22-4325 3000
E-mail ID: debenturetrustee@axistrustee.com
Website: www.axistrustee.com

r) Outstanding GDRs/ADRs/Warrants or any convertible instrument, conversion and likely impact on equity: Nil

s) Commodity Price Risk/Foreign Exchange Risk and Hedging:

In the ordinary course of business, the Company is exposed to risks resulting from exchange rate fluctuation and interest rate movements. It manages its exposure to these risks through derivative financial instruments. The Company's risk management activities are subject to the management, direction and control of Treasury Team of the Company 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 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.

t) Site location:

"Adani House", Navinal Island, Mundra - 370 421, Kutch, Gujarat.

u) Address for Correspondence:
Ms. Dipti Shah,
Company Secretary & Compliance Officer
"Adani House", Nr. Mithakhali Six Roads, Navrangpura,
Ahmedabad - 380009
Tel.: +91-79-2656 5555
Fax: +91-79-2656 5500
E-mail: investor.apsezl@adani.com

For transfer/dematerialization of shares, change of address of members and other queries.
Link Intime India Private Limited
C-101, 247 Park, L B S Marg, Vikhroli West,
Mumbai - 400083
Tel. : +91-22-4918 6270
Fax.: +91-22-4918 6060
E-mail : rnt.helpdesk@linkintime.co.in

v) Non-mandatory Requirements:

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

1. The Board:
Your Company has an Executive Chairman and hence, the need for implementing this non mandatory requirement does not arise.

2. Shareholders Right:
The quarterly, half-yearly and annual financial results of your Company are published in newspapers and posted on Company's website www.adaniports.com.

The same are also available on the sites of stock exchanges where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com.

3. Modified opinion(s) audit report:

The Company already has a regime of unqualified financial statements. Auditors have raised no qualification on the financial statements.

4. Separate posts of Chairperson and Chief Executive Officer:

Mr. Gautam S. Adani is a Chairman and Mr. Karan Adani is a CEO & WTD of the Company.

5. Reporting of Internal Auditor:

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

9. Disclosures:

a) There were no materially significant Related Party Transactions and pecuniary transactions that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial section of this Annual Report.

The Company has developed a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Company has developed a Related Party Transaction Policy which is uploaded on the website of the Company at http://www.adaniports.com/investors/investor-download

b) In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

c) The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

d) The Chief Executive Officer has furnished a Certificate to the Board for the year ended on March 31, 2018 in compliance with Regulation 17(8) of Listing Regulations.

The Chief Executive Officer and Chief Financial Officer have provided quarterly certificates on financial results (except 4th quarter) while placing the same before the Board pursuant to Regulation 33 of Listing Regulations.

e) The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

f) The Company has adopted Material Events Policy which is uploaded on the website of the Company at http://www.adaniports.com/investors/investor-download

g) Details of the familiarization programmes imparted to the independent directors are available on the website of the company at http://www.adaniports.com/investors/investor-download

h) With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

i) The company has put in place succession plan for appointment to the Board and to senior management.

j) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the Listing Regulations. It has obtained a certificate affirming the compliances from Practising Company Secretary, CS Ashwin Shah and the same is attached to this Report.

k) The Company complies with all applicable secretarial standards.

l) As required under Regulation 36(3) of the Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given in the Annexure to the Notice of the 19th AGM to be held on August 6, 2018.

Declaration

I, Karan Adani, Whole Time Director & CEO of Adani Ports and Special Economic Zone Limited hereby declare that as of March 31, 2018, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for Board of Directors and Senior Management Personnel laid down by the Company.

For and on behalf of the Board of Directors

Place : Ahmedabad
Date : May 3, 2018

Karan Adani
Whole Time Director & CEO

Certificate on Corporate Governance

To,
The Members of
Adani Ports and Special Economic Zone Limited

We have examined the compliance of Corporate Governance by Adani Ports and Special Economic Zone Limited ("the Company") for the year ended on March 31, 2018 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Ahmedabad
Date : May 3, 2018

CS Ashwin Shah
Company Secretary
C. P. No. 1640

Chief Executive Officer Certification

The Board of Directors
Adani Ports and Special Economic Zone Limited

I, Karan Adani, Whole Time Director & CEO of Adani Ports and Special Economic Zone Limited ("the Company"), to the best of my knowledge and belief, hereby certify that;

a) We have reviewed the financial statements and the cash flow statements of the Company for the year ended March 31, 2018 and:

  i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are no transactions entered into by the Company during the year ended March 31, 2018, which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company and we have:

  i) designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

  ii) designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements of external purpose in accordance with Indian Accounting Standards (Ind AS);

  iii) evaluated the effectiveness of the Company's disclosure, controls and procedure;

  iv) disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected or is reasonable likely to materially affect, the Company's internal control over financial reporting.

d) We have indicated to the Auditors and the Audit Committee, wherever applicable:

  i) significant changes, if any, in internal control over financial reporting during the year;

  ii) all significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements;

  iii) there have been no instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Ahmedabad
Date : May 3, 2018

Karan Adani
Whole Time Director & CEO

Business Responsibility Report

Section A: General Information about the Company

1	**Corporate Identity Number (CIN)**	:	L63090GJ1998PLC034182
2.	**Name of the Company**	:	Adani Ports and Special Economic Zone Limited
3.	**Registered Address**	:	"Adani House", Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad - 380009 Gujarat, India
4.	**Website**	:	www.adaniports.com
5.	**Email id**	:	investor.apsezl@adani.com
6.	**Financial year reported**	:	April 1, 2017 to March 31, 2018
7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	:	
	Service category (ITC 4 digit) code		9967
	Service category (ITC 8 digit) code		99675111
	Description of service category		Port Services

As per National Industrial Classification - Ministry of Statistics and Programme Implementation.

8. List three key products that the Company manufactures/provides (as in balance sheet).

The company is in the business of development, operations and maintenance of port infrastructure facilities and linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to Mundra Port.

9. Total number of locations where business activity is undertaken by the Company.

The Company's main business activity is undertaken at Mundra Port (in Kutch, Gujarat).

Adani Ports and Special Economic Zone Limited operates a dry bulk terminal at the ports of Dahej & Kandla in Gujarat and at port of Dhamra in east coast; a bulk and container handling terminal at the port of Hazira, Gujarat; coal handling terminals at the ports of Mormugao, Goa and Visakhapatnam, Andhra Pradesh; and a container terminal at the ports of Ennore & Kattupalli, Tamil Nadu. The Company is developing a container terminal at the port of Vizhinjam, Kerala.

10. Markets served by the Company: State, National, International

Section B: Financial Details of the Company

1. Paid up capital (INR) : ₹ 417.00 crore
2. Total turnover (INR) : ₹ 8,141.14 crore
3. Total profit after tax (INR) : ₹ 2,408.10 crore

4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax.

The Company has spent ₹ 57.18 crore on CSR activities. This amount is more than 2% of average profit for the three previous years with respect to standalone financial statements.

5. List of activities in which expenditure in 4 above has been incurred.

The major activities in which CSR was undertaken are primary education, community health, sustainable livelihood development and rural infrastructure development. Please refer page 68 to 70 for detail activities carried out for CSR.

Section C: Other Details

1. Does the Company have any subsidiary company / companies?

Yes, the Company has 28 subsidiary companies (including step-down subsidiaries) as on March 31, 2018.

2. Do the subsidiary Company / companies participate in the Business Responsibility (BR) initiatives of the parent Company?

Business Responsibility initiatives of the parent Company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.

3. Do any other entity / entities that the Company does business with participate in the BR initiatives of the Company?

No other entity / entities participate in the BR initiatives of the Company.

Section D: BR Information

1. Details of Director / Directors responsible for BR:

a) Details of the Director / Directors responsible for implementation of the BR policy/ policies:

DIN Number : 00064110
Name : Dr. Malay Mahadevia
Designation : Whole Time Director

b) Details of the BR head:

DIN Number (if applicable):
Name: Capt. Unmesh Abhyankar
Designation: Joint President - CEO office
Telephone Number: 079 – 25555185
Email id: unmesh.abhyankar@adani.com

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y/N):

Sr. No.	Questions	Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify?	The policies reflect the intent of the United Nations Global Compact, GRI guidelines and international standards such as ISO 14001, OHSAS 18001 and NVG Guidelines issued by Ministry of Corporate Affairs, Government of India.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director?	Y	-	-	Y	-	-	-	-	-
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.adaniports.com/sustainability/policies								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders. The communication is an ongoing process to cover all internal and external stakeholders.								
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

2a. If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options):

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principle	Not Applicable								
2	The Company is not at stage where it finds itself in a position to formulate and implement the policies on specified principle									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next six month									
5	It is planned to be done within next one year									
6	Any other reason (please specify)									

3. Governance related to BR:

(i) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year.

The Company's Business Responsibility performance is assessed annually.

(ii) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The company publishes Business Responsibility Report and Sustainability Report annually and the same is available on http://www.adaniports.com.

Section E: Principle-wise Performance

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group /Joint Ventures /Suppliers / Contractors /NGOs / Others?**

   The Company has adopted Code of Conduct for its Directors, Senior Management and all employees of Adani Group Companies. It does not extend to other entities.

   Senior management and the Directors of the Company have to adhere to the Code of Conduct, constituted with an objective to promote ethics and transparency in the conduct of its operations.

   Policies including whistle blower are applicable to each employee working with the organization.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   Stakeholder's Relationship Committee received 13 complaints related to shareholders like non-receipt of Annual Report, non-receipt of declared dividend, revalidation of dividend warrant or refund order etc. All complaints were satisfactorily resolved. Please refer page 81 of Annual Report.

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   The Company is in the port and infrastructure development sector which provides services for cargo handling & logistic, operations & maintenance of port sector. The Company has incorporated social and environmental concerns for infrastructure development to logistic services. A number of sustainability initiatives were taken during the FY 2017-18 enhancing our operational, environmental and safety performance. Please refer page 49, 50, 66 and 67 of Annual Report.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (optional).**

   I. Reduction during sourcing / production / distribution achieved since the previous year through the value chain:

      The Company is taking various energy reduction initiatives year on year and achieving the energy reductions through its sustainable initiatives as mentioned.

   II. Reduction during usage by consumers (energy, water) achieved since the previous year?

      The Company has retrofitted its high mast lighting fixture continuing the energy reduction drive. During the FY 2017-18, the company has replaced total 204 conventional lighting fixtures with LED lighting fixtures and achieving 50% energy reduction compared to the conventional energy consumption.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   Yes, the Company is practicing the sustainable sourcing for its operations. The mechanized conveyors for coal transportation, procuring E-RTG cranes are the examples of sustainable sourcing.

4. **Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**

   The Company encourages procurement of goods from local vendors, thereby creating direct and indirect economic impact in the surrounding region. Additionally, the Company also procures various services (civil work, man power supply, maintenance work etc) from local contractors, which has led to creation of employment opportunities and skill development of the local population.

   The Company follows a systematic process of vendor relationship management. The Company has initiated various programmes to transfer skills and knowledge to its supply chain. It has conducted annual vendor meet "Pratistha" to encourage them and build strong relationship.

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? If yes, what is the percentage of recycling of products and waste (Separately as < 5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   The Company complies with all applicable regulatory requirements pertaining to waste disposal as prescribed by the regulatory agencies. The Company is providing cargo handling logistic services which generates nonhazardous and hazardous wastes. The Company is disposing its waste in environmental friendly manner through CPCB / SPCB registered CHWIF/ TSDF or authorised recyclers. During the FY 2017-18, the Company has disposed total 5,617.30 MT waste (hazardous – 278.85 MT and nonhazardous – 5,338.50 MT) following 5R principles under the ZERO WASTE initiative. 80.04% recycled, 16.58% reprocessed, 2.55% recovered, 0.66% reused and 0.17% incinerated.

   No waste was disposed at landfill site.

Principle 3: Business should promote the well-being of all employees.

1. **Please indicate total number of employees.**
   The Company has a total of 1,210 employees as on March 31, 2018.

2. **Please indicate total number of employees hired on temporary/contractual/casual basis.**
   The Company has a total of 1,056 employees hired on contractual basis as on March 31, 2018.

3. **Please indicate the number of permanent women employees.**
   The Company has 9 women employees as on March 31, 2018.

4. **Please indicate the number of permanent employees with disabilities.**

   The Company has one permanent employee with disabilities as on March 31, 2018.

5. **Do you have an employee association that is recognized by the Management?**
   The Company does not have an employee association recognized by the Management.

6. **What percentage of permanent employees who are members of this recognized employee association?**
   Not applicable.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and those pending as on the end of the financial year.**
   There were no complaints of this nature during the financial year.

8. **What percentage of under mentioned employees were given safety and skill up-gradation training in the last year? (Permanent employees, permanent women employees, causal / subcontracted employees, employees with disabilities).**
   Employee training and skills development is an integral aspect of the Company's human resources strategy. The Company's training programs extend to all permanent and contractual employees, which are rolled out as per the annual training calendar and individual employee training needs, covering a significant percentage of employees. All contractual employees are given mandatory safety training on induction as well as on the job skills related training through the contractors and the Company.

Principle 4: Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. **Has the company mapped its internal and external stakeholders?**
   Yes, the Company has mapped its stakeholders and has a systematic stakeholder engagement process.

2. **Out of the above, has the company identified the disadvantaged, vulnerable and marginalized stakeholders?**
   The Company has identified disadvantaged, vulnerable & marginalized stakeholders. APSEZ through Adani Foundation works for the development of the said stakeholder group.

3. **Special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders:**
   The Company as a business entity firmly believes and endorses notions of sustainable community development,

especially for the vulnerable and marginalized sections. Across its business locations, it strives to create an environment of coexistence where there is an equitable sharing of resources followed by sustained growth and development. The Company has been promoting CSR activities in its operational areas through the Adani Foundation. With conscious efforts, the Company has been strategically supporting a number of initiatives run by the Foundation under the areas of education, community health, sustainable livelihood development and rural infrastructure development. The following Adani Foundation initiatives have been supported by the Company at various locations.

Education:

The Foundation believes that education is the stepping stone to improve the quality of life, especially for the needy and the most vulnerable. The main objective behind the educational initiatives is to provide 'quality' education with a unique learning experience to young minds. With an objective to provide the quality education to the children and youth of the region, the Company has contributed substantial amount of resources in its education programs.

Adani Vidya Mandir, schools are providing completely cost-free quality education to 2,100 meritorious students from economically weaker section of the society and are operational in Ahmedabad, Bhadreshwar (Gujarat) and Surguja (Chhattisgarh). The first Adani Vidya Mandir was commissioned in 2008 in Ahmedabad, with the objective of providing economically deprived children with free quality education. The students are provided with free of cost transportation, uniform, textbooks, notebooks and meals. A number of community-based programs and activities are organized, which, coupled with a value-based curriculum, help students acquire academic capabilities while remaining rooted to their family structure and community values.

Adani Vidya Mandir (AVM), Bhadreshwar, a GSEB affiliated school, is empowering 387 meritorious students with primary education out of which 137 students belong to fisher-folk communities.

The Foundation commissioned Adani Vidya Mandir at Surguja (Chhattisgarh) in 2013 to address the educational needs of children of project site workers. Presently 561 students are enrolled and studying in this school.

The direct impact of AVM initiative is on parents, siblings and students. The indirect impact is on the neighbors and their children. Parents feel proud because their children are studying in one of the best schools, getting quality education and have ample opportunities to grow in career. The behavioral skills of most of the children are substantially improved and there is a gradual improvement in subjects like math and science. Siblings and neighbor's children are getting inspired by AVM students and want to be like them in terms of personality, behavior and spoken English. Long-term impact is seen in students who have graduated from AVM. Besides curricular, co-curricular and extra-curricular activities, the school provided additional coaching for the students taking the Board examinations.

Adani Public School at Mundra, Gujarat, offers excellent subsidised education to 1,613 students of the nearby areas. It is an English medium, CBSE affiliated, co-educational school that offers science and commerce streams. It also lays special emphasis on regular coaching, by expert faculty, to students aspiring to appear in competitive examinations. It has a well-balanced combination of curricular and extra-curricular activities to ensure the holistic development of the students.

Adani DAV Public School provides subsidized quality education to 389 students from the nearby communities of Bhadrak district of Odisha. The school's G+2 building has a built-up area of 3,501 m2 spread across a campus of more than 5 acres. It is equipped with 16 modern classrooms, two libraries, science and computer labs, an audiovisual room as well as facilities to promote sports and creative activities. This international standard school is run by the Adani Foundation in collaboration with the DAV College Trust.

Adani Foundation has signed a MoU with Kalinga Institute of Social Sciences (KISS) with an objective to provide financial assistance to establish and operate a composite residential school for Tribal Students at Baria Pada district of Odisha. The institute is spread across a total area of 15.94 acres.

Under Shala Prashotsav, to motivate children to enrol for education, Adani Foundation provided welcome kit/ education kit to 2,500 newly enrolled students in 111 Government Primary Schools from 62 villages of Mundra taluka, 3 villages in Anjar taluka and 2 villages in Mandavi.

More than 85 students were benefitted by special coaching provided by Adani Education Development Centre. Under this program special coaching is provided to academically weak children from the government schools that belong to underprivileged section of the region.

In its bid to provide the required infrastructure and material support in the government schools, Adani Foundation this year has provided green board support at Tuna, taluka Shala - Mundra, Lalji Sumar School – Mundra. Teacher's table support was provided at Mota Bhadiya Vadi School number 2 & 3. Some other interventions includes fan installation at Shekhadiya, science equipment provision at Luni High School, Girls sanitation provision at Sadau Primary School and water tank renovation at Shekhadiya and Mahesh Nagar School.

The Company through Adani Foundation has distributed quality education kits to 6,656 students of 77 schools involving branded slates, note books, bags, geometry boxes, umbrellas to the students studying in Kannada Medium Government & Government aided schools in Udupi district of Karnataka. This initiation has resulted in increase of the strength of students in Government Schools. The Foundation has supported 1,241 meritorious students from financially weaker sections to motivate them to take-up the higher education. The minimum amount of scholarship paid was ₹ 1,100 and maximum was ₹ 10,000, depending on the course, discipline, branch and percentage of marks secured by the students in the academic year 2016-17. In Kattupalli - Tamil Nadu, educational kits were provided to 270 needy students of 5 schools of the region.

The Gyan Jyoti programme was initiated in Tiroda-Maharashtra, last year under which we provided e-learning kits to all the Government schools. The software is plug_ and_play model, consisting of education materials like rhymes, colours, numbers, alphabets and short stories etc. This year the programme was covered in a total of 31 Anganwadis and 1 Government school which was left out last year. This programme evoked very good response with total of 1,900 students benefitting this year from this activity. Special coaching was provided to 41 students for Navodaya entrance exams and 133 students are attending 'Champion Square' - special coaching for upper primary schools to improve in subjects like mathematics and english.

Project Udaan, an inspirational exposure tour has benefitted 37,057 students and teachers from 586 schools and colleges from Gujarat and Maharashtra this year. From inception till date, more than 2.5 lakh students have visited our business locations across India. The Company supported project Udaan at Mundra & Tiroda location. Under the project Udaan, a tour is facilitated by Adani Foundation for school and college students for Government schools, with an objective to acquaint the students with the port, Wilmar and Power business operation activities. These visits help students to understand the functioning of these businesses and specifically the role of ports in trade and economic growth of the country. The visits are aimed to facilitate young minds to get inspired so that they could become entrepreneurs, innovators and achievers of tomorrow.

Community Health:

The major objective behind the health initiatives of the Foundation is to provide "affordable and accessible health care to all". Adani Foundation runs Mobile Health Care Units, Rural Clinics and various health camps facilitated across its region of operation to reach healthcare facilities to the rural populace.

The Foundation has started 2 Mobile Healthcare Units & 13 rural clinics in Mundra - Gujarat. This Mobile Health Care Units (MHCU) are covering 33 villages and 7 fishermen settlements at Mundra and Bitta in Gujarat and have provided treatment to around 30,000 people this year. Besides Mundra, 3 MHCU's are operational in Tiroda in Maharashtra and Udupi in Karnataka. These MHCU's are reaching out to 45 villages of Tiroda and 12 villages of Udupi. A total of around 1,06,135 patients received treatments from these mobile units this year.

Adani Foundation run Rural Clinics are catering to health needs of around 28,400 patients annually, at a token amount of ₹ 10 per visit at Mundra. The Foundation has also facilitated 69 health camps, treating a total of 18,270 patients in the villages of Mundra and Tiroda area.

Adani Foundation provides primary health care and financial assistance for patients from economically underprivileged members of the communities. Financial assistance was provided to 630 poor patients in Mundra, Tiroda and Udupi for ailments such as kidney related problems, paralysis, cancerous and tumor surgeries, neurological and heart problems, blood pressure, diabetes etc. Awareness camps conducted in schools of Mundra was attended by more than 1,500 students this year.

Senior Citizen Health Card Scheme is a unique health initiative of Adani Foundation. The scheme primarily focuses on the rural senior citizens with a quest to support them with necessary health based assistance and is currently spread across 66 villages in Kutch district; with a total number of beneficiaries as 8,518 senior citizens. Around 10,000 treatment transections were conducted under this scheme this year.

Adani Aarogya Card, a tailor made health insurance policy was provided to community members with an objective to facilitate the card holders to avail cashless medical treatment during the time of illness. Adani Aarogya Cards were issued to 2,341 families, covering 9,483 villagers of Mudarangadi and Yellur in Udupi – Karnataka. The Adani Aarogya Card enables the villagers of all the age groups to avail cashless medical treatment for ₹ 50,000 per family.

Gujarat Adani Institute of Medical Sciences (GAIMS) is a unique Public Private Partnership between Adani Education and Research Foundation and the Government of Gujarat initiated in 2009. This year facility of generating solar power in the tune of 450 Kwp was initiated at GAIMS. This solarisation of the institute will ensure that the institute runs on green/renewable energy and gets an uninterrupted electricity supply.

Adani Foundation through GAIMS – GK General Hospital provided health care services to more than 290 villages of Kutch district. The services were also extended for school student's health check-ups in around 50 schools benefitting more than 16,300 students this year. Dignity to Death is another humane initiative which provides service of transporting dead body of people to their native villages from GK General Hospital - Bhuj. More than 625 families were helped to take their deceased family members back home.

Sustainable Livelihood Development:
Livelihood is one of the major components that the Foundation has been working towards empowering the community members by augmenting livelihood opportunities with income generating initiatives and honing their skills by providing community members with necessary trainings for enhancing employability and entrepreneurial abilities.

Adani Skill Development Centre (ASDC), a section-8 not for Profit Company is an initiative of Adani Foundation. The aim of ASDC is to bridge the skill demand and supply gap by skilling the youth of our nation. Registered in May' 2016, ASDC is working towards making 3,00,000 Indian youth skilled for employability and entrepreneurship by 2022. ASDC has started its own Skill Development Centres across Nation in line with Government's Skill India Mission and as per the strongest PMKVY/DDU-GKY guidelines. 15 such ASDC centres have become operational in Gujarat, Maharashtra, Chhattisgarh, Odisha and Kerala. 16 Skill Development Centres in partnership model have been made operational across Madhya Pradesh. 34 Government and 11 ASDC customised courses, which have been approved by the government, are offered to the students. ASDC is the first skill development centre to offer simulator based crane operator course, 3 D printing course and welding training through augmented reality based simulator to the youth. With a total capacity to train 20,000 candidates per annum, ASDC has already trained around 9,200 candidates, with over 70% of placement ratio.

Several community based Livelihood programs are conducted by Adani Foundation to enhance their income and making them self-reliant. Working with economically deprived section of the community our endeavour is to provide them with sustainable livelihood opportunities.

The 'Ajivika Uparjan Yojana' was implemented to promote and support alternative livelihoods among the fisher folk communities during the non-fishing months. The Foundation introduced 'Mangrove Nursery Development and Plantation' in the area as an alternate income generating activity for the people of the region. Both men and women received training on Mangrove plantation, moss cleaning, etc. as per requirements. The Foundation provided them with employment equivalent to 4,526 man-days. In addition to this, employment worth of 29,526 man-days has been provided till date. The Foundation has also supported Pagadiya fishermen with employment by providing them work related to painting.

Adani Foundation in collaboration with Krishi Vigyan Kendra (KVK) has carried out remarkable activities in the agricultural and animal husbandry sectors benefitting 105 farmers from 5 villages. These activities include biogas, fodder plot development, organic farming and marketing linkages for date palm.

To encourage women, to become self-reliant group of 90 women were provided training for preparing washing powder, phenyl, liquid for cleaning utensils and hand wash etc. "Saheli Mahila Gruh Udyod" was launched as a platform to market the products manufactured by these women. Some of these women were also trained on the basics of accounting, marketing, banking, leadership and other soft skills required to run their business successfully. This group of women had a turnover of around ₹ 8,00,000 this year.

To ensure that Widow and Senior Citizen Scheme of the government reaches the needy, Adani Foundation helped coordinate their cases with Government and ensured benefit reach 71 widows, 47 Senior citizens and 733 handicapped people. A total of 853 members got benefitted. Under the scheme Senior citizens started getting ₹ 400 per month and the widows get ₹ 900 per month.

With the objective of promoting organic farming using the System of Rice Intensification (SRI) method, Adani Foundation, in cooperation with respective Block Agriculture Departments, conducted various training programmes for the farmers this year. These farmers have been introduced to various innovative and cost-saving practices in farm cultivation, techniques of low water usage & labour-intensive organic method of reaping the crop. This project has been successfully implemented in 4,381 acres of land by 2,066 farmers of Tirora in Maharashtra. As a result to this initiative, farmers today are saving on cultivation and getting more prices for their production. There is clear increase in agricultural production by 50% and reducing farming costs by 35%.

Rural Infrastructure Development:
Our Rural Infrastructure Development programs help communities by providing an enabling infrastructure for better life and growth. All our infrastructure development initiatives are well designed planned and built for the betterment of education, community health, agriculture and living standards for the communities.

In Mundra, people normally use ground water for drinking purposes. The water has a high level of TDS which causes bone and kidney diseases amongst the residents of the region. To address this issue, the Adani Foundation has taken various initiatives for water conservation which includes construction of check dams and pond deepening. This year at Mundra in Gujarat, Adani Foundation carried out pond deepening in Bhujpur and Mota Bhadiya Village and canal repairing work across the river at Zarpara village. We also repaired check dam at Kandagara to rejuvenate the same. 3,278 cm sand was excavated during 2017-18, which increased the capacity of ponds substantially. Desilting of existing waterbodies is conducted regularly to maintain the storage capacity thereby improving the ground water condition and a healthy water table. Agriculture yield had improved due to availability of irrigation water in the region.

This year in Tirora – Maharashtra, 21 ponds were deepened and 19 streams were cleaned, which has increased storage capacity of 2,72,795 cm of water in the region. This will directly benefit 962 farmers through increase in water level of 307 wells, 148 bore wells and irrigation for 2886 acres farm land during lean period. The dugged fertile soil was utilised in 124 acres of farm land. One community RO unit and 12 hand pumps were installed to ensure availability of potable and safe drinking water to villagers of the region. 5 community RO's were also installed in 5 villages – Yellur, Mudarangadi, Tenka (R&R colony), Bada and Belapu of Udupi in Karnataka. These RO plants have a capacity of purifying 1,000 litres of water per hour and storage capacity of 5,000 litres of purified water per unit. Villagers are provided with free water cans of 12 litre capacity to enable them to carry this potable drinking water. The objective of this programme is to reduce water borne disease in the region. With these installed RO plants the foundation encourages the community to gradually handle the day–to-day operation and maintenance to inculcate ownership. A total population of 4,792 is getting benefit out of safe potable drinking water. 3 classrooms were constructed in three village schools which will directly benefit 406 students enrolled. To promote sanitation and hygiene magic pits were installed in 2 villages as a pilot project and toilet blocks were constructed in three schools.

Demonstration of conversion of non used bore well into Artificial Recharge Bore well has been implemented at farm level with 06 farmers of Jharpara village of Mundra, Gujarat. 46 farm areas with catchment of 8 sqkm and 50 acres were covered. Each bore well that was found defunct, is being recharged by diverting rainwater and recharging aquifer. This will eventually lead to improvement of ground water and will also ensure secure crop production. Advocacy workshops were conducted at block level to share experiences of various partners including farmers, village committees, CSR foundations, researchers, Bhujal Jankars and local experts. In the last year, such workshops were attended by 107 participants from 29 villages including 10 village partners of our project areas, three CSR foundations, KVK, five organizations, four main media i.e. Kachchh Mitra, Divya Bhaskar, Maa News, all India radio and eminent citizens of Mundra town.

To improve the quality of education and provide enabling learning environment in schools, the Adani Foundation supports for infrastructure development on request basis. Adani Foundation carries out the construction of assembly hall, classrooms, computer labs, space for midday meal, playground, school walls, washrooms etc. as per the needs and preferences of the schools. The education infrastructure is aimed towards providing better facilities in education sector to the present generation. Prayer Shed was also constructed at Govt Primary School at Ragha and Bhadreshwar and grill work done in Kumar Shala Zarpara.

Adani Foundation this year has constructed and provided basic sanitation facility around 18 in numbers, covering Balvadi, medical center and retiring places at labour settlements near Adani Wilmar Ltd. These facilities have been provided to them to ensure healthy, secure and hygienic conditions for them. 50 platforms were constructed for resting of drivers along with facilities for drinking water, sanitation, LCD for their recreational purposes and canteen facility.

Various infrastructure development activities were carried out in Vizhinjam for the benefit of communities. A new two storied building is being constructed for Harbour area LP school, the oldest school in Vizhinjam, having strength of 460 students. A two storied building is also being constructed for Govt. Upper Primary School, Mulloor. This school has strength of 140 students. The demolition work has already been completed and construction for a 10 classroom building is underway. The Foundation also upgraded the playground of St. Mary's Higher Secondary school, Kottapuram. This 110 m X 150 m ground has the facilities for football, cricket, volleyball etc. One floor of the building of Community Health Center at Vizhinjam is being constructed by the Foundation. Other sanitation works include construction of public toilet, bathing space, drainage work, cleaning of public well, etc.

Swachhagraha, inspired by the Satyagraha Movement, is a project dedicated towards creating a culture of cleanliness by bringing about a behavioural change and promoting anti-littering attitude among the masses. Each month this movement spreads the message of cleanliness to more than 70,000 people. Swachhagraha activity books for school projects have been published and made available in 11 Indian languages for this programme.

After successfully carrying out the programme in 650 schools of Gujarat in 206-17, Swachhagraha has now been implemented in 40 cities across 17 states of India in FY 2017-18. After successful implementation in schools, the programme has now been extended to colleges to include the youth of the nation in this noble initiative. The project has gained momentum with over 86,000 active followers on Facebook and an online user engagement of 15,00,000. 55,000 young Swachhagrahis from 3,075 schools through 3,220 Swachhagraha Preraks from the 17 states, spreading the message of cleanliness to 35,00,000 people.

Support to Rural Sports

With an aim to promote the culture of sports and healthy living among the youth of the region, Adani Foundation organized Adani Premiere League for the fisher folk community of Mundra and Anjar Taluka. The Foundation started this cricket league in 2016. This year a total of 58 Teams from 15 villages participated in the tournament and saw an active involvement of around 696 fisherman from the region. Teams from Villages Zarpara, Navinal, Shekhadiya, Modhava, Salaya, Mundra, Tragadi, Luni, Sanghad, Gundiyali, Bhadreshwar, Vandi (Tuna), Layja and Kathada participated with great enthusiasm.

As Dakshina Kannada & Udupi districts of Karnataka are known for various traditional sports and cultural activities, company through Adani Foundation, is promoting these activities by extending necessary support to the various associations, educational Institutions and sports clubs which are engaged in such sports and cultural activities in the region. Continuous supports to the Kambala event, Kesaragadde event and other rural sports are few of the examples of Group's support to the rural sports.

Gujarat flood relief operation

Gujarat witnessed a catastrophic flood in the year 2017. The district of Banaskantha was worst affected by the torrential rainfall. Adani Foundation stepped up at this juncture, to provide relief to the flood victims. A robust team of 80 Adani Foundation volunteers worked relentlessly in over 35 villages including Dhanera, Tharad, Kherola, Ramsun, and Ramon.

With 18 truck and 5 pick-up vans, Adani Foundation distributed 6,000 ration kits containing food packets, clothing, and tarpaulin sheets for tents to over 6,000 families, benefitting 39,000 flood-wrecked individuals. The Adani Foundation's team of medical experts and veterinary doctors constantly attended to the sick, while simultaneously making the villagers aware of probable epidemics and importance of water chlorination. Adani Foundation volunteers also helped to drain out water from the areas which were completely water logged and were becoming a breeding ground for various diseases and epidemics. Medicines were sprayed in these waterlogged areas to prevent spread of diseases.

Principle 5: Business should respect and promote human rights.

1. **Does the Company's policy on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

   APSEZ conduct its business in a manner that respects the rights and dignity of all people, complying with all legal requirements.

   The company has instituted and implemented a Group level policy on human rights which covers all direct employees, consultants (including fixed term appointees), associates, trainees, suppliers, vendors etc. in all companies/businesses of the Group.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**

   No stakeholder complaints other than mentioned in the Corporate Governance Report were received during the financial year. The Company has implemented the web-based grievance mechanism for stakeholders. The web-link is https://grievance.adaniports.com

Principle 6: Business should respect, protect, and make effort to restore the environment.

1. **Does the policy pertaining to this Principle cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

   The Company has adopted an Occupational Health, Safety and Environment Policy as these aspects are integral to the Company's business values. The Policy covers only the Company.

2. **Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y / N. If yes, please give hyperlink for webpage etc.**

   Yes, the Company is continually doing several initiatives to address global environmental issues such as climate change and global warming in three different ways (i) through self-actions (ii) through awareness creation and (iii) through providing support for energy efficient services. The main objective behind all initiatives is to use and promote energy efficient technologies to reduce the energy consumption and related emission reduction. The Company has implemented number of initiatives which has resulted in saving in fuel consumption and thereby avoided related emissions.

   The Company has also conducted carbon footprint assessment for six of its operating locations - Dahej, Dhamra, Goa, Hazira, Mundra and Tuna. Based on the assessment, Company will focus on reduction in energy consumption and emissions through various technical and technological interventions. Energy conservation targets are also taken for respective ports and efforts are made to achieve the same.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes, the Company regularly identifies and assesses environmental risk during all stages of its existing and planned projects. The Company is carrying out detailed environmental impact assessment studies to assess all the likely impacts due to project and also prepare environment management plan to mitigate those impacts.

   The Company is performing regular environmental monitoring of all the environmental parameters to assess the environmental status on a regular basis. Additionally, the Company is also carrying other scientific studies including marine modelling studies to assess the response of marine components and parameters to evaluate the marine operations safety.

4. **Does the Company have any project related to Clean Development Mechanism (CDM)? If so provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**
   No, the Company does not have any projects related to Clean Development Mechanism (CDM).

5. **Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc.? Y/N. If yes, provide hyperlink to web page etc.**
   The Company has already taken several initiatives to improve energy efficiency either through improved operations or through adoption of better technologies. The Company has converted all its diesel operated cranes into electric mode. Additionally, the Company has also installed and operating regenerative crane system which reduces the demand for energy consumption. Golf carts are also used which in comparison to diesel driven cars, generate less emission. Solar lighting and solar water heaters are also installed at various locations within the port. The Company has also invested in renewable source of energy by installing roof top solar panels of 3.33 MW capacities at Mundra and thereby reduce the consumption & related emissions of conventional energy.

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**
   Yes, the company has adopted and implemented adequate pollution control measures to maintain the norms under desired levels and accordingly emissions / waste generated are within the permissible limits given by CPCB/SPCB.

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending as of end of financial year.**
   There are no show cause / legal notices received from CPCB/SPCB which are pending as of end of financial year.

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your Company a member of any trade and chambers of association? If yes, name only those major ones that your business deals with.**
   Yes, the Company is a member of the following key associations:

   - Confederation of Indian Industry
   - Federation of Indian Export Organizations
   - World Economic Forum
   - United Nations Global Compact

   Adani Group is a member of the following key associations:

   - Federation of Indian Chamber of Commerce and Industry
   - The Associated Chambers of Commerce and Industry of India
   - Ahmedabad Management Association
   - Gujarat Chamber of Commerce and Industry

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes specify the broad areas (Governance and Administration, Economic Reform, Inclusive Development Polices, Energy security, Water, Food Security, Sustainable Business Principles, Others).**
   Yes, through its membership in the above bodies, the Company has advocated on the key areas of improving the logistics and rail connectivity of ports. The Company has also advocated regarding notification of ports under export promotion schemes. This enables EXIM players to take benefit of export promotion schemes when they handle cargo at notified ports.

Principle 8: Business should support inclusive growth and equitable development.

1. **Does the company have specified programme / initiatives/ projects in pursuit of the policy related to principle 8? If yes details thereof.**
   The Company through Adani Foundation promotes notions of equitable and inclusive growth and development. Adani Foundation is the CSR arm of the Adani Group of Companies. Since its inception in 1996, the Foundation has been working in a number of prominent areas to extend its support to people in need. Working closely with the communities, Adani Foundation has been able to assume the role of a facilitator by creating an enabling environment for many. With its human-centric approach, Adani Foundation always strived to make processes sustainable, transparent and replicable. Adani Foundation is currently operational in 13 states of India and is working towards an integrated development of the communities with its core focus on education, community health, sustainable livelihoods development and rural infrastructure development.

   It lays a special focus on the marginalized sections of the communities. Through its activities in the above areas, the Adani Foundation has been able to reach out to more than 1470 villages/towns and over 5,00,000 families touching their lives to make a positive difference.

2. Are the programmes/projects undertaken through in-house team / own foundation /external NGO/Govt. structure /any other organisation?

Adani Foundation is the well-structured and developed Corporate Social Responsibility (CSR) arm of Adani Group. The Foundation having its passionate and committed workforce in each of the functional locations has been able to carry out the activities with dedication. Adani Foundation, in various locations has also created a very meaningful partnerships with several Government agencies, Government supported organizations, nongovernmental organizations, community service organizations and the CSR network of other corporate houses.

Adani Foundation has partnered with various subject matters expert organizations for implementation of projects. Some examples include, Helpage India for running Mobile Health Care Units, CEE (Centre for Environment Education) for Swachhagraha and BAIF for animal husbandry.

3. Have you done any impact assessment of your initiative?

Yes, impact assessments of the ongoing CSR programs and need/outcome assessment at grass root level through participatory rural appraisals are conducted at regular intervals to evaluate and continually improve the program implementation and outcomes.

4. What is the Company's direct monetary contribution to community development projects and details of projects undertaken?

The Company's monetary contribution to community development projects in financial year 2017-18 was ₹ 57.18 crores. The focus areas of the Company's community development projects are outlined in response to Question 5 under Section B.

5. Have you taken steps to ensure that community development initiative is successfully adopted by the community? Please explain in 50 words.

Adani Foundation, through its interventions tries to design and implement various activities with a focus on the existing social fabric and structure. The various programs try to ensure an equal participation from various groups (project beneficiaries wise, gender wise and age group wise) of the society to create a space for interaction and indulgence. Mobilization being the first step for any program gives enough scope for such interactions at the community level, effects of which are expected to percolate down the individual family units. Starting with activities like social mapping, designing, implementation to monitoring and assessment / evaluation, community participation from different groups is ensured. The same essence could be found across different programs.

Our community engagement is strengthened through conducting third-party need assessment surveys, participatory rural appraisals as well as formation of Village Development Committees (VDCs) and Cluster Development Advisory Committee (CDAC), and Advisory Council with representation from the community, Government and the Company. This high level of engagement and participation of community members lead to a greater sense of ownership among the people, ensuring successful adoption and sustained outcomes.

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner.

The customers have always been pivotal in shaping our strategies and developing business. In order to enhance our customer centricity levels way ahead of the market place, we have established a dedicated Customer Service Cell (CSC). The CSC would be single point of contact for all the customers trying to reach out and interact with us.

1. What Percentage of customer complaints / consumer cases are pending as on the end of financial year 2017-18?

There are no customer complaints / consumer cases pending as of end of financial year 2017-18.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

The Company does not manufacture any product, hence this is not applicable.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as of end of FY 2017-18?

There are no such cases against the Company in the Court of Law.

4. Did your company carry out any consumer survey / consumer satisfaction trends?

The Company actively seeks function-wise feedback from various stakeholders. For example, vessel feedback is collected from vessel masters for each and every vessel handled at the port.

The Company carries out customer satisfaction survey through deployment of internal resources. The survey is normally conducted on an annual basis and covers feedback of customers across all port business verticals.

Similarly, transporters and port users feedback is sought by security function. The output of the survey is in form of concise actionable points and the same helped to improvise the services and infrastructure provided by the port to various port users.

Independent Auditor's Report

To
The Members of
Adani Ports and Special Economic Zone Limited

Report on the Standalone Ind AS Financial Statements

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

Management's Responsibility for the Standalone Ind AS Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

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

Emphasis of Matter

We draw attention to:

(i) Note 41 to the standalone Ind AS financial statements which describes the management's basis for recoverability of accrued revenue and the related project assets costs in earlier years based on a preliminary agreement entered into by the Company with a customer in respect of a project being undertaken, pending execution of definitive agreement between the parties.

(ii) Note 4(c)(ii) to the standalone Ind AS financial statements which describes the basis on which Management has considered that no impairment is necessary as at 31st March, 2018 for long term-investments amounting to ₹ 115.89 crore and loan amounting to ₹ 412.74 crore in Adani Murmugao Port Terminal Private Limited and long term-investments amounting to ₹ 120.05 crore and loan amounting to ₹ 1,146.51 crore in Adani Kandla Bulk Terminal Private Limited.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Kartikeya Raval
(Partner)
(Membership No. 106189)

Place: Ahmedabad
Date: May 03, 2018

Annexure "A" to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of Adani Ports and Special Economic Zone Limited ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Kartikeya Raval
(Partner)
(Membership No. 106189)

Place: Ahmedabad
Date: May 03, 2018

Annexure "B" to the Independent Auditor's Report

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

(i) In respect of fixed assets

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us 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 land and acquired buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

Particulars of the land and building	Gross Block as at Balance sheet Date (₹ in crores)	Net Block as at Balance sheet Date (₹ in crores)	Remarks
Reclaimed land measuring 1112.80 Hectares	182.96	154.96	The said land pertains to reclaimed land at the Mundra Port, which are pending to be registered in the name of the Company. (Refer note 3(a)(vi)&(vii) of standalone financial statements)
Residential Flats and a Hostel Building	130.75	122.94	The said flats and building are located at Samundra Township, Mundra and are pending to be registered in the name of the Company. (Refer note 3(a)(iv) of standalone financial statements)

In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset 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) According to the information and explanations given to us, the Company has granted unsecured loans to a company covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the year-end.

(iv) In our opinion and according to the information and explanations given to us, and considering the legal opinion taken by the Company on applicability of section 185 of the Companies Act, 2013, in respect of certain loan transactions and that the same have been given in the ordinary course of business, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in respect of grant of loans and providing guarantees and securities, as applicable. Further, based on the information and explanations given to us, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the 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

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, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Excise Duty, Custom Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Excise Duty, Custom Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Service Tax and Customs Duty which have not been deposited as on 31st March, 2018 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in Crores)	Amount Unpaid (₹ in Crores)
Customs Act, 1962	Custom Duty	Commissioner of Customs & Excise, Ahmedabad	June, 2008	2.00	2.00
		Assistant Commissioner of Customs, Mundra	July, 2003	0.14	0.14
		Deputy Commissioner of Customs, Mundra	August, 2007	0.25	0.25
Finance Act, 1994	Service Tax	Supreme Court	December, 2004 to March, 2006	11.22	6.72
		Commissioner (Appeals) Rajkot	October, 2003 to August, 2005	0.56	0.56
		High Court of Gujarat	April, 2006 to September, 2011	173.63	173.63
		Commissioner of Service Tax, Ahmedabad	September, 2009 to March, 2010	0.61	0.61
		Commissioner/ Additional Commissioner of Service Tax, Ahmedabad	April, 2011 to March, 2014	190.04	190.04
		High Court of Gujarat	April, 2004 to August, 2009	6.72	6.72
		Commissioner of Service Tax, Ahmedabad	April, 2009 to March, 2011	0.17	0.17
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	AY 2009-10 to AY 2011-12	71.27	71.27
		Commissioner of Income Tax (Appeal)	AY 2012-13 to AY 2014-15	14.14	14.14

There are no dues of Sales Tax, Excise Duty, Value Added Tax and Goods and Service Tax as on 31st March, 2018 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, as at the reporting date, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to debenture holders. The Company has not taken any loans from the government.

(ix) In our opinion and according to the information and explanations given to us, and on an overall examination of the balance sheet, monies raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and considering the legal opinion taken by the Company on the applicability of Section 188(1)(d) of the Companies Act, 2013, in respect of loans given by the Company to its subsidiary companies, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

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

Kartikeya Raval
(Partner)
(Membership No. 106189)

Place: Ahmedabad
Date: May 03, 2018

Balance Sheet
as at March 31, 2018

₹ in crore

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	7,896.68	8,328.08
Capital Work-in-Progress	3	1,626.91	1,458.08
Goodwill	3	44.86	44.86
Other Intangible Assets	3	15.12	16.65
Financial Assets			
(i) Investments	4	10,023.13	9,515.65
(ii) Trade Receivables	5	2.14	2.54
(iii) Loans	6	8,395.38	5,952.23
(iv) Other Financial Assets	7	1,138.98	809.96
Deferred Tax Assets (net)	26	1,131.86	1,764.52
Other Non-Current Assets	8	342.36	1,387.19
		30,617.42	**29,279.76**
Current Assets			
Inventories	9	363.41	523.00
Financial Assets			
(i) Investments	10	519.20	894.74
(ii) Trade Receivables	5	2,572.31	1,128.61
(iii) Customers' Bill Discounted	5	713.97	663.48
(iv) Cash and Cash Equivalents	11	484.00	548.45
(v) Bank Balances other than (iv) above	11	789.09	1,003.56
(vi) Loans	6	2,658.99	3,469.38
(vii) Other Financial Assets	7	1,251.36	835.80
Other Current Assets	8	863.86	900.95
		10,216.19	**9,967.97**
Total Assets		**40,833.61**	**39,247.73**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	414.19	414.19
Other Equity	13	17,869.07	16,450.66
Total Equity		**18,283.26**	**16,864.85**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	18,839.79	16,160.57
(ii) Other Financial Liabilities	15	91.75	77.63
Other Non-Current Liabilities	16	750.76	679.73
		19,682.30	**16,917.93**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	1.17	2,533.89
(ii) Customers' Bill Discounted	17	713.97	663.48
(iii) Trade and Other Payables	18	213.37	258.26
(iv) Other Financial Liabilities	15	1,479.59	1,396.07
Provisions	19	46.08	47.68
Liabilities for Current Tax (net)	26	92.41	158.50
Other Current Liabilities	16	321.46	407.07
		2,868.05	**5,464.95**
Total Liabilities		**22,550.35**	**22,382.88**
Total Equity And Liabilities		**40,833.61**	**39,247.73**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 03, 2018

For and on behalf of the Board of Directors

Gautam S. Adani
[Chairman and Managing Director]
DIN : 00006273

Rajesh S. Adani
[Director]
DIN : 00006322

Karan Adani
[Wholetime Director and CEO]
DIN: 03088095

Dipti Shah
[Company Secretary]

Place : Ahmedabad
Date : May 03, 2018

Statement of Profit and Loss
for the year ended March 31, 2018

₹ in crore

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
INCOME			
Revenue from Operations	20	6,533.82	4,878.86
Other Income	21	1,607.32	1,284.67
Total Income		**8,141.14**	**6,163.53**
EXPENSES			
Operating Expenses	22	1,514.52	781.84
Employee Benefits Expense	23	193.78	210.99
Depreciation and Amortisation Expense	3	470.52	540.71
Foreign Exchange Loss / (Gain) (net)		62.22	(200.33)
Finance Costs	24		
Interest and Bank Charges		1,218.08	1,103.40
Derivative Loss (net)		238.80	95.00
Other Expenses	25	316.66	338.98
Total Expenses		**4,014.58**	**2,870.59**
Profit Before Exceptional Item and Tax		4,126.56	3,292.94
Exceptional Item	4(c)(i)	(297.38)	-
Profit Before Tax		**3,829.18**	**3,292.94**
Tax Expense:	26		
Current tax		1,378.13	704.24
Deferred tax		42.95	59.37
Less: Tax (credit) under Minimum Alternate Tax (MAT)		-	(571.28)
Total Tax Expense		**1,421.08**	**192.33**
Profit for the year	(A)	**2,408.10**	**3,100.61**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent periods:			
Re-measurement gains on defined benefit plans		0.53	3.56
Income tax impact		(0.19)	(1.23)
		0.34	**2.33**
Net Gains on FVTOCI Equity Investments		10.00	11.91
Income tax impact		(1.73)	(1.91)
		8.27	**10.00**
Total Other Comprehensive Income (net of tax)	(B)	**8.61**	**12.33**
Total Comprehensive Income for the year	(A)+(B)	**2,416.71**	**3,112.94**
Earnings per Share - (Face value of ₹ 2 each) Basic and Diluted (in ₹)	27	11.63	14.97

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 03, 2018

For and on behalf of the Board of Directors

Gautam S. Adani
[Chairman and Managing Director]
DIN : 00006273

Rajesh S. Adani
[Director]
DIN : 00006322

Karan Adani
[Wholetime Director and CEO]
DIN: 03088095

Dipti Shah
[Company Secretary]

Place : Ahmedabad
Date : May 03, 2018

Statement of Changes in Equity

for the year ended March 31, 2018

₹ in crore

Particulars	Equity Share Capital	Other Equity							Total
		Equity Component of Non Cumulative Redeemable Preference shares	Reserves and Surplus					Other Comprehensive Income	
			Securities Premium	Foreign Currency Monetary item Translation Difference Account	Debenture Redemption Reserve	General Reserve	Retained Earnings		
Balance as at April 1, 2016	**414.19**	**165.88**	**2,535.70**	**(260.65)**	**638.88**	**1,623.22**	**8,323.17**	**125.42**	**13,565.81**
Profit for the year	-	-	-	-	-	-	3,100.61	-	3,100.61
Other Comprehensive Income									
Re-measurement gains on defined benefit plans (net of tax)	-	-	-	-	-	-	2.33	-	2.33
Net Gains on FVTOCI Equity Investments (net of tax)	-	-	-	-	-	-	-	10.00	10.00
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**3,102.94**	**10.00**	**3,112.94**
Foreign exchange gain/ (loss) during the year	-	-	-	62.70	-	-	-	-	62.70
Amortised in statement of profit and loss	-	-	-	123.40	-	-	-	-	123.40
Transfer to General Reserve	-	-	-	-	(518.33)	518.33	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-	355.66	-	(355.66)	-	-
Balance as at March 31, 2017	**414.19**	**165.88**	**2,535.70**	**(74.55)**	**476.21**	**2,141.55**	**11,070.45**	**135.42**	**16,864.85**
Loss on disposal of assets / settlement of liabilities attributable to marine business undertaking adjusted from Opening Reserve (refer note 43)	-	-	-	-	-	-	(197.18)	-	(197.18)
Profit from marine business undertaking transferred from Opening Reserve (refer note 43)	-	-	-	-	-	-	(514.51)	-	(514.51)
Profit for the year (A)	-	-	-	-	-	-	2,408.10	-	2,408.10
Other Comprehensive Income									
Re-measurement gains on defined benefit plans (net of tax) (B)	-	-	-	-	-	-	0.34	-	0.34
Net Gains on FVTOCI Equity Investments (net of tax) (C)	-	-	-	-	-	-	-	8.27	8.27
Total Comprehensive income for the year (A+B+C)	**-**	**-**	**-**	**-**	**-**	**-**	**2,408.44**	**8.27**	**2,416.71**
Foreign exchange gain/ (loss) during the year	-	-	-	(7.92)	-	-	-	-	(7.92)
Amortised in statement of profit and loss	-	-	-	45.34	-	-	-	-	45.34
Dividend	-	-	-	-	-	-	(269.22)	-	(269.22)
Dividend Distribution Tax	-	-	-	-	-	-	(54.81)	-	(54.81)
Transfer to General Reserve	-	-	-	-	(119.32)	119.32	-	-	-
Transfer to Debenture Redemption Reserve	-	-	-	-	304.82	-	(304.82)	-	-
Balance as at March 31, 2018	**414.19**	**165.88**	**2,535.70**	**(37.13)**	**661.71**	**2,260.87**	**12,138.35**	**143.69**	**18,283.26**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 03, 2018

For and on behalf of the Board of Directors

Gautam S. Adani
[Chairman and Managing Director]
DIN : 00006273

Rajesh S. Adani
[Director]
DIN : 00006322

Karan Adani
[Wholetime Director and CEO]
DIN: 03088095

Dipti Shah
[Company Secretary]

Place : Ahmedabad
Date : May 03, 2018

Statement of Cash flows
for the year ended March 31, 2018

₹ in crore

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Cash Flows from Operating Activities		
Net profit before Tax	3,829.18	3,292.94
Adjustments for :		
Depreciation and Amortisation Expense	470.52	540.71
Unclaimed Liabilities / Excess Provision Written Back	(1.33)	(2.32)
Cost of Land transferred under Finance Lease	8.55	1.84
Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(58.67)	(50.91)
Financial Guarantees	(4.65)	(9.18)
Amortisation of Government Grant	(0.10)	0.09
Gain on Sale of Non-Current Investments	-	(6.62)
Finance Cost	1,218.08	1,103.40
Derivative Loss (net)	238.80	95.00
Effect of exchange rate change	107.08	(179.56)
Allowances for Doubtful Advance and Deposits (refer note 4(c)(i))	196.10	20.86
Impairment of Equity Investment (refer note 4(c)(i))	101.28	-
Interest Income (Including for change in fair valuation)	(1,514.07)	(1,144.67)
Dividend Income	(4.00)	(2.20)
Net gain on sale of Current Investment	(24.99)	(31.15)
Amortization of benefit under deposits	9.23	8.74
Diminution in value of Inventories	-	21.15
Loss on Sale / Discard of Property, Plant and Equipment (net)	7.77	2.23
Operating Profit before Working Capital Changes	**4,578.78**	**3,660.35**
Adjustments for :		
(Increase) / Decrease in Trade Receivables	(1,443.30)	55.47
Decrease / (Increase) in Inventories	65.06	(8.17)
(Increase) in Financial Assets	(453.70)	(83.00)
Decrease / (Increase) in Other Assets	1,071.33	(890.77)
(Decrease) in Provisions	(3.03)	(0.66)
(Decrease) / Increase in Trade and Other Payables	(51.97)	74.19
(Decrease) in Financial Liabilities	(592.86)	(31.09)
Increase in Other Liabilities	44.30	111.75
Cash Generated from Operations	**3,214.61**	**2,888.07**
Direct Taxes (paid) (Net of Refunds)	(803.36)	(575.56)
Net Cash generated from Operating Activities	**2,411.25**	**2,312.51**
B. Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(245.27)	(1,162.48)
Proceeds from Sale of Property, Plant and Equipment	103.95	0.64
Proceeds from transfer of Marine Business Undertaking	200.00	-
Deposit Received Back against Commitments	-	742.45
Investments made in Subsidiaries / Associates /Joint ventures	(48.28)	(0.25)
Investment in Cumulative Convertible Debenture of subsidiary	-	(2,457.00)
Payment made for acquisition of Equity - Subsidiary acquired	-	(106.26)
(Investment) / Redemption made in Non Convertible Redeemable Debentures	(317.00)	156.62
Proceeds from Sale of Investments	-	0.05
Advance received back	-	250.00
Loans given	(15,249.01)	(9,544.96)
Loans received back	13,300.91	8,631.20
Proceeds from / (Deposits in) Bank Deposits (net) (including margin money deposits)	221.63	(681.74)
Proceeds from sale of Investments in Mutual Fund (net)	24.99	159.00
Sale / (Purchase) of Investments in Debentures and Commercial Papers (net)	396.00	(894.49)
Dividend Received	4.00	2.20
Interest Received	1,058.04	723.94
Net Cash (used in) Investing Activities	**(550.04)**	**(4,181.08)**

Statement of Cash flows
for the year ended March 31, 2018

₹ in crore

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
C. Cash Flows from Financing Activities		
Proceeds from Long Term Borrowings	4,885.21	9,979.35
Repayment of Long Term Borrowings	(2,545.54)	(4,970.55)
Investment in Perpetual Debenture of Subsidiary	-	(1,450.00)
Payment towards acquisition of Non Controlling Interest in Subsidiaries	-	(9.34)
Payment towards additional investment in Subsidiaries	-	(200.41)
Proceeds from Short Term Borrowings	15,741.80	21,044.63
Repayment of Short Term Borrowings	(18,345.59)	(21,619.64)
Interest & Finance Charges Paid	(1,154.92)	(907.49)
Cost of Issuance of Bonds / Debentures and Premium paid on redemption of debenture	-	(28.81)
Loss on settlement/cancellation of derivative contracts	(182.65)	(119.91)
Payment of Dividend on Equity and Preference Shares	(269.16)	(0.68)
Tax on Equity and Preference Shares Dividend Paid	(54.81)	-
Net Cash (used in) / generated from Financing Activities	**(1,925.66)**	**1,717.15**
D. Net Decrease in Cash and Cash Equivalents (A+B+C)	(64.45)	(151.42)
E. Cash and Cash Equivalents at the Beginning of the Year	548.45	699.87
F. Cash and Cash Equivalents at the End of the Year (refer note 11)	484.00	548.45
Components of Cash & Cash Equivalents (refer note 11)		
Cash on Hand	0.12	0.02
Cheques on hand	241.86	-
Balances with Scheduled Banks		
- In Current Accounts	216.02	520.43
- In Fixed Deposit Accounts	26.00	28.00
Cash and Cash Equivalents at the End of the Year	**484.00**	**548.45**

Summary of significant accounting policies refer note 2.2

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 Standard) Rules 2015 (as amended).

2 a) During the year, Company has made investment in Mutual Fund of ₹ 50,051.05 crore (previous year ₹ 66,922.50 crore) and redeemed Mutual Fund of ₹ 50,076.04 crore (previous year ₹ 67,081.50 crore).

b) During the year, Company has made short term investment in Debenture and Commerical paper of ₹ 1,050.00 crore (previous year ₹ 1,164.49 crore) and redeemed Debenture and Commercial paper of ₹ 1,446.00 crore (previous year ₹ 270.00 crore).

3 Disclosure under para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given as per note 15 (b).

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 03, 2018

For and on behalf of the Board of Directors

Gautam S. Adani
[Chairman and Managing Director]
DIN : 00006273

Rajesh S. Adani
[Director]
DIN : 00006322

Karan Adani
[Wholetime Director and CEO]
DIN: 03088095

Dipti Shah
[Company Secretary]

Place : Ahmedabad
Date : May 03, 2018

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

1 Corporate information

The financial statements comprise financial statements of Adani Ports and Special Economic Zone Limited ("the Company " or "APSEZL") for the year ended March 31, 2018. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at "Adani House", Mithakhali Six Roads, Navrangpura, Ahmedabad-380009

The Company is in the business of development, operations and maintenance of port infrastructure (port services and related infrastructure development) and has linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to Port at Mundra. The initial port infrastructure facilities at Mundra including expansion thereof through development of additional port terminals and south port terminal infrastructure facilities are developed pursuant to the concession agreement with Government of Gujarat (GoG) and Gujarat Maritime Board (GMB) for 30 years period effective from February 17, 2001. At Mundra, the Company has expanded port infrastructure facilities through approved supplementary concession agreement (pending to be concluded) which will be effective till the year 2040, whereby port infrastructure has been developed at Wandh at Mundra to handle coal cargo. The said agreement is in the process of getting signed with GoG and GMB although Coal terminal at Wandh is recognized as commercially operational w.e.f. February 1, 2011.

The first Container terminal facilities (CT-1) developed at Mundra, was transferred under sub-concession agreement entered into on January 7, 2003 between Mundra International Container Terminal Limited (MICTL) and the Company wherein the Company has given rights to MICTL to handle the container cargo for a period of 28 years i.e. up to February 17, 2031. The container terminal facilities developed at South Port location (CT-3) has been leased under approved sub concession agreement dated October 17, 2011 to (50:50) joint venture company, Adani International Container Terminal Private Limited (AICTPL), co-terminate with main concession agreement with GMB. During the year the Company has entered into an arrangement with the Adani International Container Terminal Private Limited (AICTPL), a Joint Venture, to sub lease new terminal CT-3 Extension besides CT-3. The said terminal commenced operations w.e.f. November 1, 2017. The said sub-concession agreement is pending to be concluded with GoG and GMB. Another container terminal facilities developed at South Port location (CT-4) has been leased to (50:50) joint venture company, Adani CMA Mundra Terminal Private Limited (ACMTPL) (joint venture arrangement with CMA Terminals, France since July 30, 2014).The execution of sub-concession agreement between the Company, ACMTPL and GMB is pending as on date.

The Multi Product Special Economic Zone developed at Mundra by the Company along with port infrastructure facilities is approved by the Government of India vide their letter no. F-2/11/2003/EPZ dated April 12, 2006 and subsequently amended from time to time till date. The Company has also set up Free Trade and Warehousing Zone at Mundra based on approval of Ministry of Commerce and Industry vide letter no.F.1/16/2011-SEZ dated January 04, 2012. The Company has also set up additional Multi Product Special Economic Zone at Mundra Taluka over an area of 1,856 hectares as per approval from Ministry of Commerce and Industry vide approval letter dated April 24, 2015. The Company has received single notification consolidating all three notified SEZ in Mundra vide letter dated March 15, 2016 of Ministry of Commerce and Industry, Department of Commerce (SEZ Section).

The financial statements were authorised for issue in accordance with a resolution of the directors on May 03, 2018.

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).

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

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

-Derivative financial instruments,

-Defined Benefit Plans – Plan Assets measured at fair value; and

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

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

The Standalone Financial Statements for the year ended March 31, 2017 were audited by predecessor auditor.

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 realized or intended to be sold or consumed in normal operating cycle; or

- Held primarily for the purpose of trading; or

- Expected to be realized within twelve months after the reporting period; or

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle; 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 respectively.

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

b) 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 with the exceptions for which below treatment is given as per the option availed under Ind AS 101:

i. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a property, plant and equipment (including funds used for projects Work-in-Progress) recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. March 31, 2016 are capitalised / decapitalised to cost of Property, Plant and Equipment and depreciated over the remaining useful life of the asset.

ii. Exchange differences arising on other outstanding long term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. March 31, 2016 are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA) and amortized over the remaining life of the concerned monetary item.

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.

c) 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative financial instruments and unquoted financial assets measured at fair value and for non recurring fair value measurement, such as an asset under the scheme of business undertaking.

External valuers are involved for valuation of significant assets, such as business undertaking for transfer under the scheme and unquoted financial assets and financial liabilities, Involvement of external valuers is decided upon annually by the Management and in specific cases after discussion with and approval by the Company's Audit Committee. 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.

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 33.2 and 2.3)

- Quantitative disclosures of fair value measurement hierarchy (refer note 33.2)

- Investment in unquoted equity shares (refer note 4)

- Financial instruments (including those carried at amortised cost) (refer note 33.1)

d) 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

Port Operation Services

Revenue from port operation services including cargo handling, storage and rail infrastructure are recognized on proportionate completion method basis based on services completed till reporting date. Revenue on take-or-pay charges are recognized for the quantity that is the difference between annual agreed tonnage and actual quantity of cargo handled. The amount recognized as a revenue is exclusive of service tax, education cess and goods & service tax where applicable.

Income in the nature of license fees / royalty is recognized as and when the right to receive such income is established as per terms and conditions of relevant service agreement.

Income from long term leases

As a part of its business activity, the Company leases / sub-leases land on long term basis to its customers. Leases are classified as finance lease whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease. In some cases, the Company enters into cancellable lease / sub-lease transaction, while in other cases, it enters into non-cancellable lease / sub-lease transaction. The Company recognizes the income based on the principles of leases as set out in Ind AS 17 "Leases" and accordingly in cases where the land lease / sub-lease transaction are cancellable in nature, the income in the nature of upfront premium received / receivable is recognized on operating lease basis i.e. on a straight line basis over the period of lease / sub-lease agreement / date of memorandum of understanding takes effect over lease period and annual lease rentals are recognized on an accrual basis.

In cases where land lease / sub-lease transaction are non-cancellable in nature, the income is recognized on finance lease basis i.e. at the inception of lease / sub-lease agreement / date of memorandum of understanding takes effect over lease period, the income recognized is equal to the present value of the minimum lease payment over the lease period (including non-refundable upfront premium) which is substantially equal to the fair value of land leased / sub-leased. In respect of land given on finance lease basis, the corresponding cost of the land and development costs incurred are expensed off in the statement of profit and loss.

Deferred Infrastructure Usage

Income from infrastructure usage fee collected upfront basis from the customers is recognized over the balance contractual period on straight line basis.

Development of Infrastructure Assets

In case the Company is involved in development and construction of infrastructure assets where the outcome of the project cannot be estimated reasonably, revenue is recognized when all significant risks and rewards of ownership in the infrastructure assets are transferred to the customer and all critical approvals necessary for transfer of the project are received / obtained.

Contract Revenue

Revenue from construction contracts is recognized on a percentage completion method, in proportion that the contract costs incurred for work performed up to the reporting date stand to the estimated total contract costs indicating the stage of completion of the project. Contract revenue earned in excess of billing has been reflected under the head "Other Current Assets" and billing in excess of contract revenue has been reflected under the head "Other Current Liabilities" in the balance sheet. Full provision is made for any loss in the year in which it is first foreseen and cost incurred towards future contract activity is classified as Project Work-in-Progress.

Income from fixed price contract - Revenue from infrastructure development project / services under fixed price contract, where there is no uncertainty as to measurement or collectability of consideration is recognized based on milestones reached under the contract.

Income from SEIS

Income from Services Exports from India Scheme ('SEIS') incentives under Government's Foreign Trade Policy 2015-20 on the port services income are classified as 'Other Operating Income' and 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.

Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

e) 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.

Waterfront royalty on cargo under the concession agreement is paid at concessional rate in terms of rate prescribed by Gujarat Maritime Board (GMB) and notified in official gazette of Government of Gujarat, wherever applicable.

f) Taxes

Tax expense comprises of current income tax and deferred tax.

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 recognized 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.

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 goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments In subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse In the foreseeable future.

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 is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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The Company recognizes tax credits in the nature of Minimum Alternate Tax (MAT) credit as an asset only to the extent that there is sufficient taxable temporary difference /convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the statement of profit and loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent the Company does not have sufficient taxable temporary difference / convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

g) 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 Group has elected to regard previous GAAP carrying values of property as deemed cost at the date of transition to Ind AS.

Capital Work-in-Progress included in PPE is stated at cost. Such cost includes the cost of replacing parts of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit and loss as incurred.

The Company adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial statements i.e. March 31, 2016 and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining useful 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 Property, plant and equipment 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 except for the assets mentioned below for which useful lives estimated by the management. The Identified component of property, plant and equipment 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 based on assessment made by expert and management estimate.

Assets	Estimated Useful life
Leasehold Land	Right to Use Over the balance period of Concession Agreement and approved Supplementary Concession Agreement (as mentioned in note 1) / Over the period of agreement of 20 years
Leasehold Land Development	Over the balance period of Concession Agreement and approved Supplementary Concession Agreement by Gujarat Maritime board as applicable.(as mentioned in note 1)
Marine Structure, Dredged Channel, Building RCC Frame Structure	50 Years as per concession agreement
Dredging Pipes - Plant and Machinery	1.5 Years
Nylon and Steel coated belt on Conveyor - Plant and Machinery	4 Years and 10 Years respectively
Inner Floating and outer floating hose, String of Single Point Mooring - Plant and Machinery	6 Years
Fender, Buoy installed at Jetty - Marine Structures	5 - 10 Years
Bridges, Drains & Culverts	25 Years as per concession agreement
Carpeted Roads – Other than RCC	10 Years
Tugs	20 Years as per concession agreement

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An item of property, plant and equipment covered under Concession agreement, sub-concession agreement and supplementary concession agreement, shall be transferred to and shall vest in Grantor (government authorities) at the end of respective concession agreement. In cases, where the Company is expected to receive consideration of residual value of property from grantor at the end of concession period, the residual value of contracted property is considered as the carrying value at the end of concession period based on depreciation rates as per management estimate/Schedule II of the Companies Act, 2013 and in other cases it is Nil.

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

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

h) 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 and 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. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and 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 estimate

i) 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 except where expenses are adjusted to securities premium account in compliance with section 52 of the Companies Act, 2013. 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.

j) Leases

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

For arrangements entered into prior to April 1, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

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

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

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

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

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.

k) 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 of 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.

l) Impairment of non-financial assets

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

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

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

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

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

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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.

m) Provisions, Contingent Liabilities and Contingent Assets

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss. 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.

Operational Claim provisions

Provisions for operational claims are recognised when the service is provided to the customer. Further recognition is based on historical experience. The initial estimate of operational claim related cost is revised annually.

n) 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 the period. The actuarial valuation is done as

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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 it's settlement for twelve months after the reporting date.

o) 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 three categories:

- Debt instruments at amortised cost

- Debt instruments, derivative financial instruments and equity instruments at fair value through profit or loss (FVTPL)

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

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

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

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

This category is 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 and loss. The losses arising from impairment are recognised in the profit and loss except where the Company has given temporary waiver of interest not exceeding 12 months period. This category generally applies to trade, loans 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 amortized cost or as FVTOCI, is classified as FVTPL.

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

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

Perpetual debt

The Company invests in a subordinated perpetual debt, redeemable at the issuer's option, with a fixed coupon that can be deferred indefinitely if the issuer does not pay a dividend on its equity shares. The Company classifies these instrument 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.

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

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

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

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

b) Financial assets that are debt instruments and are measured as at other comprehensive income (FVTOCI)

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

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

- Trade receivables or contract revenue receivables; and

- All lease receivables resulting from transactions within the scope of Ind AS 17

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk 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 Expenses" in the P&L.

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

Financial assets measured as 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 group 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, or as derivatives, as appropriate.

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

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

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

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are

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classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

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

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

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

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

This category generally applies to borrowings.

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

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

p) Derivative financial instruments

Initial recognition and subsequent measurement
The Company uses derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument or on settlement of such derivative financial instruments are recognised in statement of profit and loss and are classified as Foreign Exchange (Gain) / Loss except those relating to borrowings, which are separately classified under Finance Cost.

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q) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption.

Transaction costs are apportioned between the liability and equity components of the redeemable preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

r) 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.

s) Cash dividend to equity holders of the company

The Company recognises a liability to make cash to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

t) Earnings per share

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

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

2.3 Significant accounting judgments, estimates and assumptions

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

Estimates and assumptions

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

Impairment of non-financial assets

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

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. Refer note 4(c).

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 26.

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 29.

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 judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 33 for further disclosures.

Provision for Decommissioning Liabilities

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

Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

3. Property, Plant and Equipment, Intangible Assets, Capital Work-in-Progress and Goodwill

Note 3(a) Property, Plant and Equipment

₹ In Crore

Particulars	Free Hold Land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Lease Hold Land	Land Development Cost	Office Equipments	Plant & Equipment	Furniture & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Tracks	Tugs and Boats (refer note 43)	Project Assets	Total
Cost															
As at April 1, 2016	**394.36**	**1,503.21**	**22.25**	**4.11**	**296.28**	**15.02**	**2,032.53**	**13.43**	**19.07**	**1,627.80**	**1,335.18**	**278.82**	**452.62**	**1,046.53**	**9,041.21**
Additions	19.99	51.79	5.82	61.25	12.46	14.66	131.38	2.49	1.30	288.65	(0.53)	0.09	1.50	44.66	635.51
Deductions/ Adjustment	(2.05)	(0.08)	-	-	-	-	(1.86)	-	(0.21)	-	(0.09)	-	(0.07)	(199.36)	(203.72)
Exchange difference	-	(8.30)	(0.49)	-	0.27	0.61	(20.65)	-	-	0.75	(14.04)	(2.33)	(1.46)	(20.88)	(66.52)
As at March 31, 2017	**412.30**	**1,546.62**	**27.58**	**65.36**	**309.01**	**30.29**	**2,141.40**	**15.92**	**20.16**	**1,917.20**	**1,320.52**	**276.58**	**452.59**	**870.95**	**9,406.48**
Additions	15.33	29.52	6.67	-	3.13	5.38	40.00	15.74	0.65	322.32	-	-	0.30	-	439.04
Deductions/ Adjustment	(0.68)	-	-	-	(7.86)	-	(28.10)	-	(2.96)	-	-	-	(428.96)	(0.41)	(468.97)
Exchange difference	-	2.78	(0.06)	-	0.09	0.01	14.68	0.10	-	0.56	3.80	0.63	(0.86)	26.35	48.08
As at March 31, 2018	**426.95**	**1,578.92**	**34.19**	**65.36**	**304.37**	**35.68**	**2,167.98**	**31.76**	**17.85**	**2,240.08**	**1,324.32**	**277.21**	**23.07**	**896.89**	**9,424.63**
Depreciation/ Amortisation															
As at April 1, 2016	**-**	**(123.56)**	**(7.19)**	**(0.26)**	**(16.81)**	**(3.47)**	**(179.92)**	**(2.50)**	**(4.13)**	**(29.50)**	**(31.56)**	**(33.63)**	**(31.61)**	**(110.90)**	**(575.04)**
Depreciation for the year	-	(118.38)	(6.89)	(1.86)	(15.88)	(5.54)	(185.73)	(2.44)	(3.93)	(34.36)	(29.32)	(33.43)	(31.50)	(137.53)	(606.79)
Deductions/ (Adjustment)	-	-	-	-	-	-	0.21	-	0.13	-	0.03	-	0.01	103.05	103.43
As at March 31, 2017	**-**	**(241.94)**	**(14.08)**	**(2.12)**	**(32.69)**	**(9.01)**	**(365.44)**	**(4.94)**	**(7.93)**	**(63.86)**	**(60.85)**	**(67.06)**	**(63.10)**	**(145.38)**	**(1,078.40)**
Depreciation for the year	-	(86.91)	(7.53)	(3.32)	(15.94)	(6.32)	(184.17)	(2.40)	(3.47)	(39.76)	(29.50)	(27.92)	(2.49)	(118.04)	(527.77)
Deductions/ (Adjustment)	-	-	-	-	-	-	17.14	-	1.69	-	-	-	59.18	0.21	78.22
As at March 31, 2018	**-**	**(328.85)**	**(21.61)**	**(5.44)**	**(48.63)**	**(15.33)**	**(532.47)**	**(7.34)**	**(9.71)**	**(103.62)**	**(90.35)**	**(94.98)**	**(6.41)**	**(263.21)**	**(1,527.95)**
Net Block															
As at March 31, 2017	412.30	1,304.68	13.50	63.24	276.32	21.28	1,775.96	10.98	12.23	1,853.34	1,259.67	209.52	389.49	725.57	8,328.08
As at March 31, 2018	**426.95**	**1,250.07**	**12.58**	**59.92**	**255.74**	**20.35**	**1,635.51**	**24.42**	**8.14**	**2,136.46**	**1,233.97**	**182.23**	**16.66**	**633.68**	**7,896.68**

i) Depreciation of ₹ 62.91 crore (previous year ₹ 71.11 crore) relating to the project assets has been allocated to Capitalisation / Capital Work-in-Progress.

ii) Freehold Land includes land development cost of ₹ 12.56 crore (previous year ₹ 12.56 crore).

iii) Plant and Equipment includes cost of Water Pipeline amounting to ₹ 3.37 crore (Gross) (previous year ₹ 3.37 crore), accumulated depreciation ₹ 1.19 crore (previous year ₹ 0.79 crore) which is constructed on land not owned by the Company.

iv) Buildings includes 612 residential flats (previous year 612 flats) and a hostel building valuing ₹ 130.75 crore (previous year ₹ 130.75 crore) at Samudra Township, Mundra, which are pending to be registered in Company's name. Further an advance of ₹ Nil (previous year ₹ 8.19 crore) is also paid to purchase additional flats / hostel building.

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

v) As a part of concession agreement for development of port and related infrastructure at Mundra the Company has been allotted land on lease basis by Gujarat Maritime Board (GMB). The Company has recorded rights in the GMB Land at present value of future annual lease payments in the books and classified the same as lease hold land.

vi) Land development cost on leasehold land includes costs incurred towards reclaimed land of ₹ 182.96 crore (previous year ₹ 190.82 crore). The cost has been estimated by the management, being cost allocated out of the dredging activities approximate the actual cost.

vii) Reclaimed land measuring 1,112.80 hectare are pending to be registered in the name of the Company.

viii) Project Assets includes dredgers and earth moving equipments.

ix) Free Hold Land includes Land given on Operating Lease Basis:

Gross Block as at March 31, 2018 - ₹ 6.71 crore (previous year - ₹ 6.71 crore)

Accumulated Depreciation as at March 31, 2018: ₹ 0.24 crore (previous year - ₹ 0.12 crore)

Net Block as at March 31, 2018 - ₹ 6.47 crore (previous year - ₹ 6.59 crore)

x) Refer footnote to note 14 and 17 for security / charges created on property, plant and equipment.

Note 3(b) Intangible Assets

₹ In Crore

Particulars	Software	Total
Cost		
As at April 1, 2016	**16.28**	**16.28**
Exchange difference	(0.21)	(0.21)
Transfer / Capitalised from CWIP	9.35	9.35
As at March 31, 2017	**25.42**	**25.42**
Additions	4.13	4.13
Transfer / Capitalised from CWIP	-	-
As at March 31, 2018	**29.55**	**29.55**
Depreciation/amortisation		
As at April 1, 2016	**(3.74)**	**(3.74)**
Depreciation for the year	(5.03)	(5.03)
As at March 31, 2017	**(8.77)**	**(8.77)**
Depreciation for the year	(5.66)	(5.66)
As at March 31, 2018	**(14.43)**	**(14.43)**
Net Block		
As at March 31, 2017	16.65	16.65
As at March 31, 2018	**15.12**	**15.12**

Note 3(c) Capital Work-in-Progress

₹ In Crore

Particulars	Amount
As at March 31, 2017	1,458.08
As at March 31, 2018	**1,626.91**

Refer note 35 for break up of Significant component in Capital Work-in-Progress.

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

Note 3(d) Goodwill

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Carrying value at the beginning	44.86	44.86
Carrying value at the end	44.86	44.86

Goodwill acquired through business combination pertains to cash generating units (CGUs) which are part of 'Port and SEZ' activities segment. The goodwill is tested for impairment annually . As at March 31, 2018 and March 31, 2017, the goodwill is not impaired.

The recoverable amount of the CGUs 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 rate 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 management with projected revenue growth rates ranging from 6% to 20 % the rate used to discount the forecast is 7.5% p.a.

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

4 Non-Current Investments

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Unquoted		
In Equity Shares of Company [(Investment at fair value through OCI) (refer note (e) below)]		
5,00,00,000 (previous year 5,00,00,000) fully paid Equity Shares of ₹ 10 each of Kutch Railway Company Limited	210.00	200.00
5,50,000 (previous year 5,50,000) fully paid Equity Share of ₹ 10 each of Mundra Solar Technopark Private Limited	0.94	0.94
1,000 (previous year 1,000) fully paid Equity Shares of AUD 1 each of Mundra Port Pty Limited	*-	*-
Total FVTOCI Investment	**210.94**	**200.94**
In Equity Shares of subsidiaries (valued at cost)		
32,50,00,000 (previous year 32,50,00,000) fully paid Equity Shares of ₹ 10 each of Adani Logistics Limited (refer note (f) below)	429.04	351.00
25,61,53,846 (previous year 25,61,53,846) fully paid Equity Shares of ₹ 10 each of Adani Petronet (Dahej) Port Private Limited	256.15	256.15
24,50,000 (previous year 24,50,000) fully paid Equity Shares of ₹ 10 each of Mundra SEZ Textile and Apparel Park Private Limited	2.45	2.45
4,50,00,000 (previous year 4,50,00,000) fully paid Equity Shares of ₹ 10 each of Karnavati Aviation Private Limited (refer note (f) below)	87.37	50.92
1,31,35,000 (previous year 1,31,35,000) fully paid Equity Shares of ₹ 10 each of MPSEZ Utilities Private Limited (refer note (f) below)	52.53	52.53
11,58,88,500 (previous year 11,58,88,500) fully paid Equity Shares of ₹ 10 each of Adani Murmugao Port Terminal Private Limited (refer note c (ii) below)	115.89	115.89
35,00,000 (previous year 35,00,000) fully paid Equity Shares of ₹ 10 each of Mundra International Airport Private Limited (refer note (f) below)	5.05	5.05
71,54,70,000 (previous year 71,54,70,000) fully paid Equity Shares of ₹ 10 each of Adani Hazira Port Private Limited	715.47	715.47
10,12,80,000 (previous year 10,12,80,000) fully paid Equity Shares of ₹ 10 each of Adani Vizag Coal Terminal Private Limited (refer note c (i) below)	101.28	101.28
12,00,50,000 (previous year 12,00,50,000) fully paid Equity Shares of ₹ 10 each of Adani Kandla Bulk Terminal Private Limited (refer note c (ii) and (d) below)	120.05	120.05
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Adani Warehousing Service Private Limited	0.05	0.05

Notes to the Standalone Financial Statements

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4 Non-Current Investments (Contd.)

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
3,00,000 (previous year 3,00,000) fully paid Equity Shares of ₹ 10 each of Adani Hospitals Mundra Private Limited (refer note (f) below)	1.23	1.23
50,000 (previous year 50,000) fully paid Equity Shares of ₹ 10 each of Adani Ennore Container Terminal Private Limited	0.05	0.05
50,000 (previous year 50,000) fully paid Equity Share of ₹ 10 each of Adani Kattupalli Port Private Limited	0.05	0.05
19,99,56,250 (previous year 19,99,56,250) fully paid Equity Share of ₹ 10 each of Adani Vizhinjam Port Private Limited	199.96	199.96
50,000 (previous year 50,000) fully paid Equity Share of ₹ 10 each of Shanti Sagar International Dredging Private Limited (formerly known as Adani Food and Agro Processing Park Private Limited) (refer note (f) below)	7.40	0.05
1,14,80,00,000 (previous year 1,14,80,00,000) fully paid Equity Shares of ₹ 10 each of The Dhamra Port Company Limited (refer note (f) below)	3,032.38	2,921.00
1,01,000 (previous year 1,01,000) fully paid Equity Shares of AUD 1 each of Abbot Point Operations Pty Limited (refer note (f) below)	12.85	12.85
5,76,92,155 (previous year 5,76,92,155) Equity Shares of ₹ 10 each of The Adani Harbour Services Private Limited (formerly known as TM Harbour Services Private Limited)	106.26	106.26
2,00,000 (previous year 2,00,000) Equity Shares of ₹ 10 each of Adani Petroleum Terminal Private Limited	0.20	0.20
50,000 (previous year 50,000) Equity Shares of ₹ 10 each of Mundra LPG Infrastructure Private Limited (Formerly know as Hazira Road Infrastructure Private Limited)	0.05	0.05
11,850 (previous year 11,850) fully paid Equity Shares of ₹ 100 each of Adinath Polyfills Private Limited (Acquisition of Controlling Interest in Equity Shares of Company)	38.51	38.51
4,900 (previous year 4,900) fully paid Equity Shares of ₹ 10 each of Dholera Infrastructure Private Limited	*-	*-
50,000 (previous year Nil) Equity Shares of ₹ 10 each of Mundra International Gateway Terminal Private Limited	0.05	-
1,000 (previous year Nil) Equity Shares of SGD 1 each of Adani International Terminals Pte Limited (refer note (f) below)	0.26	-
	5,284.58	**5,051.05**
In Equity Shares of joint ventures (valued at cost)		
32,22,31,817 (previous year 31,02,01,040) fully paid Equity Shares of ₹ 10 each of Adani International Container Terminal Private Limited (refer note (f) below)	341.03	321.78
5,93,78,278 (previous year 3,03,95,000) fully paid Equity Shares of ₹ 10 each of Adani CMA Mundra Terminal Private Limited (refer note (f) below)	63.86	34.88
	404.89	**356.66**
Investment in Cumulative Convertible Redeemable Debenture (valued at amortised cost)		
2,45,70,00,000 (previous year 2,45,70,00,000) 9% Cumulative Convertible Redeemable Debenture of ₹ 10 each of The Dhamra Port Company Limited	2,457.00	2,457.00
Investment in Perpetual Non-convertible Debenture (valued at cost)		
1,45,00,00,000 (previous year 1,45,00,00,000) 7.5% Unsecured Perpetual Non Convertible Debentures of ₹ 10 each of Adani Kattupalli Port Private Limited (refer note (g) below)	1,450.00	1,450.00
Investment in Debentures (valued at amortised cost)		
3,170 (previous year - Nil) 7.7% Non-Convertible Redeemable Debenture of ₹ 10,00,000 each of J M Financial Products Limited	317.00	-
	10,124.41	**9,515.65**
Impairment for Investment in Adani Vizag Coal Terminal Private Limited (refer note c (i) below)	(101.28)	-
	10,023.13	**9,515.65**

* Figures being nullified on conversion to ₹ in crore.

Notes:

a) Aggregate cost of unquoted investments as at March 31, 2018 ₹ 10,023.13 crore (previous year ₹ 9,515.65 crore).

b) Number of Shares pledged with banks against borrowings by the respective companies as per below.

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

Particulars	No of Shares Pledged	
	March 31, 2018	March 31, 2017
Subsidiary Companies		
(i) Adani Petronet (Dahej) Port Private Limited	-	10,38,45,494
(ii) Adani Hazira Port Private Limited	19,50,00,000	19,50,00,000
(iii) The Dhamra Port Company Limited	34,44,00,000	34,44,00,000
Joint Venture		
(i) Adani International Container Terminal Private Limited	8,06,52,270	8,08,02,270
Others		
(i) Mundra Port Pty Limited	1,000	1,000
	62,00,53,270	**72,40,48,764**

c) (i) Adani Vizag Coal Terminal Private Limited ("AVCTPL") - a subsidiary of the Company is engaged in Port services under concession from one of the port trust authorities of the Government of India. The port operations have been suspended since January 2016 due to operational bottlenecks, for which the management of subsidiary company has made representations to the port authorities and Ministry of Shipping for early resolution so as to resume operations expeditiously. The management of the subsidiary company has expressed its inability to operate the terminal on account of various external factors beyond the subsidiary company's control. Under the circumstances, continuance of the terminal in its present form does not appear to be a viable option and the subsidiary company's management has requested the port trust authority to take further action including terminating the concession agreement. During the year, APSEZL has assessed the impact of these factors on the appropriateness of the carrying values of investments and loans in AVCTPL. AVCTPL expect to recover ₹ 203.60 crore from concession authority on termination of the contract, in accordance with contact terms, subject to completion of necessary procedures related to the termination. Out of this, the Company expects to recover ₹ 93.60 crore. The total investment and loan advanced to AVCTPL comes to ₹ 390.70 crore. Considering the net amount recoverable from AVCTPL, the Company has recorded impairment amounting to ₹ 297.38 crore (₹ 228.85 crore net of tax) towards the carrying values of its equity investments and outstanding loans based on best estimates by the management.

(ii) The carrying amounts of long-term investments in equity shares of wholly owned subsidiary companies viz. Adani Kandla Bulk Terminal Private Limited ("AKBTPL") and Adani Murmugao Port Terminal Private Limited ("AMPTPL") is ₹ 235.94 crore as at March 31, 2018 and long term loans include loans given to AKBTPL and AMPTPL aggregating to ₹ 1,559.25 crore as at March 31, 2018. The said subsidiary companies have incurred losses in the recent years and the negative net worth of these companies is ₹ 265.71 crore.

The Company has determined the recoverable amounts of its investments and loans in these subsidiaries as at March 31, 2018. The said determination requires significant estimates & judgements to be made by the management with respect to cargo traffic, port tariffs, inflation, discount rates, etc which are considered reasonable by the Management. On a careful evaluation of the aforesaid factors, the Company's management has concluded that no provision for impairment in respect of such investments and loans is considered necessary at this stage.

d) During the previous year, the Company has accounted for purchase of 3,12,13,000 numbers of equity shares in Adani Kandla Bulk Terminal Private Limited at consideration of ₹ 31.21 crore. The equity shares has been purchased from the Adani Enterprises Limited, a group company whereby this entity have become wholly owned subsidiary. As per the management, the transfer has been recorded based on Irrevocable Letter of Affirmation dated March 31, 2017 from the seller and acceptance by the Company although legal transfer of equity share of Adani Kandla Bulk Terminal Private Limited is still in process at year end.

e) Reconciliation of Fair value measurement of the investment in unquoted equity shares

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Opening Balance	200.94	189.03
Fair value Gain recognised in Other Comprehensive Income	10.00	11.91
Closing Balance	**210.94**	**200.94**

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

f) Value of Deemed Investment accounted in subsidiaries and joint ventures in terms of fair valuation under Ind AS 109

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
i) Adani Logistics Limited	103.97	25.93
ii) Karnavati Aviation Private Limited	42.37	5.92
iii) MPSEZ Utilities Private Limited	0.02	0.02
iv) Mundra International Airport Private Limited	1.55	1.55
v) Adani Hospitals Mundra Private Limited	0.93	0.93
vi) Shanti Sagar International Dredging Private Limited	7.35	-
vii) The Dhamra Port Company Limited	289.69	178.31
viii) Abbot Point Operations Pty Limited	12.34	12.34
ix) Adani International Terminals Pte Limited	0.26	-
x) Adani International Container Terminal Private Limited	11.57	11.57
xi) Adani CMA Mundra Terminal Private Limited	4.48	4.48
	474.53	**241.05**

g) Investment in Perpetual Non-convertible Debenture is redeemable at issuer's option and redemption can be deferred indefinitely.

5 Trade Receivables
(Unsecured, unless otherwise stated)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Trade Receivable				
-Considered Good	2.14	2.54	1,205.57	1,036.53
-Considered Doubtful	-	-	1.60	1.60
Receivable from related parties, unsecured considered good (refer note 31)	-	-	2,080.71	755.56
	2.14	**2.54**	**3,287.88**	**1,793.69**
Less : Allowances for Doubtful debts	-	-	(1.60)	(1.60)
	2.14	**2.54**	**3,286.28**	**1,792.09**
Customers Bill Discounted (refer note (c) below)	-	-	713.97	663.48
Other Trade Receivable	2.14	2.54	2,572.31	1,128.61
Total Receivable	**2.14**	**2.54**	**3,286.28**	**1,792.09**

Notes:

a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

b) Generally, as per credit terms trade receivable are collectable within 30-180 days although the Company provide extended credit period with interest between 8% to 15% considering business and commercial arrangements with the customers including with the related parties. Receivable of ₹ 2.54 crore (previous year ₹ 7.91 crore) are contractually collectable on deferred basis.

c) The Carrying amounts of the trade receivables include receivables amounting to ₹ 713.97 crore (previous year ₹ 663.48 crore) which are subject to a bills discounting arrangement. Under this arrangement, the Company has transferred the relevant receivables to the bank / financial institution in exchange of cash and is prevented from selling or pledging the receivables. The Cost of bill discounting is to the customer's account as per the arrangement. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the bills discounting arrangement is presented as unsecured borrowing in note 17.

d) Trade receivables include receivables arising from services provided to power companies which are passing through a difficult external environment causing certain delays in payment.

The Company has reviewed these receivables and considering the improving market conditions in the power sector, expects that the power companies will improve their operating effectiveness and recover past dues from Discoms and thereby the Company believes that the amount is good and recoverable.

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6 Loans
(Unsecured unless otherwise stated)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Loans to Related Parties				
Considered Good (refer note 4(c)(ii))	8,395.38	5,952.23	1,241.02	1,781.99
Considered Doubtful (refer note 4(c)(i))	6.59	9.95	205.02	5.56
Loan to others (refer note below)				
Considered Good	-	-	1,417.97	1,687.39
Considered Doubtful	-	0.75	0.05	-
	8,401.97	**5,962.93**	**2,864.06**	**3,474.94**
Less: Allowances for doubtful loans	(6.59)	(10.70)	(205.07)	(5.56)
	8,395.38	**5,952.23**	**2,658.99**	**3,469.38**

Note:
Loans to others include inter-corporate deposits aggregating ₹ 1,105.40 crore (previous year ₹ 1,345.14 crore) (Including renewals on due dates) to third parties. These deposits are given at prevailing market interest rates. The inter-corporate deposits have been approved by the Finance committee of the Board of Directors.

The Company has received adequate undertaking on record by its promoters' company to safeguard the full recovery of this amount together with the interest. In the opinion of the Company, all these loans /deposits are considered good and realisable as at the year end.

7 Other Financial Assets

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Security deposit				
Considered good	184.58	166.17	110.78	0.44
Considered doubtful	-	-	7.27	7.27
	184.58	**166.17**	**118.05**	**7.71**
Allowances for Doubtful Deposit	-	-	(7.27)	(7.27)
	184.58	**166.17**	**110.78**	**0.44**
Loans and advances to Employees	2.21	2.36	1.81	2.26
Land Lease Receivable (refer note 20 (c))	914.68	581.52	4.14	2.87
Bank Deposit with original maturity of more than twelve months and margin money deposits (refer note 11)	37.51	44.67	-	-
Interest Accrued	-	-	986.33	658.39
Receivable against Sale of Investment (refer note 38(l))	-	-	85.93	85.13
Non Trade receivable	-	-	19.21	8.99
Derivatives Instruments / Forward Contracts Receivable	-	6.50	36.15	77.04
Gratuity Assets (refer note 29)	-	-	2.64	0.68
Financial Guarantee received	-	8.74	4.37	-
	1,138.98	**809.96**	**1,251.36**	**835.80**

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

8 Other Assets

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Capital advances				
Secured, considered good	-	1.66	-	-
Unsecured, considered good	238.50	257.76	-	-
Unsecured, doubtful	10.59	10.59	-	-
	249.09	**270.01**	**-**	**-**
Less: Allowances for doubtful advance	(10.59)	(10.59)	-	-
	238.50	**259.42**	**-**	**-**
Balance with Government Authorities	4.50	4.50	38.54	44.34
Deposits Given (unsecured, considered good)	-	115.05	111.05	-
Prepaid Expenses	68.64	61.08	6.64	5.18
Project Work-in-Progress (refer note 9)	-	935.17	-	-
Assets Held for sale (refer note 37)	-	-	-	93.12
Accrued Income (refer note 41)	-	-	223.13	217.30
Advances recoverable other than in cash				
To related party	-	-	237.18	262.94
To other	-	-	43.73	83.55
Export benefit and other receivables	-	-	203.59	194.52
Taxes recoverable (net of provision) (refer note 26)	30.72	11.97	-	-
	342.36	**1,387.19**	**863.86**	**900.95**

Notes:

a) Capital advances includes ₹ 63.57 crore (previous year ₹ 79.10 crore) paid to various private parties and government authorities towards purchase of land.

b) The Company has received bank guarantees of ₹ Nil (previous year ₹ 1.66 crore) against capital advances.

9 Inventories

(At lower of cost and net realisable value)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Stores and Spares, Fuel and Lubricants	-	-	66.34	134.00
Project Work-in-Progress (refer note 41)	-	935.17	297.07	389.00
	-	**935.17**	**363.41**	**523.00**
Amount disclosed under non-current assets (refer note 8)	-	(935.17)	-	-
	-	**-**	**363.41**	**523.00**

10 Current Investments

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Unquoted mutual funds (valued at fair value through profit and loss)		
2,50,000 units (previous year 2,50,000 units) of ₹ 10 each in HDFC Mutual Fund	0.25	0.25
Investment in Commercial Papers (CP) (valued at amortised cost)		
Commercial Papers of ECAP Equities Limited	518.95	465.84
Commercial Papers of L &T Finance Limited	-	251.65
Investment in Debentures (valued at amortised cost)		
Nil (previous year 1,770 units) 8.75 % Non-Convertible Redeemable Debentures of ₹ 10,00,000 each of J M Financial Products Limited	-	177.00
	519.20	**894.74**
Aggregate carrying value of unquoted Mutual Funds	0.25	0.25
Aggregate net assets value of unquoted Mutual Funds	0.25	0.25
Aggregate carrying value of unquoted investment in Commercial Papers and Debentures	518.95	894.49

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

Note: Investments in commercial papers of ECAP Equities Limited is rated A1+. During previous year, investments in commercial papers of ECAP Equities Limited, L&T Finance Limited and debentures of J M Financial Products Limited are A1+ and AA / Stable rated instruments, respectively.

11 Cash and Bank Balances

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Cash and Cash Equivalents				
Balances with banks:				
Balance in current account	-	-	216.02	520.43
Deposits with original maturity of less than three months	-	-	26.00	28.00
Cheques on hand	-	-	241.86	-
Cash on hand	-	-	0.12	0.02
	-	**-**	**484.00**	**548.45**
Other Bank Balances				
Deposits with maturity over 3 months but less than 12 months	-	-	773.31	999.63
Bank Deposit with maturity of more than twelve months	37.51	-	-	-
In Current Account (earmarked for Unpaid Dividend) / Share Application Refund	-	-	0.88	0.82
Margin Money Deposits	-	44.67	14.90	3.11
	37.51	**44.67**	**789.09**	**1,003.56**
Amount disclosed under Non-Current Financial Assets (refer note 7)	(37.51)	(44.67)	-	-
	-	**-**	**1,273.09**	**1,552.01**

Note: Margin Money Deposits include ₹ 14.90 crore (previous year ₹ 47.78 crore) pledged / lien against bank guarantees, letter of credit and other credit facilities.

12 Equity Share Capital

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Equity share capital		
Authorized share capital		
4,97,50,00,000 (previous year 4,97,50,00,000) Equity Shares of ₹ 2 each	995.00	995.00
	995.00	**995.00**
Issued, subscribed and fully paid-up share capital		
2,07,09,51,761 (previous year 2,07,09,51,761) fully paid up Equity Shares of ₹ 2 each	414.19	414.19
	414.19	**414.19**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	March 31, 2018		March 31, 2017	
	No	₹ In Crore	No	₹ In Crore
At the beginning of the year	2,07,09,51,761	414.19	2,07,09,51,761	414.19
Add / Less: Change during the year	-	-	-	-
Outstanding at the end of the year	**2,07,09,51,761**	**414.19**	**2,07,09,51,761**	**414.19**

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

Terms/rights attached to equity shares

(i) The Company has only one class of equity share having par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

(ii) 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.

b) Equity Component of Non-Cumulative Redeemable Preference Shares

Particulars	March 31, 2018		March 31, 2017	
	No	₹ In Crore	No	₹ In Crore
At the beginning of the year	28,11,037	165.88	28,11,037	165.88
Outstanding at the end of the year	**28,11,037**	**165.88**	**28,11,037**	**165.88**

Terms of Non-cumulative redeemable preference shares

(i) The Company has outstanding 28,11,037 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹ 10 each issued at a premium of ₹ 990 per share. Each holder of preference shares has a right to vote only on resolutions placed before the company which directly affects the right attached to preference share holders. These shares are redeemable on March 28, 2024 at an aggregate premium of ₹ 278.29 crore (equivalent to ₹ 990.00 per share).

In the event of liquidation of the Company, before redemption the holder of NCRPS will have priority over equity shares in the payment of dividend and repayment of capital. The preference shares carry fixed dividend which is non-discretionary.

(ii) Under Indian GAAP, the preference shares were classified as equity and dividend payable thereon was treated as distribution of profit. Under Ind AS, the Preference Shares issued by the company classifies as Compound Financial Instrument. These preference shares are separated into liability and equity components based on the terms of the contract. Interest on liability component is recognised as interest expense using the effective interest method.

(iii) The equity component of preference shares includes the securities premium amount received on issue of preference shares and the preference share capital, redemption premium reserve being created in compliance of the Companies Act, 2013.

c) Details of shareholders holding more than 5% shares in the company

Equity Shares	March 31, 2018		March 31, 2017	
	No	% Holding in the Class	No	% Holding in the Class
Equity shares of ₹ 2 each fully paid				
i) Gautambhai Shantilal Adani and Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	87,73,17,807	42.36%	87,73,17,807	42.36%
ii) Adani Tradeline LLP (Formerly, known as Parsa Kente Rail Infra LLP)	14,05,12,153	6.78%	14,05,12,153	6.78%
Non-Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up				
Gujarat Ports Infrastructure and Development Co. Ltd.	3,09,213	11.00%	3,09,213	11.00%
Priti G. Adani	5,00,365	17.80%	5,00,365	17.80%
Shilin R. Adani	5,00,364	17.80%	5,00,364	17.80%
Pushpa V. Adani	5,00,365	17.80%	5,00,365	17.80%
Ranjan V. Adani	5,00,455	17.80%	5,00,455	17.80%
Suvarna M. Adani	5,00,275	17.80%	5,00,275	17.80%
	28,11,037	**100.00%**	**28,11,037**	**100.00%**

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

13 Other Equity

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Equity Component of Non-Cumulative Redeemable Preference shares		
Opening Balance	165.88	165.88
Closing Balance	**165.88**	**165.88**
Securities Premium		
Opening Balance	2,535.70	2,535.70
Closing Balance	**2,535.70**	**2,535.70**

Note : Security premium represents the premium received on issue of shares over and above the face value of Equity Shares. Such amount is available for utilisation in accordance of the Provisions of the Companies Act, 2013.

General Reserve		
Opening Balance	2,141.55	1,623.22
Add- Transfer from Debenture Redemption Reserve	119.32	518.33
Closing Balance	**2,260.87**	**2,141.55**

Note: The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Debenture Redemption Reserve (DRR)		
Opening Balance	476.21	638.88
Add: transferred from retained earnings	304.82	355.66
Less: transferred to General Reserve	(119.32)	(518.33)
Closing Balance	**661.71**	**476.21**

Note: The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. The DRR is created over the life of debentures out of retained earnings.

Foreign Currency Monetary Item Translation Difference Account		
Opening Balance	(74.55)	(260.65)
Add : foreign currency (Loss) / Gain during the year	(7.92)	62.70
Less : amortised in statement of profit and loss	45.34	123.40
Closing Balance	**(37.13)**	**(74.55)**

Note: Exchange differences arising on other outstanding long term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. March 31, 2016 are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA) and amortized over the remaining life of the concerned monetary item.

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Retained Earnings		
Opening Balance	11,070.45	8,323.17
Less: Loss on disposal of assets / settlement of liabilities attributable to marine business undertaking adjusted from Opening Reserve (refer note 43)	(197.18)	-
Less : Profit from marine business undertaking transferred from Opening Reserve (refer note 43)	(514.51)	-
Add : Profit for the year	2,408.10	3,100.61
Less : Dividend on Shares	(269.22)	-
Less : Dividend distribution tax paid on Equity Shares	(54.81)	-
Less : Transfer to Debenture Redemption Reserve	(304.82)	(355.66)
Add / (Less) : Re-measurement gains / (losses) on defined benefit plans (net of tax)	0.34	2.33
Closing Balance	**12,138.35**	**11,070.45**

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

Other Comprehensive Income		
Opening Balance	135.42	125.42
Add : Change in fair value of FVTOCI Equity Investments (net of tax)	8.27	10.00
Closing Balance	**143.69**	**135.42**

Note: This reserve represents the cumulative gains and losses arising on the revaluation of equity investments measured at fair value through other comprehensive income.

Total Other Equity	**17,869.07**	**16,450.66**

Distribution made and proposed

Particulars	March 31, 2018	March 31, 2017
Cash Dividend on Equity Shares declared and paid		
Final Dividend for the year ended March 31, 2017 (₹ 1.30 per share)	269.22	-
Dividend Distribution Tax	54.81	-
	324.03	**-**
Proposed Dividend on Equity Shares		
Final Dividend for the year ended March 31, 2018 ₹ 2 per share (previous year ₹ 1.30 per share)	414.19	269.22
Dividend Distribution Tax	85.14	54.81
	499.33	**324.03**
Cash Dividend on Preference Shares declared and paid		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*-	*-
Dividend Distribution Tax	*-	*-
Proposed Dividend on Preference Shares		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*-	*-
Dividend Distribution Tax	*-	*-

*- Figure nullified in conversion of ₹ in crore

Proposed dividend on equity shares are subject to approval at Annual General Meeting and are not recognised as a liability (including dividend distribution tax thereon).

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

14 Long term Borrowings

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Debentures				
2,520 (previous year 2,520) 9.35% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable on July 04, 2026)	251.25	251.19	-	-
16,000 (previous year Nil) 7.65% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable ₹ 533.30 crore on October 31, 2025, ₹ 533.30 crore on October 31, 2026 and ₹ 533.40 crore on October 30, 2027)	1,582.84	-	-	-
10,000 (previous year 10,000) 8.22% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable ₹ 333.30 crore on March 07, 2025, ₹ 333.30 crore on March 07, 2026 and ₹ 333.40 crore on March 08, 2027)	1,000.00	1,000.00	-	-
13,000 (previous year 13,000) 8.24% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable ₹ 433.30 crore on November 29, 2024 ₹ 433.30 crore on November 29, 2025 and ₹ 433.40 crore on November 27, 2026)	1,300.00	1,300.00	-	-
2,000 (previous year 2,000) 9.35% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable ₹ 100 crore on May 26, 2023 and ₹ 100 crore on May 27, 2026)	198.00	197.79	-	-
4,940 (previous year 4,940) 10.50% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable at three annual equal instalments commencing from February 25, 2021)	494.00	494.00	-	-
400 (previous year 750) 10.50% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable in 4 quarterly equal instalments on December 27, 2020, March 27, 2021, June 27, 2021 and September 27, 2021)	39.13	38.68	-	35.00
9,000 (previous year 9,000) 9.05% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable ₹ 750 crore on April 18, 2019 and ₹ 150 crore on May 22, 2019)	900.00	900.00	-	-
5,000 (previous year 5,000) 9.05% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable on April 10, 2019)	498.34	496.66	-	-
5,000 (previous year 5,000) 9.05% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable ₹ 250 crore on June 18, 2018 and ₹ 250 crore on September 18, 2018)	-	498.87	499.71	-
200 (previous year 200) 10.50% Non Convertible Redeemable Debenture of ₹ 5,00,000 each (previous year ₹ 10,00,000 each) Secured (Redeemable in 2 quarterly equal instalments on June 27, 2018 and September 27, 2018)	-	10.00	10.00	10.00
Nil (previous year 1,106) 10.15% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemed on September 15, 2017)	-	-	-	110.60

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

14 Long term Borrowings (Contd.)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Nil (previous year 2,111) 9.15% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemed on April 28, 2017)	-	-	-	211.10
Preference Shares				
Liability Component of Compound Financial Instrument - 0.01% Non Cumulative Redeemable Preference shares (unsecured) (refer note 12 (b))	91.69	84.12	-	-
Term loans				
Foreign currency loans:				
From banks (secured)	177.43	869.57	53.27	252.16
From banks (unsecured)	1,039.87	2,010.90	-	229.75
4.00 % Foreign Currency Bond priced at 195 basis points over the 10 years US Treasury Note (unsecured)	3,203.06	-	-	-
3.95% Foreign Currency Bond priced at 189 basis points over the 5 years US Treasury Note (unsecured)	3,230.33	3,207.56	-	-
3.50% Foreign Currency Bond priced at 195 basis points over the 5 years US Treasury Note (unsecured)	4,236.38	4,215.25	-	-
Rupee Loan				
Term loan from Financial Institutions (unsecured)	3.66	-	1.20	-
Foreign currency letters of credit				
From banks (secured)	570.39	554.51	-	0.60
From banks (unsecured)	23.42	31.47	-	-
	18,839.79	**16,160.57**	**564.18**	**849.21**
The above amount includes				
Secured borrowings	7,011.38	6,611.27	562.98	619.46
Unsecured borrowings	11,828.41	9,549.30	1.20	229.75
Amount disclosed under the head Current Financial Liabilities (refer note 15)	-	-	(564.18)	(849.21)
	18,839.79	**16,160.57**	**-**	**-**

Notes:

a) Debentures include Secured Non-Convertible Redeemable Debentures amounting to ₹ 2,090.34 crore (previous year ₹ 2,410.15 crore) which are secured by first Pari-passu charge on all the immovable and movable assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II project assets.

b) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 49.13 crore (previous year ₹ 93.68 crore) which are secured by exclusive mortgage and charge on entire Single Point Mooring (SPM) facilities serving Indian Oil Corporation Limited - Mundra and the first charge over receivables from Indian Oil Corporation Limited.

c) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 1,750.96 crore (previous year ₹ 1,750.06 crore) which are secured by first pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Wandh.

d) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 1,300.00 crore (previous year ₹ 1,300.00 crore) which are secured by first pari-passu charge on specified assets of certain subsidiary companies arrangements as per Debenture Trust Deed.

e) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 1,582.84 crore (previous year ₹ Nil) which are secured by first pari-passu charge on specified assets of one of the subsidiary companies arrangements as per Debenture Trust Deed.

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

f) Foreign currency loan aggregating to ₹ 160.66 crore (previous year ₹ 168.38 crore) carries interest @ 6 months Euribor plus 95 basis point. The above loan is repayable in 9 Semi-annual instalment of ₹ 17.85 crore from the balance sheet date. The loan is secured by exclusive charge on the Dredgers procured under the facility.

g) Foreign currency loan aggregating to ₹ 70.04 crore (previous year ₹ 75.13 crore) carries interest @ 6 months Euribor plus 75 basis point. The loan is repayable in 8 semi annually equal instalments of approx. ₹ 8.79 crore from the balance sheet date. The loan is secured by exclusive charge on the Cranes purchased under the facility.

h) Foreign currency loan aggregating to ₹ Nil (previous year ₹ 878.22 crore) carried interest @ 6 month libor plus 180 basis point. This loan was secured by first pari-passu charge on all the immovable and movable assets of Multi-purpose Terminal, Terminal-II and Container Terminal-II project assets. The loan was repaid during the year.

i) Foreign currency letters of credit aggregating to ₹ 570.39 crore (previous year ₹ 555.11 crore) carries interest @ 3 to 6 months libor plus basis point in range of 21 to 46. Loan of ₹ 570.39 crore (previous year ₹ 555.11 crore) payable on maturity in 2019-20 and 2020-21. The loan was secured against exclusive charge on assets purchased under the facility.

j) Unsecured Loan

(i) 5 years Foreign Currency Bond of USD 650 million equivalent to ₹ 4,236.38 crore (previous year ₹ 4,215.25 crore) carries interest @ 3.50 % p.a. with bullet repayment in the year 2020.

(ii) 5 years Foreign Currency Bond of USD 500 million equivalent to ₹ 3,230.33 crore (previous year ₹ 3,207.56 crore) carries interest rate at 3.95% p.a. with bullet repayment in the year 2022.

(iii) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹ 3,203.06 crore (previous year ₹ Nil) carries interest rate at 4.00% p.a. with bullet repayment in the year 2027.

(iv) Foreign Currency loan of ₹ Nil (previous year ₹ 226.98 crore) carried basis overnight libor plus 120 basis point repaid during the year.

(v) Foreign Currency Loan aggregating to ₹ 1,039.87 crore (previous year ₹ 1,034.68 crore) carries interest at 2.85% fixed for 18 months and than after 6 months Libor plus 2.2% is repayable in the year 2021.

(vi) Foreign Currency Loan aggregating of ₹ Nil (previous year ₹ 12.31 crore) carry interest at 2.12 % p.a. The said loan was repaid during the year.

(vii) Foreign currency letters of credit aggregating to ₹ 23.42 crore (previous year ₹ 31.47 crore) carries interest @ 6 months Libor plus basis point in range of 21 to 51 and 12 months Euribor plus 75 basis points. ₹ 23.42 crore payable on maturity from 2019-20 to 2020-21.

(viii) Foreign currency loan aggregating to ₹ Nil (previous year ₹ 483.45 crore) carried interest 6 months Libor plus 204 basis point .The loan was repaid during the year 2017-18.

(ix) Foreign currency loan aggregating to ₹ Nil (previous year ₹ 483.23 crore) carried interest @ 3 months Libor plus 200 basis point. The loan was repaid during the year 2017-18.

(x) Rupee Term Loan aggregating to ₹ 4.86 crore (previous year ₹ Nil) carries interest ranging from 4.70 % p.a. to 7.95 % p.a. repayment beginning from May 2018 and having last repayment date on November 2021.

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

15 Other Financial Liabilities

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Current maturities of long term borrowings (refer note 14)	-	-	564.18	849.21
Derivatives Instruments	72.49	55.96	40.59	33.97
Capital creditors and retention money (Includes outstanding due to MSME creditors ₹ 0.02 crore (previous year ₹ 0.20 core)) (refer note 34)	1.33	1.27	460.17	177.36
Other payables (including discounts etc)	-	-	96.40	74.24
Obligations under lease land (refer note (a) below)	6.85	6.99	0.13	0.01
Unpaid Dividends #	-	-	0.88	0.82
Interest accrued but not due on borrowings	-	-	303.91	253.88
Deposit from Customers	1.34	1.29	8.23	6.58
Financial Guarantees	9.74	12.12	5.10	-
	91.75	**77.63**	**1,479.59**	**1,396.07**

Not due for credit to "Investors Education & Protection Fund"

Notes:

a) Assets taken under Finance Leases – Land for purposes of developing, constructing, operating and maintaining the Mundra Port and related infrastructure for providing services to the users in accordance with the terms of the concession agreement with Gujarat Maritime Board (GMB).

The lease rent is subject to revision every three years on April 01st by 20% of the previous amount. The lease rent terms are for the period of 30 years and are renewable accordingly with extention or renewal of the concession agreement. The lease agreement entered is non-cancellable till the termination or expiry of the concession agreement. There is no contingent rent, no sub-leases restrictions imposed by the lease arrangements. Expenses of ₹ 0.59 crore (previous year ₹ 0.59 crore) incurred under such lease have been expensed in the statement of profit and loss.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

₹ In Crore

Particulars	Within one year	After one year but not later than five years	More than five years	Total minimum lease payments	Less: Amounts representing finance charges	Present value of minimum lease payments
March 31, 2018						
Minimum Lease Payments	0.71	3.13	8.34	12.18	(5.20)	6.98
Finance charge allocated to future periods	0.58	2.17	2.45	5.20	-	-
Present Value of MLP	0.13	0.96	5.89	6.98	-	6.98
March 31, 2017						
Minimum Lease Payments	0.59	2.99	9.20	12.78	(5.78)	7.00
Finance charge allocated to future periods	0.58	2.24	2.96	5.78	-	-
Present Value of MLP	0.01	0.75	6.24	7.00	-	7.00

b) Disclosure with regards to Amendments to Ind AS 7 Statement of Cash Flows:

The amendments 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 period.

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

Changes in liabilities arising from financing activities

₹ In Crore

Particulars	April 1, 2017	Cash Flows	Foreign Exchange Movement	Changes in Fair Value	Other Adjustment	March 31, 2018
Long-term Borrowings (including Current Maturities of Long Term Debt)	17,009.78	2,339.67	100.52	(46.00)	-	19,403.97
Short-term borrowing (including Bills Discounting)	3,197.37	(2,603.79)	1.92	69.15	50.49	715.14
Interest accrued but not due	253.88	(1,154.92)	14.76	(27.89)	1,218.08	303.91
Unpaid Dividend on Equity and Preference Shares (including Dividend Distribution Tax)	0.82	(323.97)	-	-	324.03	0.88
Derivative Contract	50.02	(182.65)	-	-	238.80	106.17
Total	**20,511.87**	**(1,925.66)**	**117.20**	**(4.74)**	**1,831.40**	**20,530.07**

16 Other Liabilities

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Advance from customers	0.35	10.51	169.63	293.27
Deposits from customers	-	-	14.31	15.54
Statutory liability	-	-	40.62	8.62
Unearned Income under land lease/ Infrastructure usage agreements	748.14	666.74	62.24	50.92
Deferred Income on fair valuation of Deposit taken	1.37	1.48	-	-
Deferred Government Grant (refer note (i) below)	0.90	1.00	-	-
Unearned revenue -others	-	-	34.66	38.72
	750.76	**679.73**	**321.46**	**407.07**

Notes:

i) Movement in Deferred Government Grant

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Opening Balance	1.00	1.09
Amortisation during the year	(0.10)	(0.09)
Closing Balance	**0.90**	**1.00**

17 Short term Borrowings

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Suppliers credit (secured)	1.17	2.47
Commercial paper (unsecured)	-	2,531.42
	1.17	**2,533.89**
Customers' Bill Discounted (unsecured) (refer note 5(c))	713.97	663.48
	715.14	**3,197.37**

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

Notes :

a) Suppliers bills accepted under foreign currency letters of credit aggregating to ₹ Nil (previous year ₹ 2.47 crore) carried interest at 1 -12 months Libor plus basis point in the range of 15 to 75 and 6 to 12 Months Euribor plus basis point in range of 38 to 40. The loan was repaid on maturity during the year. The loan was secured against material purchased under the facilities.

b) Suppliers bills accepted under foreign currency letters of credit aggregating to ₹ 1.17 crore (previous year ₹ Nil) carries interest at 6 Months Euribor plus 28 basis point. Subservient charge on movable fixed assets and current assets of the Company, except those secured by exclusive charge in favour of other lenders.

c) Commercial Paper (CP) aggregating ₹ Nil (previous year ₹ 2,531.42 crore) carried interest rate in range of 6.75% p.a. to 10% p.a. The CP had maturity period of 1 to 9 months and matured during the year.

d) Factored receivables of ₹ 713.97 crore (previous year ₹ 663.48 crore) have recourse to the Company and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 1 to 12 months.

18 Trade and Other Payables

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Payables to micro, small and medium enterprises (refer note 34)	-	0.32
Other trade payables	213.37	257.94
	213.37	**258.26**
Dues to related parties included in above		
Trade payables	**48.72**	**96.92**

19 Provisions

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Provision for Employee Benefits		
Provision for Compensated Absences	12.41	12.31
	12.41	**12.31**
Other Provision		
Provision for operational claims (refer note (a) below)	33.67	35.37
	33.67	**35.37**
	46.08	**47.68**

Note (a)

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Opening Balance	35.37	31.92
Add : Additions during the year	0.09	6.34
Less :Utilised / (Settled) during the year	(1.79)	(2.89)
Closing Balance	**33.67**	**35.37**

Note: Operational Claims are the expected claims against outstanding receivables made/to be made by the customers towards shortages of stock, handling losses, damages to the cargo, storage and other disputes. The probability and the timing of the outflow/adjustment with regard to above depends on the ultimate settlement / conclusion with the respective customer.

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

20 Revenue From Operations

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Income from Port Operations (Including Port Infrastructure Services) (refer note (b) below)	3,514.14	4,313.15
Land Lease, Upfront Premium and Deferred Infrastructure Income (refer note (a), (c) and (d) below)	596.35	318.36
Income from Development of Container Infrastructure (refer note 42)	2,258.85	-
Other Operating Income including Construction, Infrastructure Development Support Services and related income	164.18	247.35
	6,533.82	**4,878.86**

Notes:

a) Land lease income includes annual income of ₹ 52.01 crore (previous year ₹ 43.77 crore) in respect of land finance lease transaction.

b) Income from Port Operations for the year ended March 31, 2018 includes income of ₹ Nil (previous year ₹ 192.70 crore) towards project related advisory services rendered for the development of Container Terminal Project at Mundra. The income has been recognised based on completion of performance obligation as per the arrangement / agreement entered between the Company, Joint Ventures and the Service Provider. The Container Terminal facilities are developed in Joint ventures.

c) Assets given under Finance Leases – The company has given land on finance lease to various parties. All leases include a clause to enable upward revision of the rental charge every three to five years by 10% to 20%. These leases have terms of between 14 and 50 years. The lease agreements entered are non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. The company has also received one-time income of upfront premium ranging from ₹ 625 to ₹ 5,273 per sq. mtr for use of common infrastructure by the parties. Such one-time income of upfront premium is non-refundable. Income of ₹ 537.67 crore (previous year ₹ 267.45 crore) including upfront premium of ₹ 296.33 crore (previous year ₹ 193.46 crore) accrued under such lease have been booked as income in the statement of profit and loss.

Future minimum lease receivables under finance leases together with the present value of the net minimum lease payments receivable ("MLPR") are as follows:

₹ In Crore

Particulars	March 31, 2018		March 31, 2017	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
Within one year	44.75	41.34	35.26	32.57
After one year but not late than five years	262.47	198.54	165.79	125.53
More than five years	2,675.21	678.94	1,673.71	426.29
Total minimum lease receivables	**2,982.43**	**918.82**	**1,874.76**	**584.39**
Less: Amounts representing finance charges	(2,063.61)	-	(1,290.37)	-
Present value of minimum lease receivables	**918.82**	**918.82**	**584.39**	**584.39**

d) Land given on operating lease:

The Company has given certain land portions on operating lease. These lease arrangements range for a period between 5 and 60 years and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

The total future minimum lease rentals receivable at the Balance Sheet date is as under:

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
i) Not later than one year	24.03	23.91
ii) Later than one year and not later than five years	103.89	100.85
iii) Later than five years	488.40	515.48

21 Other Income

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Interest Income on		
Bank Deposits, Inter Corporate Deposits etc.	1,454.27	1,101.86
Customers dues	59.80	42.81
Dividend on Long-term Investments	4.00	2.20
Unclaimed liabilities / excess provision written back	0.63	2.32
Scrap sale	10.98	6.12
Net gain on Sale of Current Investments	24.99	31.15
Net gain on Sale of Non-Current Investments	-	6.62
Financial Guarantee	4.65	9.18
Amortisation of Government Grant (refer note 16 (i))	0.10	0.09
Miscellaneous Contractual Income (Including equipment hire charges)	-	56.06
Miscellaneous Income	47.90	26.26
	1,607.32	**1,284.67**

22 Operating Expenses

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Cargo handling / other charges to Sub-Contractors	274.11	265.05
Customer Claims	0.09	6.34
Railway Service Charges (net)	117.14	87.10
Tug and Pilotage Charges	1.43	12.22
Maintenance Dredging	11.71	10.94
Other expenses including Customs Establishment Charges	4.13	1.86
Repairs to Plant & Equipment	57.56	36.82
Store & Spares consumed	51.87	81.27
Repairs to Buildings	6.97	7.68
Power & Fuel	77.44	109.97
Waterfront Charges	153.87	160.75
Container Infrastructure Development Expenditure (refer note 42)	749.65	-
Cost of Land transferred under Finance Lease	8.55	1.84
	1,514.52	**781.84**

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

23 Employee Benefits Expense

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Salaries, Wages and Bonus	172.60	185.20
Contribution to Provident and Other Funds	7.90	8.04
Gratuity Expenses (refer note 29)	2.50	3.71
Staff Welfare Expenses	10.78	14.04
	193.78	**210.99**

24 Finance Costs

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
a) Interest and Bank Charges		
Interest on		
Debentures and Bonds	935.72	646.95
Fixed Loans, Buyer's Credit, Short Term Loan etc.	248.21	429.16
Others	0.04	3.96
Bank and other Finance Charges	34.11	23.33
	1,218.08	**1,103.40**
b) Loss on Derivatives / Swap Contracts (net)	238.80	95.00
	1,456.88	**1,198.40**

25 Other Expenses

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Rent Expenses (refer note (a) and (b) below)	12.62	16.34
Rates and Taxes	4.00	4.60
Insurance	4.91	5.94
Advertisement and Publicity	8.26	8.70
Other Repairs and Maintenance	21.63	15.99
Legal and Professional Expenses	42.67	45.45
Corporate Support Service Fee	29.42	31.88
IT Support Services	12.50	10.17
Payment to Auditors (refer note (c) below)	0.84	1.21
Security Service Charges	20.39	15.69
Communication Expenses	8.66	6.52
Electric Power Expenses	5.90	7.09
Travelling and Conveyance (Incl. aircraft service expenses of ₹ 39.48 crore (previous year ₹ 42.46 crore))	59.94	57.90
Directors Sitting Fee	0.13	0.13
Commission to Non-executive Directors	0.48	0.48
Charity & Donations (refer note (d) below)	60.66	52.76
Diminution in value of Capital Inventories	-	21.15
Loss on sale / discard of Property, Plant and Equipment (net)	7.77	2.23
Allowances for Doubtful Advance and Deposits	-	20.86
Miscellaneous Expenses	15.88	13.89
	316.66	**338.98**

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

Notes:

a) Assets taken under Operating Leases –
An office space and residential houses for staff accommodation are generally obtained on operating leases except that stated under note (b) below. The lease rent terms are generally for an eleven months period and are renewable by mutual agreement. There are no sub-leases and leases are cancellable in nature except that mentioned under note (b) below. There are no restrictions imposed by the lease arrangements. There is no contingent rent in the lease agreements and there is no escalation clause in the lease agreements except that mentioned under note (b) below. Expenses of ₹ 4.21 crore (previous year ₹ 4.24 crore) incurred under such leases have been expensed in the statement of profit & loss.

b) Assets taken under Operating Leases –
An office premises have been taken on operating leases. The lease rent terms are for the period of 15 years and are renewable by mutual consent. The Company has given deposit of ₹ 100 crore as per the terms in one of the lease transaction. The lease agreement entered is non-cancellable for the period of first 3 years of the lease agreement. As per the lease agreement lease rental is escalated by 10% at every 5 years. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. Expenses of ₹ 0.05 crore (previous year ₹ 0.10 crore) incurred under such lease have been expensed in the statement of profit and loss.

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

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
(i) Not later than one year	7.11	7.00
(ii) Later than one year and not later than five years	28.44	28.00
(iii) Later than five years	95.16	101.50

c) Payment to Auditors

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
As auditor:		
Audit fee	0.59	0.52
Limited review	0.24	0.23
In other capacity:		
Certification fees	0.01	0.06
Other services#	*-	0.35
Reimbursement of expenses	*-	0.05
	0.84	**1.21**

*- Figures being nullified on conversion of ₹ in crore
During previous year professional fee of ₹ 0.37 crore paid for the services rendered in respect of the Bond issued by the Company has been accounted as transaction cost in accordance with Ind AS 109 for the year ended March 31, 2017

d) Details of Expenditure on Corporate Social Responsibilities

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized throughout the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

i) Gross amount required to spent during the year ₹ 57.13 crore (previous year ₹ 47.78 crore)

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

ii) Amount spent during the year ended:

₹ In Crore

Particulars	In cash	Yet to be paid in cash	Total
March 31, 2018			
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	57.20	-	57.20
Total	**57.20**	**-**	**57.20**
March 31, 2017			
i) Construction/acquisition of any asset	8.40	-	8.40
ii) On purposes other than (i) above	39.38	-	39.38
Total	**47.78**	**-**	**47.78**

26 Income Tax

The major component of income tax expenses for the year ended March 31, 2018 and March 31, 2017 are as under

a) Tax Expense reported in the Statement of Profit and Loss

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Current Income tax		
Current tax charges	1,378.13	704.24
Tax (credit) under Minimum Alternate tax (MAT)	-	(571.28)
Deferred Tax		
Relating to origination and reversal of temporary differences	42.95	59.37
Tax Expense reported in the Statement of Profit and Loss	**1,421.08**	**192.33**
Note: The Company was availing tax holiday under section 80IAB of Income tax Act, 1961 till March 31, 2017 and w.e.f. April 1, 2017 the Company is subjected to normal tax regime. Hence the tax expense for the current year is not comparable with the amounts of previous year.		
Tax on other Comprehensive Income ('OCI')		
Deferred tax related to items recognised in OCI during the year		
Tax impact on re-measurement gains on defined benefit plans	0.19	1.23
Tax impact on unrealised gain on FVTOCI Equity Investment	1.73	1.91
	1.92	**3.14**

b) Balance Sheet Section

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Liabilities for current Tax (net)	(92.41)	(158.50)
Taxes Recoverable (net) (refer note 8)	30.72	11.97
	(61.69)	**(146.53)**

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

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

Particulars	March 31, 2018		March 31, 2017	
	%	₹ In Crore	%	₹ In Crore
Profit Before tax		3,829.18		3,292.94
Tax using the Company's domestic rate	34.61	1,325.20	34.61	1,139.62
Tax Effect of:				
Deduction u/s 80IAB	-	-	(29.13)	(959.10)
Effect of change in Tax rates	0.23	8.66	-	-
Expenses not allowable under Tax Laws	1.94	74.45	0.39	12.69
Deduction under chapter VI-A	(0.25)	(9.71)	-	-
Exempt income	(0.04)	(1.38)	-	-
Adjustment in respect of previous years	0.69	26.37	-	-
Others Adjustments	(0.07)	(2.51)	(0.03)	(0.88)
Effective tax rate	**37.11**	**1,421.08**	**5.84**	**192.33**
Tax expenses as per Books		**1,421.08**		**192.33**

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

d) Deferred Tax Liability (net)

₹ In Crore

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
(Liability) on Accelerated depreciation for tax purpose	(863.06)*	(852.83)	(82.06)	(25.85)
Asset on unrealised exchange variation	26.31	18.37	7.94	(26.10)
Assets on Provision for Gratuity and Leave encashment	3.42	4.02	(0.60)	4.02
Assets on Bond issue expenses amortization	9.69	13.71	(4.02)	13.71
(Liability) on Preference Share debt component	(65.55)	(68.17)	2.62	2.40
(Liability) on Deemed Investment	(165.82)	(83.42)	(82.40)	-
Asset on fair valuation of Inter Corporate Deposit / Corporate / Bank Guarantee	115.16	68.40	46.76	(30.61)
(Liability) on Equity Investment FVTOCI	(26.53)	(24.81)	(1.72)	(1.91)
Asset on provision for doubtful loan & advances	68.53	-	68.53	-
Assets on other adjustments	4.31	4.23	0.08	1.83
	(893.54)	**(920.50)**	**(44.87)**	**(62.51)**

*Net deferred tax liabilities is after effect of deferred tax amounting to ₹ 71.83 crore on demerger of marine business undertaking (refer note 43)

e) Deferred Tax Assets reflected in the Balance Sheet as follows

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Tax Credit Entitlement under MAT	2,025.40	2,685.02
Less :Deferred tax liabilities (net)	(893.54)	(920.50)
	1,131.86	**1,764.52**

f) Reconciliation of Deferred tax liabilities (net)

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Tax expenses during the period recognised in Statement of Profit and Loss	42.95	59.37
Tax expenses during the period recognised in OCI	1.92	3.14
	44.87	**62.51**

g) The Company has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognised in the Balance Sheet at

₹ In Crore

Financial Year	Amount	Expiry Date
2012-13	122.80	2027-28
2013-14	445.85	2028-29
2014-15	441.57	2029-30
2015-16	608.26	2030-31
2016-17	406.92	2031-32
Total	**2,025.40**	

h) During the year ended March 31, 2018, the Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authority on behalf of the shareholders. Hence DDT paid is charged to equity.

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

27 Earnings Per Share (EPS)

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Profit after tax	2,408.10	3,100.61
Less: Dividends on Non-Cumulative Redeemable Preference Shares & tax thereon	*-	*-
	2,408.10	**3,100.61**
	No.	No.
Weighted average number of equity shares in calculating basic and diluted EPS	2,07,09,51,761	2,07,09,51,761
Basic and Diluted Earnings per Share (in ₹)	**11.63**	**14.97**

* Figures being nullified on conversion to ₹ in crore.

28 Disclosure pursuant to Ind AS - 11 Construction Contracts are as under

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
a) Contract revenue recognized during the year	Nil	18.24
b) Disclosure for Contract in Progress		
(i) Aggregate amount of contract costs incurred up to date		6.37
(ii) Recognised Profit (Less recognised losses)		11.87
(iii) Customer advances outstanding		-
(iv) Retention money due from customers		-
c) Amount due from customers		8.94
d) Amount due to customers		0.59

29 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 ₹ 7.65 crore (previous year ₹ 7.70 crore) as expenses under the following defined contribution plan.

₹ In Crore

Contribution to	2017-18	2016-17
Provident Fund	7.48	7.51
Superannuation Fund	0.17	0.19
Total	**7.65**	**7.70**

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 Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy with effect from September 1, 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 asset - liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

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

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

c) Gratuity

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

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Present value of the defined benefit obligation at the beginning of the year	16.69	16.83
Current service cost	2.55	3.13
Interest cost	1.27	1.33
Re-measurement (or Actuarial) (gain) / loss arising from and including in OCI:		
- change in demographic assumptions	-	-
- change in financial assumptions	(0.42)	(3.86)
- experience variance	(0.11)	0.64
Benefits paid	(1.19)	(1.16)
Liability Transfer In	0.66	0.64
Liability Transfer Out	(0.90)	(0.86)
Present value of the defined benefit obligation at the end of the year	18.55	16.69

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

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Fair value of plan assets at the beginning of the year	17.37	9.36
Investment income	1.31	0.74
Contributions by employer	2.51	6.96
Benefits paid	-	(0.03)
Return on plan assets, excluding amount recognised in net interest expense	-	0.34
Fair value of plan assets at the end of the year	21.19	17.37

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

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Present value of the defined benefit obligation at the end of the year	18.55	16.69
Fair value of plan assets at the end of the year	21.19	17.37
Amount recognised assets / (liability)	2.64	0.68
Net asset / (liability) - Current	2.64	0.68

(iv) Expense recognised in the Statement of Profit and Loss for the year

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Current service cost	2.55	3.13
Interest cost on benefit obligation	(0.05)	0.58
Total Expense included in Employee Benefits Expense (refer note 23)	2.50	3.71

(v) Recognised in the other comprehensive income for the year

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Actuarial (gain)/losses arising from		
- change in demographic assumptions	-	-
- change in financial assumptions	(0.42)	(3.86)
- experience variance	(0.11)	0.64
Return on plan assets, excluding amount recognised in net interest expense	-	0.34
Recognised in the other comprehensive income	(0.53)	(3.56)

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

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

Particulars	March 31, 2018	March 31, 2017
Discount rate	7.80%	7.60%
Rate of escalation in salary (per annum)	7.00%	7.00%
Mortality	India Assured Lives Mortality (2006-08)	India Assured Lives Mortality (2006-08)
Attrition rate	10% for 5 years & below and 1% thereafter	10% for 5 years & below and 1% thereafter

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

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

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

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

* As the gratuity fund is managed by life insurance company, details of fund invested by insurer are not available with company.

(viii) 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, 2018		March 31, 2017	
Assumptions	Discount rate		Discount rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)
Impact on defined benefit obligations	**(1.91)**	**2.26**	**(1.81)**	**2.16**

Particulars	March 31, 2018		March 31, 2017	
Assumptions	Salary Growth rate		Salary Growth rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)
Impact on defined benefit obligations	**2.25**	**(1.94)**	**2.15**	**(1.84)**

Particulars	March 31, 2018		March 31, 2017	
Assumptions	Attrition rate		Attrition rate	
Sensitivity level	0.5% Increase	0.5 % Decrease	0.5% Increase	0.5% Decrease
	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)
Impact on defined benefit obligations	**(0.06)**	**0.07**	**(0.12)**	**0.12**

Notes to the Standalone Financial Statements
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Particulars	March 31, 2018		March 31, 2017	
Assumptions	Mortality rate		Mortality rate	
Sensitivity level	0.1% Increase	0.1% Decrease	0.1% Increase	0.1% Decrease
	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)	(₹ In Crore)
Impact on defined benefit obligations	-*	-*	-*	-*

*Figures being nullified on conversion to ₹ in crore

(ix) Maturity profile of Defined Benefit Obligation

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

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

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Within the next 12 months (next annual reporting period)	1.15	0.95
Between 2 and 5 years	6.11	5.30
Between 5 and 10 years	5.16	5.02
Beyond 10 years	42.58	39.43
Total Expected Payments	**55.00**	**50.70**

The Company expect to contribute ₹ Nil to the gratuity fund in the financial year 2018-19 (previous year ₹ 2.40 crore).

(xi) Asset-Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy).The policy, thus, mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

30 Segment Information

The Company is primarily engaged in one business segment, namely developing, operating and maintaining the Ports services, Ports related Infrastructure development activities and development of infrastructure at contiguous Special Economic Zone at Mundra, 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.

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

31 Related Party Disclosures

A. Related parties where control exists.

Wholly owned Subsidiary Companies	Adani Ennore Container Terminal Private Limited
	Adani Hazira Port Private Limited
	Adani Hospitals Mundra Private Limited
	Adani Logistics Limited
	Adani Vizag Coal Terminal Private Limited
	Adani Warehousing Services Private Limited
	Karnavati Aviation Private Limited
	MPSEZ Utilities Private Limited
	Mundra International Airport Private Limited
	The Dhamra Port Company Limited
	Adani Vizhinjam Port Private Limited
	Mundra International Gateway Terminal Private Limited
	Mundra LPG Infrastructure Private Limited [w.e.f March 22, 2017] (formerly known as Hazira Road Infrastructure Private Limited)
	Adani Kattupalli Port Private Limited
	Adani International Terminals Pte Limited, Singapore
	Adani Kandla Bulk Terminal Private Limited [w.e.f March 31, 2017]
	Adani Murmugao Port Terminal Private Limited [w.e.f March 31, 2017]
	Shanti Sagar International Dredging Private Limited (formerly known as Adani Food and Agro Processing Park Private Limited)
	Abbot Point Operations Pty Limited
	The Adani Harbour Services Private Limited [acquired on December 07, 2016 (formerly known as TM Harbour Services Private Limited)
	Adani Petroleum Terminal Private Limited [incorporated on April 26, 2016]
	Adinath Polyfills Private Limited
Other Subsidiary Companies	Dholera Infrastructure Private Limited (Controlling interest)
	Adani Petronet (Dahej) Port Private Limited
	Mundra SEZ Textile And Apparel Park Private Limited
Step down Subsidiary	Hazira Infrastructure Private Limited
	Mundra LPG Terminal Private Limited [incorporated June 02, 2016] (formerly known as Adani LPG terminal Private Limited)
	Adani Dhamra LPG Terminal Private Limited
	Dholera Port and Special Economic Zone Limited (Controlling Interest)
	Dhamra LNG Terminal Private Limited
	Abott Point Bulk Coal Pty Limited [acquired on October 04, 2016]
B. Other related parties with whom transactions have been taken place during the year.	
Joint Venture Entities	Adani CMA Mundra Terminal Private Limited
	Adani International Container Terminal Private Limited
Key Managerial Personnel and their relatives	Mr. Gautam S. Adani - Chairman and Managing Director
	Mr. Rajesh S. Adani - Director and Brother of Mr Gautam S. Adani
	Dr. Malay Mahadevia - Wholetime Director
	Mr Karan G. Adani - Chief Executive Officer and son of Mr Gautam S. Adani
	Mr. A.K. Rakesh, IAS - Non-Executive Director [upto September 07, 2016]
	Prof. G. Raghuram - Non-Executive Director
	Mr. Sanjay S. Lalbhai - Non-Executive Director
	Ms. Radhika Haribhakti - Non-Executive Director
	Mr. Gopal Krishna Pillai - Non-Executive Director
	Mr. B. Ravi - Chief Finance Officer (till February 12, 2018)
	Ms. Dipti Shah - Company Secretary

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

31 Related Party Disclosures (Contd.)

Entities over which Key Management Personnel and their relatives having significant influence / major shareholders of the Company are able to exercise significant influence through voting powers.	Adani Foundation
	Adani Institute of Infrastructure Management
	Adani Properties Private Limited
	Delhi Golf Link Properties Private Limited
	Adani Infrastructure and Developers Private Limited
	Adani Mundra SEZ Infrastructure Private Limited
	Adani Townships And Real Estate Company Private Limited
	Abbot Point Port Holdings Pte Limited, Singapore
	Mundra Port Pty Limited, Australia
	Shanti Builders
	Adani Agri Fresh Limited
	Adani Bunkering Private Limited
	Adani Enterprises Limited
	Mundra Solar PV Limited
	Adani Cementation Limited
	Mundra Solar Technopark Private Limited
	Adani Shipping Pte Limited
	Adani Green Energy Limited
	Adani Gas Limited
	Adani Global F.Z.E.
	Adani Infra (India) Limited
	Belvedere Golf and Country Club Private Limited
	Sunanda Agri Trade Private Limited
	Adani Skill Development Center
	Adani Power Dahej Limited
	Adani Power (Mundra) Limited
	Adani Power Maharashtra Limited
	Adani Power Limited
	Adani Power Rajasthan Limited
	Adani Wilmar Limited
	Kutch Power Generation Limited
	Adani Institute for Education and Research
	Gujarat Adani Institute Of Medical Sciences

Terms and conditions of transactions with related parties

(i) Outstanding balances of related parties at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. During the year, the Company has not recorded any impairment of receivables relating to amounts owed by related parties except provision has been made for loans given to a subsidiary of ₹ 196.10 crore (previous year ₹ 15.51 crore). 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.

(ii) All loans are given on interest bearing within the range of 6.25% p.a. to 11.50% p.a. except loan to Adani Logistics Limited, The Dhamra Port Company Limited (part of loan) , Dholera Infrastructure Private Limited, Dholera Port & Special Economic Zone Limited, Karnavati Aviation Private Limited, Adani Hospitals Mundra Private Limited, Mundra International Airport Private Limited, Abbot Point Operations Pty Limited, Adani International Terminals Pte Limited whereby loan transaction aggregating to ₹ 1,774.54 crore (previous year ₹ 1,519.58 crore) are interest free. During the previous year, the Company had relinquished its rights on payment of interest on loan amounting to ₹ 2,671.64 crore given to certain subsidiaries, in earlier period and outstanding as at April 1, 2016 i.e. Adani Ennore Container Terminal Private Limited; Adani Hazira Port Private Limited; Adani Kandla Bulk Terminal Private Limited; Adani Kattupalli Port Private Limited; Adani Murmugao Port Terminal Private Limited; Adani Vizag Coal Terminal Private Limited; Mundra SEZ Textile and Apparel Park Private Limited; Shanti Sagar International Dredging Private Limited and The Dhamra Port Company Limited to support the operation of these subsidiaries.

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

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.

(ii) Aggregate of transactions for the year ended with these parties have been given below.

(A) Transactions with Related Parties

(₹ in crore)

Sr No	Particulars	For the Year Ended	With Subsidiaries	With Joint Ventures	With Other Parties #	Key Managerial Personnel and their relatives
1	Income from Port Services / Other Operating Income	**March 31, 2018**	**25.22**	**267.62**	**473.56**	**-**
		March 31, 2017	79.40	144.60	606.60	-
2	Lease & Infrastructure Usage Income/ Upfront Premium (Includes Reversal)	**March 31, 2018**	**5.52**	**449.75**	**17.50**	**-**
		March 31, 2017	5.28	4.61	131.17	-
3	Income from Development of Container Terminal Infrastructure	**March 31, 2018**	**-**	**2,258.85**	**-**	**-**
		March 31, 2017	-	-	-	-
4	Interest Income on loans/ deposits/deferred accounts receivable	**March 31, 2018**	**690.51**	**121.33**	**60.16**	**-**
		March 31, 2017	444.18	13.59	254.37	-
5	Purchase of Spares and consumables, Power & Fuel	**March 31, 2018**	**62.31**	**-**	**108.46**	**-**
		March 31, 2017	65.29	-	64.86	-
6	Recovery of expenses (Reimbursement)	**March 31, 2018**	**0.60**	**19.19**	**-**	**-**
		March 31, 2017	0.08	5.59	-	-
7	Services Availed (including reimbursement of expenses)	**March 31, 2018**	**88.26**	**-**	**63.49**	**-**
		March 31, 2017	53.09	2.28	47.71	-
8	Rent charges paid	**March 31, 2018**	**0.08**	**2.08**	**8.58**	**-**
		March 31, 2017	-	3.80	4.74	-
9	Sales of Scrap and other Miscellaneous Income	**March 31, 2018**	**27.14**	**0.53**	**8.43**	**-**
		March 31, 2017	6.26	6.66	0.76	-
10	Loans Given	**March 31, 2018**	**5,766.04**	**472.34**	**3.27**	**-**
		March 31, 2017	6,015.07	793.64	883.49	-
11	Loans Received back	**March 31, 2018**	**3,988.26**	**55.72**	**3.27**	**-**
		March 31, 2017	4,326.33	-	2,238.86	-
12	Advance / Deposit given	**March 31, 2018**	**-**	**-**	**18.00**	**-**
		March 31, 2017	-	-	140.66	-
13	Advance / Deposit Received back	**March 31, 2018**	**-**	**-**	**10.00**	**-**
		March 31, 2017	-	-	800.19	-
14	Share Application Money Paid / Investment	**March 31, 2018**	**0.01**	**48.23**	**-**	**-**
		March 31, 2017	200.67	-	-	-
15	Purchase of Investment	**March 31, 2018**	**-**	**-**	**-**	**-**
		March 31, 2017	0.05	-	61.34	-
16	Sale of Investment	**March 31, 2018**	**-**	**-**	**-**	**-**
		March 31, 2017	0.05	-	-	-
17	Donation	**March 31, 2018**	**-**	**-**	**48.38**	**-**
		March 31, 2017	-	-	46.58	-
18	Purchase of Property / Assets /Land use rights	**March 31, 2018**	**-**	**-**	**-**	**-**
		March 31, 2017	-	-	334.20	-
19	Sale of Assets	**March 31, 2018**	**298.11**	**345.22**	**1.40**	**-**
		March 31, 2017	-	8.19	-	-
20	Subscription of compulsory convertible debentures/ perpetual convertible debt	**March 31, 2018**	**-**	**-**	**-**	**-**
		March 31, 2017	3,907.00	-	-	-
21	Remuneration	**March 31, 2018**	**-**	**-**	**-**	**19.76**
		March 31, 2017	-	-	-	17.55

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

(A) Transactions with Related Parties for the year ended (Contd.)

(₹ in crore)

Sr No	Particulars	For the Year Ended	With Subsidiaries	With Joint Ventures	With Other Parties #	Key Managerial Personnel and their relatives
22	Commission to Director	**March 31, 2018**	**-**	**-**	**-**	**1.00**
		March 31, 2017	-	-	-	1.00
23	Commission to Non-Executive Director	**March 31, 2018**	**-**	**-**	**-**	**0.36**
		March 31, 2017	-	-	-	0.48
24	Sitting Fees	**March 31, 2018**	**-**	**-**	**-**	**0.13**
		March 31, 2017	-	-	-	0.13
25	Corporate Guarantee Given	**March 31, 2018**	**884.90**	**-**	**-**	**-**
		March 31, 2017	-	-	-	-

(B) Balances with Related Parties

(₹ in crore)

Sr No	Particulars	As at	With Subsidiaries	With Joint Ventures	With Other Parties#	Key Managerial Personnel and their relatives
1	Trade Receivable (net of bills discounted)	**March 31, 2018**	**17.80**	**1,505.66**	**557.25**	**-**
		March 31, 2017	36.79	49.55	669.22	-
2	Loans	**March 31, 2018**	**8,763.37**	**1,213.37**	**-**	**-**
		March 31, 2017	7,157.60	793.64	-	-
3	Capital Advances	**March 31, 2018**	**-**	**0.09**	**138.22**	**-**
		March 31, 2017	-	2.64	148.88	-
4	Trade Payable (including provisions)	**March 31, 2018**	**18.85**	**3.22**	**26.65**	**-**
		March 31, 2017	60.57	12.50	23.85	-
5	Advances and Deposits from Customer/ Sale of Assets	**March 31, 2018**	**0.01**	**3.68**	**13.69**	**-**
		March 31, 2017	0.42	136.74	15.76	-
6	Other Financial & Non-Financial Assets	**March 31, 2018**	**447.43**	**160.13**	**759.22**	**-**
		March 31, 2017	291.99	62.77	714.55	-
7	Other Financial & Non-Financial Liabilities	**March 31, 2018**	**213.58**	**-**	**133.62**	**-**
		March 31, 2017	0.02	0.07	15.63	-
8	Corporate Guarantee	**March 31, 2018**	**USD 19.21 Mn**	**USD 32.10 Mn**	**USD 800.00 Mn**	**-**
		March 31, 2018	**EUR 96.53 Mn**	-	-	-
		March 31, 2018	**₹ 104.86**	**₹ 448.00**	**-**	**-**
		March 31, 2017	USD 41.48 Mn	USD 50.00 Mn	USD 800.00 Mn	-
		March 31, 2017	-	-	-	-
		March 31, 2017	-	₹ 448.00	-	-
9	Corporate Guarantee (Deed of indemnity received) Loan outstanding USD 288 Mn (previous year USD 453 Mn)	**March 31, 2018**	**-**	**-**	**USD 800.00 Mn**	**-**
		March 31, 2017	-	-	USD 800.00 Mn	-

Entities over which Key Managerial Personnel and their relatives having significant influence / major shareholders of the Company are able to exercise significant influence through voting powers

Notes:

a) The Company has allowed to some of its subsidiaries, joint ventures and other group company to avail non fund based bank guarantee facilities out of its credit facilities. The aggregate of such transaction amounts to ₹ 1,778.45 crore (previous year ₹ 1,918.63 crore) is not disclosed in above schedule.

b) During the previous year, out of total advance of ₹ 302 crore given to Adani Enterprises Limited for acquisition of equity, the Company has adjusted ₹ 52 crore for the purpose of acquisition of Non-Controlling interest in two subsidiaries. (refer note 4 (d)) and balance amount is received back.

c) Pass through transactions/payable relating to railway freight, water front charges and other payable to third parties have not been considered for the purpose of related party disclosure.

Notes to the Standalone Financial Statements

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32 a) The Company takes various types of derivative instruments. The category-wise outstanding position of derivative instruments is as under:

Nature	Particulars of Derivatives As at March 31, 2018	Particulars of Derivatives As at March 31, 2017	Purpose
INR - Foreign Currency Swap	USD 66.00 Million (₹ 430.16 Crore)	-	Hedging of equivalent INR borrowing of ₹ 430.16 crore (previous year ₹ Nil) to mitigate higher interest rate of INR borrowings as against the foreign currency loans with possible risk of principal currency losses.
Forward Contract	USD 111.50 Million	USD 111.50 Million	Hedging of expected future billing based on foreign currency denominated tariff
	-	USD 48.00 Million	Hedging of foreign currency borrowing principal & interest liability
	USD 7.63 Million	USD 3.04 Million	Hedging of foreign currency Buyer's Credit Facility
	EUR 62.75 Million	EUR 98.00 Million	Hedging of foreign currency borrowing principal liability of USD against EUR
	USD 70.00 Million	USD 9.00 Million	Hedging of foreign currency borrowing principal liability of USD against JPY
Options	-	USD 11.38 Million	Hedging of foreign currency borrowing interest liability
	EUR 90.00 Million	EUR 137.25 Million	Hedging of foreign currency borrowing principal liability of USD against EUR
	USD 79.00 Million	USD 36.00 Million	Hedging of foreign currency borrowing principal liability of USD against JPY
	-	USD 30.48 Million	Hedging of foreign currency Buyer's Credit Facility
Interest rate Swap - Fixed to Variable Rate	Interest on USD 225.00 Million Principal amount	Interest on USD 175.00 Million Principal amount	Hedging of interest rate on foreign currency borrowing liability
Foreign Currency - INR Full Currency Swap	USD 111.38 Million	USD 146.38 Million	Hedging of currency and interest rate risk of foreign currency borrowing

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

Nature	As at March 31, 2018		As at March 31, 2017	
	Amount (₹ In Crore)	Foreign Currency (in Million)	Amount (₹ In Crore)	Foreign Currency (in Million)
Foreign Currency Loan	1,039.87	USD 159.55	2,578.11	USD 397.55
	230.70	EUR 28.55	243.51	EUR 35.14
	-	-	12.31	JPY 212.16
Foreign Currency Bond	10,027.99	USD 1,538.63	6,735.48	USD 1,038.63
Buyer's Credit	542.98	USD 83.31	370.13	USD 57.07
	2.27	EUR 0.28	1.53	EUR 0.22
Trade Payables and Other Current Liabilities	2.93	USD 0.45	90.55	USD 13.96
	1.12	EUR 0.14	5.47	EUR 0.79
	-	-	2.84	JPY 48.90
	2.37	SGD 0.48	0.01	SGD #
	0.14	GBP 0.01	0.04	GBP #
Interest accrued but not due	76.18	USD 11.69	-	-
	0.73	EUR 0.09	0.82	EUR 0.12
	-	-	0.11	JPY 1.87
Other Receivable	85.93	AUD 17.17	85.13	AUD 17.17
Loan given	100.09	AUD 20.00	-	-
	437.00	USD 67.05	-	-

Figures being nullified on conversion to foreign currency in million.

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

Closing rates as at :	March 31, 2018	March 31, 2017
INR / USD	65.18	64.85
INR / EUR	80.81	69.29
INR / GBP	92.28	80.90
INR / JPY	0.62	0.58
INR / AUD	50.05	49.58
INR / SGD	49.82	48.41

33 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

33.1 Category-wise Classification of Financial Instruments:

₹ in crore

Particulars	Refer Note	As at March 31, 2018			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial Assets					
Cash and cash equivalents	11	-	-	484.00	484.00
Bank balances other than cash and cash equivalents	7 & 11	-	-	826.60	826.60
Investments in unquoted Equity Shares (other than investment in subsidiaries and joint ventures)	4	210.94	-	-	210.94
Investments in unquoted Equity Shares and perpetual debt of subsidiaries and joint ventures	4	-	-	7,038.19	7,038.19
Investments in unquoted Mutual Funds	10	-	0.25	-	0.25
Investments in unquoted Debentures and Commercial Papers	4 & 10	-	-	3,292.95	3,292.95
Trade Receivables (including bills discounted)	5	-	-	3,288.42	3,288.42
Loans	6	-	-	11,054.37	11,054.37
Financial Guarantees received	7	-	-	4.37	4.37
Derivatives instruments	7	-	36.15	-	36.15
Other Financial Assets	7	-	-	2,312.31	2,312.31
Total		**210.94**	**36.40**	**28,301.21**	**28,548.55**
Financial Liabilities					-
Borrowings (including the bills discounted and current maturities)	14, 15 & 17	-	-	20,119.11	20,119.11
Trade Payables	18	-	-	213.37	213.37
Derivatives instruments	15	-	113.08	-	113.08
Financial Guarantees given	15	-	-	14.84	14.84
Other Financial Liabilities	15	-	-	879.24	879.24
Total		**-**	**113.08**	**21,226.56**	**21,339.64**

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

₹ in crore

Particulars	Refer Note	As at March 31, 2017			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial Assets					
Cash and cash equivalents	11	-	-	548.45	548.45
Bank balances other than cash and cash equivalents	7 & 11	-	-	1,048.23	1,048.23
Investments in unquoted Equity Shares (other than investment in subsidiaries and joint ventures)	4	200.94	-	-	200.94
Investments in unquoted Equity Shares and perpetual debt of subsidiaries and joint ventures	4	-	-	6,857.71	6,857.71
Investments in unquoted Mutual Funds	10	-	0.25	-	0.25
Investments in unquoted Debentures and Commercial Papers	4 & 10	-	-	3,351.49	3,351.49
Trade Receivables (including bills discounted)	5	-	-	1,794.63	1,794.63
Loans	6	-	-	9,421.61	9,421.61
Financial Guarantees received	7	-	-	8.74	8.74
Derivatives instruments	7	-	83.54	-	83.54
Other Financial Assets	7	-	-	1,508.81	1,508.81
Total		**200.94**	**83.79**	**24,539.67**	**24,824.40**
Financial Liabilities					
Borrowings (including the bills discounted and current maturities)	14, 15 & 17	-	-	20,207.15	20,207.15
Trade Payables	18	-	-	258.26	258.26
Derivatives instruments	15	-	89.93	-	89.93
Financial Guarantees given	15	-	-	12.12	12.12
Other Financial Liabilities	15	-	-	522.44	522.44
Total		**-**	**89.93**	**20,999.97**	**21,089.90**

33.2 Fair Value Measurements:

a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

₹ in crore

Particulars	As at March 31, 2018			As at March 31, 2017		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
Financial Assets						
Investment in unquoted Equity Investments measured at FVTOCI (refer note 4)	-	210.94	210.94	-	200.94	200.94
Investments in unquoted Mutual Funds measured at FVTPL (refer note 10)	0.25	-	0.25	0.25	-	0.25
Derivatives instruments	36.15	-	36.15	83.54	-	83.54
Total	**36.40**	**210.94**	**247.34**	**83.79**	**200.94**	**284.73**
Financial Liabilities						
Derivatives instruments	113.08	-	113.08	89.93	-	89.93
Total	**113.08**	**-**	**113.08**	**89.93**	**-**	**89.93**

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b) Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2018 and March 31, 2017 are as shown below:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF Method	Weighted Average Cost of Capital (WACC)	31 March 2018 : 12.12% - 20.80% (16.46%) 31 March 2017 : 13.56% - 18.45% (16.01%)	1% increase would result in decrease in fair value by ₹ 20.58 crore as of March 31, 2018 (₹ 13.54 crore as of March 31, 2017)
		Perpetual Growth Rate for Subsequent years	31 March 2018 : 2% - 5% (3.5%) 31 March 2017 : 2% - 5% (3.5%)	1% decrease would result in decrease in fair value by ₹ 10.76 crore as of March 31, 2018 (₹ 7.40 crore as of March 31, 2017)

c) 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.

33.3 Financial Risk objective and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations/projects and to provide guarantees to support its operations and its subsidiaries and joint ventures. The Company's principal financial assets include loans, investment including mutual funds, trade and other receivables, and cash and cash equivalents which is derived 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) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Company's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Cross Currency Swaps, Full Currency swaps, Interest rate swaps, foreign currency future options 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 Company 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 the 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,

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deposits, FVTOCI investments, short term Investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The sensitivity analysis have 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, 2018 and March 31, 2017. 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, 2018 and March 31, 2017

(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 and period of borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

Interest rate sensitivity

The following paragraph demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

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, 2018 would decrease / increase by ₹ 9.33 crore (previous year ₹ 19.74 crore). This is mainly attributable to interest rates on variable rate of long term 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, EURO, AUD, SGD and JPY. 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 crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
USD Sensitivity				
RUPEES / USD – Increase by 1%	(59.80)	(69.89)	(59.80)	(69.89)
RUPEES / USD – Decrease by 1%	59.80	69.89	59.80	69.89
EURO Sensitivity				
RUPEES / EURO – Increase by 1%	(0.04)	(0.08)	(0.04)	(0.08)
RUPEES / EURO – Decrease by 1%	0.04	0.08	0.04	0.08
JPY Sensitivity				
RUPEES / JPY – Increase by 1%	-	(0.03)	-	(0.03)
RUPEES / JPY – Decrease by 1%	-	0.03	-	0.03
SGD Sensitivity				
RUPEES / SGD – Increase by 1%	(0.02)	-	(0.02)	-
RUPEES / SGD – Decrease by 1%	0.02	-	0.02	-
AUD Sensitivity				
RUPEES / AUD – Increase by 1%	0.86	0.85	0.86	0.85
RUPEES / AUD – Decrease by 1%	(0.86)	(0.85)	(0.86)	(0.85)

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(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.

The Company has given corporate guarantees and pledged part of its investment in equity in order to fulfil the collateral requirements of the subsidiaries and joint ventures companies. The counterparties have an obligation to return the guarantees/securities to the Company. There are no other significant terms and conditions associated with the use of collateral.

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 Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Concentrations of Credit Risk form part of Credit Risk

Considering that the Company operates the port services and provide related infrastructure services, the Company is significantly dependent on such customers located at Mundra. Out of total income from port operations, the Company earns 28 % revenue (previous year 43%) from such customers, and with some of these customers, the Company has long term cargo contracts. As at March 31, 2018, receivables from such customer constitute 50% (previous year 66%) of total trade receivables. A loss of these customer 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 analyses 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.

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₹ in crore

Particulars	Refer Note	On Demand	Less than 1 year	1 to 5 years	Over 5 years	Total
As at March 31, 2018						
Borrowings	14, 15 & 17	-	1,279.32	11,212.94	7,626.85	20,119.11
Trade Payables	18	-	213.37	-	-	213.37
Derivatives Instruments	15	-	40.59	72.49	-	113.08
Financial Guarantees given	15	-	5.10	9.74	-	14.84
Other Financial Liabilities	15	-	869.72	3.63	5.89	879.24
Total		**-**	**2,408.10**	**11,298.80**	**7,632.74**	**21,339.64**

₹ in crore

Particulars	Refer Note	On Demand	Less than 1 year	1 to 5 years	Over 5 years	Total
As at March 31, 2017						
Borrowings	14, 15 & 17	-	4,046.55	12,952.98	3,207.62	20,207.15
Trade Payables	18	-	258.26	-	-	258.26
Derivatives Instruments	15	-	33.97	55.96	-	89.93
Financial Guarantees given	15	-	-	12.12	-	12.12
Other Financial Liabilities	15	-	512.89	3.31	6.24	522.44
Total		**-**	**4,851.67**	**13,024.37**	**3,213.86**	**21,089.90**

33.4 Capital management

For the purposes of the company's capital management, capital includes issued capital and all other equity. 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 balance) divided by total capital plus net debt.

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Total Borrowings (refer note 14,15 and 17)	20,119.11	20,207.15
Less: Cash and bank balance (refer note 7 & 11)	1,310.60	1,596.68
Net Debt (A)	**18,808.51**	**18,610.47**
Total Equity (B)	**18,283.26**	**16,864.85**
Total Equity and Net Debt (C = A + B)	**37,091.77**	**35,475.32**
Gearing ratio	51%	52%

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, 2018 and March 31, 2017.

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34 Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2018. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

₹ In Crore

Sr. No.	Particulars	March 31, 2018	March 31, 2017
i)	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	0.02	0.52
	Interest	Nil	Nil
ii)	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
iii)	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
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
v)	The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	Nil	Nil

35 Detail of Capital Work-in-Progress including certain expenses of revenue nature allocable to New Projects and Capital Inventory, consequently expenses disclosed under the respective notes are net of such amount.

₹ In Crore

	Particulars	March 31, 2018	March 31, 2017
A.	**Project Costs**	1,468.10	1,340.46
B.	**Capital Inventory (Including Goods in transit of ₹ 17.35 crore (previous year ₹ 11.42 crore))**	158.81	117.62
C.	**Costs attributable to Construction Period :**		
	Personnel Expenses		
	Salaries, Wages & Bonus	13.73	7.83
	Contribution to Provident Fund	0.63	0.35
	Sub Total	**14.36**	**8.18**
	Administrative and Other Expenses		
	Traveling and Conveyance	0.45	0.07
	Legal and Professional Fees	1.45	0.11
	Sub Total	**1.90**	**0.18**
	Finance Cost		
	Interest on Borrowings	4.99	10.74
	Sub Total	**4.99**	**10.74**
	Depreciation	62.91	71.11
	Total Expenditure	**84.16**	**90.21**
	Capitalized / allocation during the year	84.16	90.21
	Balance Carried Forward Pending Allocation/Capitalization	-	-
	Total Capital Work-in-Progress (A + B + C) (refer note 3 (c))	**1,626.91**	**1,458.08**

Note:

i) Project costs mainly includes costs incurred on development of Dredged Channel, Receipt and Dispatch Conveyor System (ARD) 8 & 9, LNG Terminal asset at Mundra.

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36 Capital Commitments and Other Commitments

Capital Commitments

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Estimated amount of contracts (Net of advances) remaining to be executed on capital account and not provided for	355.25	291.39

Other Commitments

a) The port projects of subsidiary companies viz. Adani Petronet (Dahej) Port Private Limited, ("APDPPL") Adani Hazira Port Private Limited("AHPPL"), The Dhamra Port Company Limited ("DPCL") and joint venture Adani International Container Terminal Private Limited ("AICTPL") have been funded through various credit facility agreements with banks. Against the said facilities availed by the aforesaid entities from the banks, the Company has executed a Sponsor Undertaking and Pledge Agreements whereby 51% of the holding would be retained by the Company (In case of AICTPL jointly with the Joint Venture partner) at all points of time. Further, the Company is also required to pledge 30% (26% from the date of commencement of the operation) of its shareholding in the respective entities. (In case of AICTPL, jointly with Joint Venture partner of which 12.98% share held by Joint Venture partner are yet to be pledged with bank).

During the year, Adani Petronet (Dahej) Port Private Limited ("APDPPL") and Adani Hazira Port Private Limited ("AHPPL") has repaid loan to lenders and process for release of share pledge is in progress.

The details of shareholding pledged by the Company is as follows :

Nature	% of Non disposal undertaking (Apart from pledged)		% of Share Pledged of the total shareholding of investee company	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Adani Petronet (Dahej) Port Private Limited	-	21%	-	30%
Adani Hazira Port Private Limited	-	21%	27%	27%
Adani International Container Terminal Private Limited	-	21%	13%	13%
The Dhamra Port Company Limited	21%	21%	30%	30%

b) Contract/ Commitment for purchase of certain supplies. Advance given ₹ 231.19 crore (previous year ₹ 251.81 crore)

c) The Company has, through its subsidiary Adani Kattupalli Port Private Limited ("AKPPL"), entered into an in principle agreement on November 1, 2015 for strategic acquisition of the Kattupalli Port in Tamil Nadu from L&T Shipbuilding Limited ("LTSB") a subsidiary of Larsen & Toubro Limited. The transaction is subject to receiving the necessary government and regulatory approvals and the port business being demerged from LTSB. While awaiting all the necessary approvals, APSEZL through its subsidiary AKPPL has an arrangement to operate the Port w.e.f November 1, 2015 through AKPPL.

37 Assets Held for sale

During the previous year, the Board of Directors of the Company in their meeting held on February 14, 2017 has approved to transfer Maintenance Dredging Operations of the Company consisting of fleet of dredgers and relevant support facilities to Shanti Sagar International Dredging Private Limited, a wholly owned subsidiary. The Business Transfer Agreement has been entered between the parties on April 1, 2017 to transfer the following assets and liabilities of the Maintenance Dredging Operations to the subsidiary at a consideration of ₹ 96.00 crore:

₹ In Crore

Sr. No.	Particulars	Amount
a.	Project Assets (Property, Plant and Equipment)	93.12
b.	Inventories	1.80
c.	Trade receivables and other current assets	1.42
d.	Trade Payables	(0.34)
	Net Assets	**96.00**

Considering the management's consideration to transfer the aforesaid assets to its wholly owned subsidiary, the relevant property, plant and equipment of ₹ 93.12 crore has been classified as 'Asset Held for Sale' (refer note 8) in previous year.

Notes to the Standalone Financial Statements

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38 Contingent Liabilities not provided for

₹ In Crore

Sr. No.	Particulars	March 31, 2018	March 31, 2017
a)	Corporate Guarantees given to banks and financial institutions against credit facilities availed by the subsidiaries and joint ventures. Amount outstanding there against ₹ 1,616.94 crore (previous year ₹ 814.65 crore) During the previous year, Joint Venture entity had repaid the loan of ₹ 758.29 crore, however, the release of corporate guarantee against said loan was pending as at year end and the amount was not included in the disclosure.	1,929.13	1,041.26
b)	Corporate Guarantee given to a bank for credit facility availed by erstwhile subsidiary company, Mundra Port Pty Limited, Australia read with note (l) below. (Amount outstanding there against ₹ 1,877.04 crore (previous year ₹ 2,937.71 crore)	(refer note (l))	(refer note (l))
c)	Bank Guarantees and Letter of Credit facilities availed by the subsidiaries and joint ventures and other group company against credit facilities sanctioned to the Company.	1,778.45	1,875.36
d)	Bank Guarantees given to government authorities and banks (also includes DSRA bank guarantees given to bank on behalf of subsidiaries and erstwhile subsidiaries.)	73.00	141.96
e)	Civil suits filed by the Customers for recovery of damages against certain performance obligations. The said civil suits are currently pending with various Civil Courts in Gujarat. The management is reasonably confident that no liability will devolve on the Company in this regard and hence no provision is made in the books of accounts towards these suits.	0.94	0.94
f)	Show cause notices from the Custom Authorities against duty on port related cargo. The Company has given deposit of ₹ 0.05 crore (previous year ₹ 0.05 crore) against the demand. The management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognised in the books of accounts.	0.14	0.14
g)	Customs department notice for wrongly availing duty benefit exemption under DFCEC Scheme on import of equipment. The Company has filed its reply to the show cause notice with Deputy Commissioner of Customs, Mundra and Commissioner of Customs, Mumbai against order in original. The management is of view that no liability shall arise on the Company.	0.25	0.25
h)	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Rajkot and Commissioner of Service Tax, Ahmedabad and appeals there of, for wrongly availing of Cenvat credit/ Service tax credit and Education Cess credit on input services and steel, cement and other miscellaneous during financial year 2006-07 to 2014-15. In similar matter, the Excise department has demanded recovery of the duty along with penalty and interest thereon. The Company has given deposit of ₹ 4.50 crore (previous year ₹ 4.50 crore) against the demand. These matters are pending before the Supreme Court, the High Court of Gujarat, Commissioner of Central Excise (Appeals), Rajkot and Commissioner of Service Tax, Ahmedabad. The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company. Further, during the earlier year, the Company has received favourable order from High Court of Gujarat against demand in respect of dispute relating to financial year 2005-06 and favourable order from CESTAT against similar demand in respect of dispute relating to FY 2005-06 to FY 2010 -11 (up to Sept 2011).	36.49	24.78

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38 Contingent Liabilities not provided for (Contd.)

₹ In Crore

Sr. No.	Particulars	March 31, 2018	March 31, 2017
i)	Show cause notices received from Commissioner of Customs and Central Excise, Rajkot and appeal thereof in respect of levy of service tax on various services provided by the Company and wrong availment of CENVAT credit by the Company during financial year 2009-10 to 2011-12. These matters are currently pending at High Court of Gujarat ₹ 6.72 crore (previous year ₹ 6.72 crore); and Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad ₹ 0.15 crore (previous year ₹ 0.15 crore) and Commissioner of Service Tax Ahmedabad ₹ 0.03 crore (previous year ₹ 0.03 crore). The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	6.90	6.90
j)	Commissioner of Customs, Ahmedabad has demanded vide letter no.4/Comm./SIIB/2009 dated 25/11/2009 for recovery of penalty in connection with import of Air Craft which is owned by Karnavati Aviation Private Limited (Formerly Gujarat Adani Aviation Private Limited), subsidiary of the Company. Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal against the demand order, the management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognized in the books of account.	2.00	2.00
k)	The Company's tax assessments is completed till assessment year 2014-15, pending appeals with Appellate Tribunal for Assessment Year 2009-10 to 2011-12 and CIT (Appeals) for Assessment Year 2012-13 to 2014-15. During the year, the Company has received a favourable order from Appellate Tribunal for assessment year 2008-09. Further, Hon'ble HC has approved the order of Tribunal for allowability of net interest income/expense under section 80-IAB. The management is reasonably confident that no liability will devolve on the Company.		
l)	The Company had initiated and recorded the divestment of its entire equity holding in Adani Abbot Point Terminal Holdings Pty Limited ("AAPTHPL") and entire Redeemable Preference Shares holding in Mundra Port Pty Limited ("MPPL") representing Australia Abbot Point Port operations to Abbot Point Port Holdings Pte Limited, Singapore during the year ended March 31, 2013. The sale of securities transaction was recorded as per Share Purchase Agreement ('SPA') entered on March 30, 2013 including subsequent amendments thereto, with a condition to have regulatory and lenders approvals. The Company has all the approvals except in respect of approval from one of the lenders who has given specific line of credit to MPPL. The Company received entire sale consideration except AUD 17.17 Million as on reporting date. The Company expect to receive the said amount in next year. The Company also has outstanding corporate guarantee to a lender of USD 800 million against line of credit to MPPL, which is still outstanding and has also pledged its entire equity holding of 1,000 equity shares of AUD 1 each in MPPL at the reporting date in favour of lender. Outstanding loan against said corporate guarantee as on March 31, 2018 is USD 288.00 million (previous year USD 453.00 million). Since financial year 2013-14, the Company has received corporate guarantee ('Deed of Indemnity') against above outstanding corporate guarantee from Abbot Point Port Holding Pte Limited, Singapore which is effective till discharge of underlying liability.		

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39 The following are the details of loans and advances in the nature of loans given to subsidiaries, associates and other entities in which directors are interested in terms of regulation 53 (F) read together with para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2015).

₹ In Crore

Sr. No.	Nature	Outstanding amount as at		Maximum amount outstanding during the year	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
(i)	Adani Logistics Limited	443.03	302.78	443.03	2,174.49
(ii)	Adani Kandla Bulk Terminal Private Limited	1,146.51	1,139.46	1,155.82	1,153.71
(iii)	The Dhamra Port Company Limited	1,483.71	777.80	1,802.73	960.71
(iv)	Adani Petronet (Dahej) Port Private Limited	634.47	504.73	705.38	564.44
(v)	Adani Murmugao Port Terminal Private Limited	412.74	416.75	416.75	418.12
(vi)	Adani Ennore Container Terminal Private Limited	455.37	483.44	563.12	483.44
(vii)	Adani Hazira Port Private Limited	1,765.83	1,942.10	3,242.10	2,253.84
(viii)	Adani Vizag Coal Terminal Private Limited	94.80	290.08	290.90	290.08
(ix)	Karnavati Aviation Private Limited	294.18	183.79	294.18	184.42
(x)	Adani Kattupalli Port Private Limited	373.60	104.20	427.60	119.20
(xi)	Shanti Sagar International Dredging Private Limited	270.39	-	344.47	46.49
(xii)	Mundra SEZ Textile and Apparel Park Private Limited	31.27	31.05	31.47	32.75
(xiii)	Adani Vizhinjam Port Private Limited	811.83	571.11	982.21	571.11
(xiv)	Mundra International Airport Private Limited	6.79	5.54	7.04	6.87
(xv)	Adani Hospitals Mundra Private Limited	4.09	3.15	4.09	4.09
(xvi)	MPSEZ Utilities Private Limited	-	1.60	403.12	2.50
(xvii)	Dhamra LNG Terminal Private Limited	-	0.55	-	0.55
(xviii)	Adani Mundra LPG Terminal Private Limited	-	14.95	31.83	14.95
(xix)	Adani Petroleum Terminal Private Limited	398.91	87.50	398.91	87.50
(xx)	Adani Warehousing Services Private Limited	0.49	0.01	350.11	0.01
(xxi)	Abbot Point Operations Pty Limited	100.09	88.40	100.09	101.67
(xxii)	Adani CMA Mundra Container Terminal Private Limited	238.21	7.22	243.24	7.22
(xxiii)	Adani International Container Terminal Private Limited	975.15	786.42	1,022.73	786.42
(xxiv)	Adani Agri Fresh Limited	-	-	-	1,034.40
(xxv)	Mundra Solar Technopark Private Limited	-	-	2.00	389.55
(xxvi)	Dholera Infrastructure Private Limited	4.81	4.04	4.81	4.80
(xxvii)	Dholera Port & Special Economic Zone Limited	4.12	3.83	4.12	4.11
(xxviii)	Adani Enterprises Limited	-	-	-	595.00
(xxix)	The Adani Harbour Services Private Limited	-	-	380.00	-
(xxx)	Mundra LPG Infrastructure Private Limited	0.01	-	0.01	-
(xxxi)	Adani International Terminals Pte Limited	3.26	-	3.26	-

Note -All loans are given on interest bearing except loan to Adani Logistics Limited, The Dhamra Port Company Limited (part of loan) , Dholera Infrastructure Private Limited, Dholera Port & Special Economic Zone Limited, Karnavati Aviation Private Limited, Adani Hospitals Mundra Private Limited, Mundra International Airport Private Limited, Abbot Point Operations Pty Limited, Adani International Terminal Pte Limited.

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

40 Disclosure of significant interest in subsidiaries and joint ventures as per Ind AS 27 para 17.

Sr. No.	Name of Entities	Relationship	Place of Business	Ownership %
(i)	Adani Logistics Limited	Subsidiary	India	100
(ii)	Karnavati Aviation Private Limited	Subsidiary	India	100
(iii)	MPSEZ Utilities Private Limited	Subsidiary	India	100
(iv)	Mundra SEZ Textile and Apparel Park Private Limited	Subsidiary	India	51
(v)	Adani Murmugao Port Terminal Private Limited	Subsidiary	India	100
(vi)	Mundra International Airport Private Limited	Subsidiary	India	100
(vii)	Adani Hazira Port Private Limited	Subsidiary	India	100
(viii)	Adani Petronet (Dahej) Port Private Limited	Subsidiary	India	74
(ix)	Mundra LPG Infrastructure Private Limited (formerly known as Hazira Road Infrastructure Private Limited)	Subsidiary	India	100
(x)	Adani Vizag Coal Terminal Private Limited	Subsidiary	India	100
(xi)	Adani Kandla Bulk Terminal Private Limited	Subsidiary	India	100*
(xii)	Adani Warehousing Services Private Limited	Subsidiary	India	100
(xiii)	Adani Ennore Container Terminal Private Limited	Subsidiary	India	100
(xiv)	Adani Hospitals Mundra Private Limited	Subsidiary	India	100
(xv)	The Dhamra Port Company Limited	Subsidiary	India	100
(xvi)	Shanti Sagar International Dredging Private Limited. (formerly known as Adani Food and Agro Processing Park Private Limited)	Subsidiary	India	100
(xvii)	Abbot Point Operations Pty Limited	Subsidiary	Australia	100
(xviii)	Adani Vizhinjam Port Private Limited	Subsidiary	India	100
(xix)	Adani Kattupalli Port Private Limited	Subsidiary	India	100
(xx)	Adani Petroleum Terminal Private Limited	Subsidiary	India	100
(xxi)	The Adani Harbour Services Private Limited (formerly known as T M Harbour Services Private Limited)	Subsidiary	India	100
(xxii)	Mundra International Gateway Terminal Private Limited	Subsidiary	India	100
(xxiii)	Adani International Terminals Pte Limited	Subsidiary	Singapore	100
(xxiv)	Dholera Infrastructure Private Limited	Subsidiary	India	49
(xxv)	Adinath Polyfills Private Limited (Acquisition of Controlling Interest in Equity Shares of Company)	Subsidiary	India	100
(xxvi)	Adani International Container Terminal Private Limited	Joint Ventures	India	50
(xxvii)	Adani CMA Mundra Terminal Private Limited		India	50

* Includes beneficial ownership of 26% of equity interest in aforesaid subsidiaries (refer note 4 (d)).

41 The Company has entered into preliminary agreement with a party for development and maintenance of Liquefied Natural Gas ("LNG") terminal infrastructure facilities at Mundra ("the LNG Project") vide an agreement dated September 30, 2014. Pursuant to the said agreement, the Company had received mobilization advance amounting to ₹ 50 crore. Construction activities by the Company and other party are currently in progress. The Company had, during the quarter ended September 30, 2014, recognised project service revenue of ₹ 200 crore towards land reclamation pending conclusion of a definitive agreement based on the activities completed. The implementation of the LNG Project is progressing as per the Company's expectations and the Company and the other party have spent substantial amounts on their respective areas as per the agreement on the LNG Project which are within their scope. The Management based on its assessment of ongoing activities, is of the view that a definitive agreement would be concluded shortly and the Company expects to sell / lease the LNG Project facilities once the definitive agreement is concluded. Accordingly, accrued revenue and the value of assets being constructed by the Company with respect of the LNG Project are considered fully recoverable.

42 During the year, the Company transferred Container Terminal Infrastructure Assets to Adani CMA Mundra Terminal Private Limited and Adani International Container Terminal Private Limited (AICTPL), a (50:50) joint venture entities, w.e.f. May 15, 2017 and November 1, 2017 respectively. The income from sale /sub-lease of core port assets aggregating to ₹ 2,258.85 crore are included in revenue from operations and corresponding related costs are shown under head "Operating Expenses".

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

43 During the year ended March 31, 2017, the Board of Directors of APSEZL (hereinafter referred as "the Transferor Company") and The Adani Harbour Service Private Limited (Formerly known as "TM Harbour Services Private Limited") (hereinafter referred as "the Transferee company" or "AHSPL"), a wholly owned subsidiary of the Company had approved a Scheme of Arrangement ("the Scheme") between the Transferor Company and the Transferee Company. Pursuant to the Scheme, the Marine Business Undertaking ("Demerged Business") of the Transferor Company was transferred on slump sale basis to the Transferee Company with appointed date of April 1, 2016. After necessary approvals from the relevant stakeholders of both the companies, the Scheme was sanctioned by National Company Law Tribunal ("NCLT") at Ahmedabad vide its order dated August 18, 2017. The Scheme became operative from August 23, 2017 upon filing of certified copy of the order of the NCLT, Ahmedabad with the Registrar of Companies.

The Company has accounted for the transaction in accordance with the accounting treatment prescribed in the Scheme as approved by the NCLT, Ahmedabad whereby the net assets of the Marine Business Undertaking amounting to ₹ 397.18 crore of the Transferor Company as at April 1, 2016, being the appointed date, have been transferred to the transferee company for a consideration of ₹ 200 crore. The shortage of the amount received as consideration and the net assets i.e. ₹ 197.18 crore, as at the appointed date is adjusted to the balance of retained earnings.

Furthermore, pursuant to the demerger, the financial results of the Marine business undertaking w.e.f the appointed date till March 31, 2017 also stands transferred to the transferee company and is presented as an adjustment to the retained earnings.

APSEZL has not given effect in the comparative numbers for the period ended March 31, 2017, hence the figures for the current year are not comparable with the previous year. However, Statement of Profit and Loss and Statement of Cash flows of Marine Business Undertaking for the year ended March 31, 2017 would be as below:

a) Statement of Profit and Loss for the period April 1, 2016 to March 31, 2017

Particulars	₹ in Crore
Total Revenue	676.59
Total Expense	(90.25)
Profit before tax	**586.34**
Deferred Tax impact	(71.83)
Profit from marine business undertaking	**514.51**

b) Statement of Cash flows for the period April 1, 2016 to March 31, 2017

Particulars	₹ in Crore
Cash inflow from Operating Activities	592.17
Cash outflow from Investing Activities	(592.17)
Cash outflow from Financing Activities	-
Net Increase / (Decrease) in Cash & Cash Equivalents	**-**

Notes to the Standalone Financial Statements

for the year ended March 31, 2018

44 Exposure Drafts and Accounting Standards not yet notified

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

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

The Appendix B to Ind AS 21 clarifies 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 Appendix is effective for annual periods beginning on or after April 1, 2018.

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

Ind AS 115 Revenue from Contract with Customers

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

The standard permits two possible methods of transition:

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

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

The Company is evaluating the requirements of the new accounting standard and the possible transition adjustments for disclosure of comparatives for the year ended March 31, 2018.

Ind AS 112 Disclosure of Interests in Other Entities

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

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

Ind AS 12 Income Taxes

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

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

Notes to the Standalone Financial Statements
for the year ended March 31, 2018

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

Ind AS 40 Investment Property

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

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

Ind AS 28 Investment in Associates and Joint Ventures

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

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

45 Event occurred after the Balance Sheet Date

The Board of Directors of the Company has recommended Equity dividend of ₹ 2 per equity share (previous year ₹ 1.30 per equity share).

For and on behalf of the Board of Directors

Gautam S. Adani
[Chairman and Managing Director]
DIN : 00006273

Rajesh S. Adani
[Director]
DIN : 00006322

Karan Adani
[Wholetime Director and CEO]
DIN: 03088095

Dipti Shah
[Company Secretary]

Place : Ahmedabad
Date : May 03, 2018

Independent Auditor's Report

To
The Members of
Adani Ports and Special Economic Zone Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Adani Ports and Special Economic Zone Limited (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), which includes Group's share of profit in its joint ventures, comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its Joint ventures in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and joint venture referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2018, and their consolidated profit, consolidated total comprehensive income, consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:

(i) Note 42 to the consolidated Ind AS financial statements which describes the management's basis for recoverability of accrued revenue and the related project assets costs in earlier years based on a preliminary agreement entered into by the Parent with a customer in respect of a project being undertaken, pending execution of definitive agreement between the parties.

(ii) Note 43(b) to the consolidated Ind AS financial statements which describe the key sources of estimation uncertainties as at 31st March, 2018 relating to the recoverability of the carrying amount of Intangible Assets amounting to ₹ 378.89 crores in case of Adani Murmugao Port Terminal Private Limited and ₹ 874.57 crores in case of Adani Kandla Bulk Terminal Private Limited, subsidiaries of the Parent.

Our opinion is not modified in respect of these matters.

Other Matters

a. We did not audit the Ind AS financial statements of 24 subsidiaries included in the consolidated Ind AS financial statements, whose financial statements reflect total assets of ₹ 12,678.53 crores as at 31st March, 2018, total revenues of ₹ 2,865.20 crores and net cash outflows amounting to ₹ 34.19 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 23.39 crores for the year ended 31st March, 2018, as considered in the consolidated Ind AS financial statements, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

b. Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Parent and audited by us.

Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint venture company incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies and joint venture companies incorporated in India, none of the directors of the Group companies and its joint venture companies incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the auditors' reports of the Parent, subsidiaries and Joint Venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reason stated therein.

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

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures.

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and joint venture companies incorporated in India.

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

Kartikeya Raval
(Partner)
(Membership No. 106189)

Place: Ahmedabad
Date: May 03, 2018

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph (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")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of Adani Ports and Special Economic Zone Limited (hereinafter referred to as "Parent"), its subsidiary companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 internal financial controls over financial reporting of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, 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 and the audit evidence obtained by auditors of the subsidiary companies and joint ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India.

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 and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 21 subsidiary companies and one joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

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

Kartikeya Raval
(Partner)
(Membership No. 106189)

Place: Ahmedabad
Date: May 03, 2018

Consolidated Balance Sheet

as at March 31, 2018

₹ in Crore

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	18,444.06	16,662.82
Capital Work-in-Progress	3	4,545.46	4,513.97
Goodwill	3	2,667.13	2,670.39
Other Intangible Assets	3	1,558.82	1,720.29
Financial Assets			
(i) Investments	4	559.14	225.20
(ii) Investments accounted using Equity Method	4	-	27.13
(iii) Trade Receivables	5	2.14	13.63
(iv) Loans	6	2.80	-
(v) Loans to Joint Venture Entities	6	1,193.06	759.32
(vi) Other Financial Assets	7	1,454.87	840.79
Deferred Tax Assets (net)	26	1,310.54	1,991.56
Other Non-Current Assets	8	1,347.08	2,252.56
		33,085.10	**31,677.66**
Current Assets			
Inventories	9	520.29	657.09
Financial Assets			
(i) Investments	10	519.78	909.03
(ii) Trade Receivables	5	3,537.91	1,964.76
(iii) Customers' Bills Discounted	5	772.00	728.23
(iv) Cash and Cash Equivalents	11	823.48	950.21
(v) Bank Balances other than (iv) above	11	2,144.07	1,026.59
(vi) Loans	6	1,484.58	1,748.30
(vii) Loans to Joint Venture Entities	6	20.31	34.32
(viii) Other Financial Assets	7	1,256.83	1,006.62
(ix) Advance paid for Acquisition	37(c)	1,825.00	1,450.00
Other Current Assets	8	1,385.77	1,432.27
		14,290.02	**11,907.42**
Total Assets		**47,375.12**	**43,585.08**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	414.19	414.19
Other Equity	13	20,654.64	17,111.79
Total Equity attributable to Equity holders of the parent		**21,068.83**	**17,525.98**
Non-Controlling Interests		149.56	139.24
Total Equity		**21,218.39**	**17,665.22**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	20,628.97	17,993.24
(ii) Other Financial Liabilities	15	109.04	93.03
Provisions	19	4.22	11.01
Deferred Tax Liabilities (net)	26	142.40	215.71
Other Non-Current Liabilities	16	1,227.74	1,050.96
		22,112.37	**19,363.95**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	17	1.17	2,533.89
(ii) Customers' Bills Discounted	17	772.00	728.23
(iii) Trade and Other Payables	18	489.73	455.66
(iv) Other Financial Liabilities	15	2,093.80	2,035.72
Provisions	19	98.22	87.22
Liabilities for Current Tax (net)	26	128.62	193.91
Other Current Liabilities	16	460.82	521.28
		4,044.36	**6,555.91**
Total Liabilities		**26,156.73**	**25,919.86**
Total Equity and Liabilities		**47,375.12**	**43,585.08**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

For and on behalf of the Board of Directors

Gautam S. Adani
[Chairman and Managing Director]
DIN : 00006273

Rajesh S. Adani
[Director]
DIN : 00006322

Karan Adani
[Wholetime Director and CEO]
DIN: 03088095

Dipti Shah
[Company Secretary]

Place : Ahmedabad
Date : May 03, 2018

Place : Ahmedabad
Date : May 03, 2018

Consolidated Statement of Profit and Loss
for the year ended March 31, 2018

₹ in Crore

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from Operations	20	11,322.96	8,439.35
Other Income	21	1,010.93	1,040.11
Total Income		**12,333.89**	**9,479.46**
Expenses			
Operating Expenses	22	3,231.83	2,167.89
Employee Benefits Expense	23	447.32	383.14
Depreciation and Amortisation Expense	3	1,188.37	1,160.19
Foreign Exchange Loss/(Gain) (net)		83.29	(277.44)
Finance Costs	24		
Interest and Bank Charges		1,257.35	1,281.24
Derivative Loss (net)		238.02	111.94
Other Expenses	25	498.40	473.63
Total Expenses		**6,944.58**	**5,300.59**
Profit before share of profit from joint venture entities, exceptional items and tax		**5,389.31**	**4,178.87**
Exceptional items	43(a)	(155.18)	-
Profit before share of profit from joint venture entities and tax		**5,234.13**	**4,178.87**
Tax expense:	26		
Current tax		1,546.39	881.72
Deferred tax		92.83	175.33
Less: Tax (credit) under Minimum Alternate Tax (MAT)		(95.04)	(770.42)
Total tax expense		**1,544.18**	**286.63**
Profit after tax and before share of profit from joint venture entities		3,689.95	3,892.24
Share of profit from joint venture entities		-	9.26
Profit for the Year	(A)	**3,689.95**	**3,901.50**
Attributable to:			
Equity holders of the parent		3,673.62	3,911.52
Non-controlling interests		16.33	(10.02)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement gains/(losses) on defined benefit plans		0.87	5.01
Income tax impact		(0.28)	(1.61)
		0.59	**3.40**
Net Gains on FVTOCI Equity Investments		11.74	3.24
Income tax impact		(1.74)	0.03
		10.00	**3.27**
Items that will be reclassified to profit or loss in subsequent periods			
Exchange difference on translation of foreign operations		(0.74)	-
		(0.74)	**-**
Total Other Comprehensive Income for the year (net of tax)	(B)	**9.85**	**6.67**
Attributable to:			
Equity holders of the parent		9.40	8.42
Non-controlling interests		0.45	(1.75)
Total Comprehensive Income for the year	(A)+(B)	**3,699.80**	**3,908.17**
Attributable to:			
Equity holders of the parent		3,683.02	3,919.94
Non-controlling interests		16.78	(11.77)
Earnings per Share - (Face value of ₹ 2 each) Basic and Diluted (in ₹)	27	**17.74**	**18.89**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 03, 2018

For and on behalf of the Board of Directors

Gautam S. Adani
[Chairman and Managing Director]
DIN : 00006273

Rajesh S. Adani
[Director]
DIN : 00006322

Karan Adani
[Wholetime Director and CEO]
DIN: 03088095

Dipti Shah
[Company Secretary]

Place : Ahmedabad
Date : May 03, 2018

Consolidated Statement of Changes in Equity
for the year ended March 31, 2018

₹ in crore

Particulars	Attributable to equity holders of the parent											Non-controlling interest	Total equity
	Equity Share Capital	Other Equity									Total		
		Equity Component of Non Cumulative Redeemable Preference shares	Reserve and Surplus						Other Comprehensive Income				
			Securities Premium	Foreign Currency Monetary item Translation Difference Account	Debenture Redemption Reserve	Tonnage Tax Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Equity instrument through OCI			
Balance as at April 1, 2016	**414.19**	**165.88**	**2,535.70**	**(262.45)**	**638.88**	**-**	**1,623.22**	**8,253.81**	**0.73**	**135.53**	**13,505.49**	**123.96**	**13,629.45**
Profit for the year	-	-	-	-	-	-	-	3,911.52		-	3,911.52	(10.02)	3,901.50
Other comprehensive income													
Re-measurement gains / (losses) on defined benefit plans (net of tax)	-	-	-	-	-	-	-	3.40	-	-	3.40	-	3.40
Net Gains on FVTOCI Equity Investments (net of tax)	-	-	-	-	-	-	-	-	-	5.02	5.02	(1.75)	3.27
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,914.92**	**-**	**5.02**	**3,919.94**	**(11.77)**	**3,908.17**
Foreign exchange gain /(loss) during the year	-	-	-	62.70	-	-	-	-	-	-	62.70	-	62.70
Amortised in consolidated statement of profit and loss	-	-	-	125.20	-	-	-	-	-	-	125.20	-	125.20
Transfer to General Reserve	-	-	-	-	(518.33)	-	518.33	-	-	-	-	-	-
Transfer from Retained earnings (net)	-	-	-	-	-	3.30	-	(3.30)	-	-	-	-	-
Transfer to Debenture Redemption reserve	-	-	-	-	355.66	-	-	(355.66)	-	-	-	-	-
Adjustment on account of acquisition of Non-controlling interest	-	-	-	-	-	-	-	(87.35)	-	-	(87.35)	27.05	(60.30)
Balance as at March 31, 2017	**414.19**	**165.88**	**2,535.70**	**(74.55)**	**476.21**	**3.30**	**2,141.55**	**11,722.42**	**0.73**	**140.55**	**17,525.98**	**139.24**	**17,665.22**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2018

₹ in crore

Particulars	Attributable to equity holders of the parent											Non-controlling interest	Total equity
	Equity Share Capital	Other Equity									Total		
		Equity Component of Non Cumulative Redeemable Preference shares	Reserve and Surplus						Other Comprehensive Income				
			Securities Premium	Foreign Currency Monetary item Translation Difference Account	Debenture Redemption Reserve	Tonnage Tax Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Equity instrument through OCI			
Balance as at March 31, 2017	**414.19**	**165.88**	**2,535.70**	**(74.55)**	**476.21**	**3.30**	**2,141.55**	**11,722.42**	**0.73**	**140.55**	**17,525.98**	**139.24**	**17,665.22**
Impact of Demerger (refer note 44)	-	-	-	-	-	-	-	123.96	-	-	123.96	-	123.96
Impact of Demerger on Non-controlling interest (refer note 44)	-	-	-	-	-	-	-	6.46	-	-	6.46	(6.46)	-
Profit for the year (A)	-	-	-	-	-	-	-	3,673.62	-	-	3,673.62	16.33	3,689.95
Other comprehensive income													
Re-measurement gains / (losses) on defined benefit plans (net of tax) (B)	-	-	-	-	-	-	-	0.59	-	-	0.59	-	0.59
Net Gains on FVTOCI Equity Investments (net of tax) (C)	-	-	-	-	-	-	-	-	-	9.55	9.55	0.45	10.00
Exchange differences on translation of foreign operations (D)	-	-	-	-	-	-	-	-	(0.74)	-	(0.74)	-	(0.74)
Total Comprehensive income for the year (A+B+C+D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,674.21**	**(0.74)**	**9.55**	**3,683.02**	**16.78**	**3,699.80**
Dividend on shares	-	-	-	-	-	-	-	(269.22)	-	-	(269.22)	-	(269.22)
Dividend distribution tax (DDT)	-	-	-	-	-	-	-	(54.81)	-	-	(54.81)	-	(54.81)
Foreign exchange gain/(loss) during the year	-	-	-	(7.92)	-	-	-	-	-	-	(7.92)	-	(7.92)
Amortised in consolidated statement of profit and loss	-	-	-	45.34	-	-	-	-	-	-	45.34	-	45.34
Transfer to General Reserve	-	-	-	-	(119.32)	-	119.32	-	-	-	-	-	-
Share in Securities Premium of Joint venture	-	-	16.02	-	-	-	-	-	-	-	16.02	-	16.02
Transfer to Debenture Redemption Reserve	-	-	-	-	304.82	-	-	(304.82)	-	-	-	-	-
Transfer to Tonnage Tax Reserve	-	-	-	-	-	316.20	-	(316.20)	-	-	-	-	-
Balance as at March 31, 2018	**414.19**	**165.88**	**2,551.72**	**(37.13)**	**661.71**	**319.50**	**2,260.87**	**14,582.00**	**(0.01)**	**150.10**	**21,068.83**	**149.56**	**21,218.39**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 03, 2018

For and on behalf of the Board of Directors

Gautam S. Adani
[Chairman and Managing Director]
DIN : 00006273

Rajesh S. Adani
[Director]
DIN : 00006322

Karan Adani
[Wholetime Director and CEO]
DIN: 03088095

Dipti Shah
[Company Secretary]

Place : Ahmedabad
Date : May 03, 2018

Consolidated Statement of Cash flows
for the year ended March 31, 2018

₹ In Crore

	Particulars	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
A	**Cash Flows from Operating Activities**		
	Net profit before Tax	5,234.13	4,178.87
	Adjustments for :		
	Depreciation and Amortisation Expense	1,188.37	1,160.19
	Unclaimed Liabilities / Excess Provision Written Back	(1.93)	(6.78)
	Cost of Land transferred under Finance Lease	11.96	1.84
	Recognition of Deferred Income under Long Term Land Lease / Infrastructure Usage Agreements	(58.37)	(51.59)
	Financial Guarantees Income	(4.37)	(8.82)
	Amortisation of Government Grant	(8.57)	(9.33)
	Finance Cost	1,257.35	1,281.24
	Effect of Exchange Rate Change	146.40	221.60
	Derivative Loss (net)	238.02	111.94
	(Reversal)/Provision of Doubtful Debts	(0.19)	4.13
	Allowances for Doubtful Advance and Deposits	-	5.35
	Interest Income	(901.08)	(867.38)
	Dividend Income	(4.00)	(2.20)
	Net Gain on Sale of Current Investments	(34.64)	(37.34)
	Provision for Impairment (refer note 43 (a))	155.18	-
	Investment accounted using Equity Method	75.36	-
	Diminution in value of Inventories	0.30	21.15
	Amortisation of Security Deposit Given	9.23	8.74
	Loss on Sale / Discard of Property, Plant and Equipment (net)	11.26	3.54
	Net Gain on Sale of Non Current Investment	-	(2.99)
	Operating Profit before Working Capital Changes	**7,314.41**	**6,012.16**
	Adjustments for :		
	(Increase)/Decrease in Trade Receivables	(1,561.47)	32.83
	Decrease/(Increase) in Inventories	44.87	(22.95)
	(Increase) in Financial Assets	(489.43)	(102.28)
	Decrease/(Increase) in Other Assets	1,162.97	(1,383.31)
	Increase in Provisions	4.43	35.06
	(Decrease)/Increase in Trade Payables	(25.06)	21.57
	Increase in Other Financial Liabilities	84.29	11.85
	Increase in Other Liabilities	72.31	180.92
	Cash Generated from Operations	**6,607.32**	**4,785.85**
	Direct Taxes paid (Net of Refunds)	(999.18)	(723.28)
	Net Cash generated from Operating Activities	**5,608.14**	**4,062.57**
B	**Cash Flows from Investing Activities**		
	Purchase of Property, Plant and Equipment	(2,732.15)	(3,748.18)
	(Payment)/Refund of Deposit given against Capital Commitments	(192.84)	756.95
	Payment made towards Acquisition of Subsidiaries	-	(106.27)
	Advance received back	-	250.00
	Advance paid for Acquisition (refer note 37(c))	(375.00)	(1,450.00)
	Equity investment in Joint Venture entities	(55.18)	-
	(Investment) / Redemption made in Non Convertible Redeemable Debentures	(317.00)	156.62
	Loans given	(9,917.65)	(3,493.40)
	Loans received back	9,762.96	5,437.55
	Deposits in Fixed Deposits (net) including Margin Money Deposits	(1,107.67)	(507.20)
	Proceeds from sale of Investments in Mutual Fund (net)	48.35	159.48
	Sale/(Purchase) of Investments in Debentures and Commercial Papers (net)	396.00	(894.49)
	Proceeds from Sale of Property, Plant and Equipment	34.37	0.46
	Dividend Received	4.00	2.20
	Interest Received	605.97	796.87
	Net Cash used in Investing Activities	**(3,845.84)**	**(2,639.41)**

Consolidated Statement of Cash flows
for the year ended March 31, 2018

₹ In Crore

	Particulars	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
C	**Cash Flows from Financing Activities**		
	Proceeds from Long Term Borrowings	5,695.63	11,987.58
	Repayment of Long Term Borrowings	(3,291.24)	(11,486.66)
	Proceeds from Short Term Borrowings	15,741.79	20,975.54
	Repayment of Short Term Borrowings	(18,345.59)	(21,550.75)
	Interest & Finance Charges Paid	(1,163.95)	(1,087.53)
	Cost of Issuance of Bonds/ Debentures and Premium paid on redemption of debenture	-	(28.81)
	Loss on settlement of Derivative Contracts	(201.70)	(124.06)
	Payment of Dividend on Equity and Preference Shares	(269.16)	(0.68)
	Payment of Dividend Distribution Tax	(54.81)	-
	Payment towards acquisition of Non-Controlling interest in Subsidiaries	-	(9.34)
	Net Cash used in Financing Activities	**(1,889.03)**	**(1,324.71)**
D	**Net (decrease)/Increase in Cash and Cash Equivalents (A+B+C)**	**(126.73)**	**98.45**
E	**Cash and Cash Equivalents at the Beginning of the year (refer note 11)**	950.21	841.50
F	**Cash and Cash Equivalents on acquisition of subsidiary**	-	10.26
G	**Cash and Cash Equivalents at the End of the year (refer note 11)**	823.48	950.21
	Components of Cash & Cash Equivalents		
	Cash on Hand	0.13	0.04
	Cheques on hand	241.86	-
	Balances with Scheduled Banks		
	- In Current Accounts	548.05	915.05
	- In Fixed Deposit Accounts	33.44	35.12
	Cash and Cash Equivalents at the end of the year	**823.48**	**950.21**

Summary of significant accounting policies refer note 2.3

1 The Consolidated Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 - 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 a) During the year, Group has made investment in Mutual Fund of ₹ 56,072.76 crore (previous year ₹ 69,788.88 crore) and redeemed Mutual Fund of ₹ 56,121.11 crore (previous year ₹ 69,910.98 crore).

b) During the year, Group has made short term investment in Debenture and Commercial Paper of ₹ 1,050.00 crore (previous year ₹ 1,164.49 crore) and redeemed Debenture and Commercial Paper of ₹ 1,446.00 crore (previous year ₹ 270.00 crore).

3 Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given as per note 15(b).

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Place : Ahmedabad
Date : May 03, 2018

For and on behalf of the Board of Directors

Gautam S. Adani
[Chairman and Managing Director]
DIN : 00006273

Rajesh S. Adani
[Director]
DIN : 00006322

Karan Adani
[Wholetime Director and CEO]
DIN: 03088095

Dipti Shah
[Company Secretary]

Place : Ahmedabad
Date : May 03, 2018

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

1 Corporate information

The Consolidated financial statements comprise financial statements of Adani Ports and Special Economic Zone Limited ("the Company" or "APSEZL") and its joint venture entities and subsidiaries (collectively, the "Group") for the year ended March 31, 2018. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at "Adani House", Mithakhali Six Roads, Navrangpura, Ahmedabad, Gujarat, India - 380009.

The Group has port infrastructure facilities at Mundra, Kandla, Hazira, Dahej, Dhamra, Vizag, Murmugao, Kattupalli, Ennore locations developed pursuant to the respective concession/sub concession agreements apart from other business. The Group is also developing port infrastructure at Vizhinjam.

The Company is in the business of development, operations and maintenance of port infrastructure (port services and related infrastructure development) and has linked multi product Special Economic Zone (SEZ) and related infrastructure contiguous to Port at Mundra. The initial port infrastructure facilities at Mundra including expansion thereof through development of additional port terminals and south port terminal infrastructure facilities are developed pursuant to the concession agreement with Government of Gujarat (GoG) and Gujarat Maritime Board (GMB) for 30 years period effective from February 17, 2001. At Mundra, the Company has expanded port infrastructure facilities through approved supplementary concession agreement (pending to be concluded) which will be effective till the year 2040, whereby port infrastructure has been developed at Wandh in Mundra to handle coal cargo. The said agreement is in the process of getting signed with GoG and GMB although Coal terminal at Wandh is recognized as commercially operational w.e.f. February 01, 2011.

The first Container terminal facilities (CT-1) developed at Mundra, was transferred under sub-concession agreement entered into on January 7, 2003 between Mundra International Container Terminal Limited ("MICTL") and the Company wherein the Company has given rights to MICTL to handle the container cargo for a period of 28 years i.e. up to February 17, 2031. The container terminal facilities developed at South Port location (CT-3) has been leased under approved sub concession agreement dated October 17, 2011 to (50:50) joint venture company, Adani International Container Terminal Private Limited (AICTPL), co-terminate with main concession agreement with GMB. During the year the Company has entered into an arrangement with the Adani International Container Terminal Private Limited (AICTPL), a Joint Venture, to sub lease new terminal CT-3 Extension besides CT-3. The said terminal commenced operations w.e.f. November 01, 2017. The said sub-concession agreement is pending to be concluded with GOG and GMB. Another container terminal facilities developed at South Port location (CT-4) has been leased to (50:50) joint venture company, Adani CMA Mundra Terminal Private Limited ("ACMTPL") (joint venture arrangement with CMA Terminals, France since July 30, 2014).The execution of sub-concession agreement between the Company, ACMTPL and GMB is pending as on date.

The Multi Product Special Economic Zone developed at Mundra by the Company along with port infrastructure facilities is approved by the Government of India vide their letter no. F-2/11/2003/EPZ dated April 12, 2006 and subsequently amended from time to time till date. The Company has also set up Free Trade and Warehousing Zone at Mundra based on approval of Ministry of Commerce and Industry vide letter no.F.1/16/2011-SEZ dated January 04, 2012. The Company has also set up additional Multi Product Special Economic Zone at Mundra Taluka over an area of 1,856 hectares as per approval from Ministry of Commerce and Industry vide approval letter dated April 24, 2015. The Company has received single notification consolidating all three notified SEZ in Mundra vide letter dated March 15, 2016 of Ministry of Commerce and Industry, Department of Commerce (SEZ Section).

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 03, 2018.

The entities considered for consolidation and their nature of operations are as follows:

i) Adani Logistics Limited ("ALL"), a 100% subsidiary of APSEZL, has developed multi-model cargo storage-cum-logistics services through development of Inland Container Depots (ICDs) and Container Freight Stations (CFSs) at various strategic locations and operates container trains on specific railway routes as per concession agreement entered into with Ministry of Railways, Government of India.

ii) MPSEZ Utilities Private Limited ("MUPL"), is a 100% subsidiary of APSEZL, has developed infrastructure including operation, development, maintenance, improvement, and extension of utility services (including power distribution) at Mundra Special Economic Zone in Kutch district, Gujarat.

iii) Mundra SEZ Textile and Apparel Park Private Limited ("MITAP"), a 51.41% subsidiary of APSEZL & 5.57% investment held through ALL (a 100% subsidiary of

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

APSEZL), has set up an integrated textile park under the scheme of Ministry of Textiles, Government of India in Special Economic Zone at Mundra, Kutch district, Gujarat.

iv) Karnavati Aviation Private Limited ("KAPL"), a 100% subsidiary of APSEZL, is engaged in providing non scheduled (passenger) airline services through its aircrafts.

v) Adani Petronet (Dahej) Port Private Limited ("APDPPL"), a 74% subsidiary of APSEZL, has developed a Solid Cargo Port Terminal and related port infrastructure facilities of bulk cargo at Dahej, Gujarat.

vi) Adani Murmugao Port Terminal Private Limited ("AMPTPL"), a 100% subsidiary of APSEZL, has developed port infrastructure facilities i.e. coal handling terminal at Murmugao, Goa.

vii) Mundra International Airport Private Limited ("MIAPL"), a 100% subsidiary of APSEZL, has plan to set up air cargo operations at Kawai, Rajasthan.

viii) Adani Hazira Port Private Limited ("AHPPL"), a 100% subsidiary of APSEZL, has developed multi – cargo terminal and related infrastructure at Hazira - Surat (Gujarat). The further expansion of port facilities is under development.

ix) Hazira Infrastructure Private Limited ("HIPL"), a step down subsidiary of APSEZL, a 100% subsidiary of Adani Hazira Port Private Limited has plans to develop and construct rail corridor between Surat and Hazira along with related infrastructure subject to approval by Railway Board and Government of Gujarat.

x) Mundra LPG Infrastructure Private Limited ("MLIPL"), (formerly known as Hazira Road Infrastructure Private Limited), a 100% subsidiary of APSEZL and propose to develop LPG infrastructure.

xi) Adinath Polyfills Private Limited ("APPL") a 100% subsidiary of APSEZL and was strategically acquired to enhance the port business.

xii) Adani Vizag Coal Terminal Private Limited ("AVCTPL") is a 100% subsidiary of APSEZL. The Company has developed Port infrastructure facilities at East Quay for handling steam coal at Visakhapatnam Port.

xiii) Adani Kandla Bulk Terminal Private Limited ("AKBTPL") is a 100% subsidiary of APSEZL. The Company has developed a Dry Bulk terminal off Tekra near Tuna outside Kandla creek at Kandla Port.

xiv) Adani Warehousing Services Private Limited ("AWSPL") is a 100% subsidiary of APSEZL. The Company is formed to provide warehousing / storage facilities and other related services.

xv) Adani Ennore Container Terminal Private Limited ("AECTPL") is a 100% subsidiary of APSEZL. The Company has developed container terminal and other related infrastructure at Ennore Port.

xvi) Adani Hospitals Mundra Private Limited ("AHMPL") is a 100% subsidiary of APSEZL. The Company provides hospital and related services at Mundra.

xvii) The Dhamra Port Company Limited ("DPCL"), has become wholly owned subsidiary of the Company w.e.f. June 23, 2014 and is operating bulk cargo port infrastructure facilities at Dhamra in the state of Odisha.

xviii) Shanti Sagar International Dredging Private Limited ("SSIDPL") (formerly known as Adani Food and Agro Processing Park Private Limited) is incorporated on May 05, 2015 as a 100% subsidiary of APSEZL. The Company is providing dredging services.

xix) The Adani Harbour Services Private Limited ("TAHSPL") has become a wholly owned subsidiary of APSEZL w.e.f. December 08, 2016. Previously, the company was known as TM Harbour Services Private Limited. The principal activity of TAHSPL is to own and operate harbour tugs, barges, other port crafts, ocean towage and offshore support vessels and to provide marine services like pilotage, laying and maintenance of buoys including SBMs, mooring of vessels at berth and mid-stream,

xx) Adani Vizhinjam Port Private Limited, ("AVPPL") a 100% subsidiary of APSEZL. The Company is developing container terminal port and other related infrastructure at Vizhinjam.

xxi) Adani Kattupalli Port Private Limited ("AKPPL"), a 100% subsidiary of APSEZL, with an objective for development and operation of container terminal at Kattupalli Tamil Nadu. AKPPL has entered into implementation agreement with L&T shipbuilding Limited ("LTSB") and Larsen & Toubro Limited on November 09, 2015 for transfer of the Port business of LTSB at Kattupalli, subject to all the approvals from government authorities and further till such approval is received, AKPPL has decided to operate the port under interim operator arrangement w.e.f. November 01, 2015. Currently, AKPPL is operating the terminal facilities at Kattupalli.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

xxii) Adani Petroleum Terminal Private Limited ("APTPL") has been incorporated as wholly owned subsidiary of APSEZL on April 26, 2016.

xxiii) Adani Dhamra LPG Terminal Private Limited ("ADLTPL") a step down subsidiary of APSEZL, a 100% subsidiary of Adani Petroleum Terminal Private Limited has an objective for development of LPG storage and evacuation facilities at Dhamra.

xxiv) Mundra LPG Terminal Private Limited ("MLTPL") a step down subsidiary of APSEZL, a 100% subsidiary of Adani Petroleum Terminal Private Limited has an objective for development of LPG storage and evacuation facilities at Mundra.

xxv) Dhamra LNG Terminal Private Limited ("DLTPL") a step down subsidiary of APSEZL, a 100% subsidiary of Adani Petroleum Terminal Private Limited has an objective for development of LNG storage and evacuation facilities at Dhamra.

xxvi) Dholera Infrastructure Private Limited ("DIPL"), an entity in which APSEZL holds 49% of equity, was incorporated with the main object of developing, maintaining and operating infrastructure facilities on November 22, 2006 under the Companies Act, 1956. The company through its subsidiary is in the process of developing port and infrastructure facilities. Under Ind AS 110 , it has been evaluated that APSEZL has defacto control over DIPL and accordingly is considered as subsidiary for consolidation purpose. (refer note 2.4)

xxvii) Dholera Port And Special Economic Zone Limited ("DPSEZL") a 100% subsidiary of Dholera Infrastructure Private Limited was incorporated on August 31, 1998 under the provisions of Companies Act, 1956. The Company was in the process of developing a port at Dholera.

xxviii) Abbot Point Operations Pty Limited ("APO") was incorporated on May 15, 2015 as a 100% subsidiary of the Company.

xxix) Abbot Point Bulkcoal Pty Limited ("APB") has become a wholly owned subsidiary of Abbot Point Operations Pty Limited w.e.f. October 04, 2016.

xxx) Mundra International Gateway Terminal Private Limited ("MIGTPL") has been incorporated as wholly owned subsidiary of the Company on May 17, 2017.

xxxi) Adani International Terminals Pte Ltd has been incorporated as wholly owned subsidiary of the Company on June 30, 2017.

2 Basis of preparation

2.1 The financials statements of the Group has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. (as amended)

Effective April 01, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind As 101, First-time Adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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

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

- Derivative financial instruments,

- Defined Benefit Plans - Plan Assets measured at fair value and

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

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

The consolidated Financial Statements for the year ended March 31, 2017 were audited by the predecessor auditor.

2.2 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company, its joint venture entities and its subsidiaries as at March 31, 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

Notes to the Consolidated Financial Statements

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- Exposure, or rights, to variable returns from its involvement with the investee, and

- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee

- Rights arising from other contractual arrangements

- The Group's voting rights and potential voting rights

- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary

- Derecognises the carrying amount of any non-controlling interests

- Derecognises the cumulative translation differences recorded in equity

- Recognises the fair value of the consideration received

- Recognises the fair value of any investment retained

- Recognises any surplus or deficit in profit or loss

- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

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for the year ended March 31, 2018

2.3 Summary of significant accounting policies

a) Investment in associates and joint venture entities

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but do not control or joint control over those policies.

A joint venture entity is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture entities are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture entities is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture entities. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture entities, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture entities are eliminated to the extent of the interest in the joint venture entities.

If an entity's share of losses of a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture entities is shown on the face of the statement of profit and loss.

The financial statements of the joint venture entities are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture entities. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture entities are impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture entities and its carrying value, and then recognises the loss as 'Share of profit of a joint venture entities' in the statement of profit and loss.

Upon loss of significant influence over associate entity/ joint control over the joint venture entities, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associates entity / joint venture entities upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

b) Current versus non-current classification

The Group 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 realized or intended to be sold or consumed in normal operating cycle; or

- Held primarily for the purpose of trading; or

- Expected to be realized within twelve months after the reporting period; or

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle; 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

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

The Group classifies all other liabilities as non-current.

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

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

c) Foreign currency transactions :

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. However, for practical reasons, the Group entities uses an average rate if the average approximates the actual rate at the date of transaction. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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 with the exceptions for which below treatment is given as per the option availed under Ind AS 101.

i. Exchange differences, arising on long-term foreign currency monetary items related to acquisition of a property, plant and equipment (including funds used for projects work in progress) recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. March 31, 2016 are capitalised / decapitalised to cost of fixed assets and depreciated over the remaining useful life of the asset.

ii. Exchange differences arising on other outstanding long term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. March 31, 2016 are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA) and amortized over the remaining life of the concerned monetary item.

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.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

d) Fair value measurement

The Group 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 Group.

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

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

The Group 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.

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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 Group 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 Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative financial instruments and unquoted financial assets measured at fair value and for non recurring fair value measurement, such as an assets under the scheme of business undertaking.

External valuers are involved for valuation of significant assets such as business undertaking for transfer under the scheme and unquoted financial assets and financial liabilities. Involvement of external valuers is decided upon annually by the Management and in specific cases after discussion with and approval by the respective company's Audit Committee. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Group'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 Group'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 Group'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.

For the purpose of fair value disclosures, the Group 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 2.4 and 34.2)

- Quantitative disclosures of fair value measurement hierarchy (refer note 34.2)

- Investment in unquoted equity shares (refer note 4)

- Financial instruments (including those carried at amortised cost) (refer note 34.1)

e) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group 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 / multi-model and transportation service including cargo handling, storage and rail infrastructure are recognized on proportionate completion method basis based on services completed till reporting date. Revenue on take-or-pay charges are recognized for the quantity that is the difference between annual agreed tonnage and actual quantity of cargo handled. The amount recognized as a revenue is exclusive of service tax, education cess and Goods & Service Tax where applicable.

Income in the nature of license fees / royalty is recognized as and when the right to receive such income is established as per terms and conditions of relevant service agreement.

Income from long term leases

As a part of its business activity, the Company leases/ sub-leases land on long term basis to its customers.

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Leases are classified as finance lease whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease. In some cases, the Company enters into cancellable lease / sub-lease transaction, while in other cases, it enters into non-cancellable lease / sub-lease transaction. The Company recognizes the income based on the principles of leases as set out in Ind AS 17 "Leases" and accordingly in cases where the land lease / sub-lease transaction are cancellable in nature, the income in the nature of upfront premium received / receivable is recognized on operating lease basis i.e. on a straight line basis over the period of lease / sub-lease agreement / date of memorandum of understanding takes effect over lease period and annual lease rentals are recognized on an accrual basis.

In cases where land lease / sub-lease transaction are non-cancellable in nature, the income is recognized on finance lease basis i.e. at the inception of lease / sub-lease agreement / date of memorandum of understanding takes effect over lease period, the income recognized is equal to the present value of the minimum lease payment over the lease period (including non-refundable upfront premium) which is substantially equal to the fair value of land leased / sub-leased. In respect of land given on finance lease basis, the corresponding cost of the land and development costs incurred are expensed off in the statement of profit and loss.

Deferred Infrastructure Usage
Income from infrastructure usage fee collected upfront basis from the customers is recognized over the balance contractual period on straight line basis.

Development of Infrastructure Assets
In case the Group is involved in development and construction of infrastructure assets where the outcome of the project cannot be estimated reasonably, revenue is recognized when all significant risks and rewards of ownership in the infrastructure assets are transferred to the customer and all critical approvals necessary for transfer of the project are received / obtained.

Non scheduled aircraft services
Revenue from chartered services is recognized when the service is performed under contractual obligations.

Utilities services
Revenue is recognized as and when the service performed under contractual obligations and the right to receive such income is established. Delayed payment charges are accounted as and when received.

Contract revenue
Revenue from construction contracts is recognized on a percentage completion method, in proportion that the contract costs incurred for work performed up to the reporting date stand to the estimated total contract costs indicating the stage of completion of the project. Contract revenue earned in excess of billing has been reflected under the head "Other Current Assets" and billing in excess of contract revenue has been reflected under the head "Other Current Liabilities" in the balance sheet. Full provision is made for any loss in the year in which it is first foreseen and cost incurred towards future contract activity is classified as project work in progress.

Income from fixed price contract - Revenue from infrastructure development project / services under fixed price contract, where there is no uncertainty as to measurement or collectability of consideration is recognized based on milestones reached under the contract.

Income from SEIS/SFIS
Income from Services Exports from India Scheme ('SEIS') incentives under Government's Foreign Trade Policy 2015-20 and Served from India Scheme ('SFIS') under Government's Foreign Trade Policy 2009-14 on the port services income are classified as "Other Operating Income" and 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 Group 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.

Dividends
Dividend Income is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Rental income
Rental income arising from operating leases on investment properties is accounted for on a straight-line

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basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

f) 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.

Royalty on Cargo

Waterfront royalty cargo under the various concession/ sub concession agreement is paid at concessional rate in terms of rate prescribed by respective states Maritime Board (MB) and notified in official gazette of various state Government authorities, wherever applicable.

g) Taxes

Tax expense comprises of current income tax and deferred tax.

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

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 goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint venture entities, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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 is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint venture entities, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The Company is eligible and claiming tax deductions available under section 80IAB of the Income Tax Act, 1961 for a period of 10 years w.e.f FY 2007-08. Some of the subsidiaries and joint venture entities are also eligible for tax deductions available under section 80IA of the Income Tax Act, 1961 for a period of 10 years out of eligible period of 15 years. In view of the Company and some of the subsidiaries and joint venture entities availing tax deduction under Section 80IA/80IAB of the Income Tax Act, 1961, deferred tax has been recognized in respect of temporary difference, which reverse after the tax holiday period in the year in which the temporary difference originate and no deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax, the temporary difference which originate first are considered to reverse first.

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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 recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Group recognizes tax credits in the nature of Minimum Alternative Tax ("MAT") credit as an asset only to the extent that there is sufficient taxable temporary difference/convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Group recognizes tax credits as an asset, the said asset is created by way of tax credit to the consolidated statement of profit and loss. The Group reviews such tax credit asset at each reporting date and writes down the asset to the extent the Group does not have sufficient taxable temporary difference/ convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

h) Property, plant and equipment (PPE)

Under the previous GAAP (Indian GAAP), property, plant and equipment 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 Group has elected to regard previous GAAP carrying values of property, plant and equipment as deemed cost at the date of transition to Ind AS.

Capital work in progress is stated at cost. Such cost includes the cost of replacing parts of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

The Group adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial statements i.e. March 31, 2016 and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining useful 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 property, plant and equipment 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 except for the assets mentioned below for which useful lives estimated by the management. 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 Group has estimated the following useful life to provide depreciation on its certain property, plant and equipment based on assessment made by expert and management estimate.

Notes to the Consolidated Financial Statements
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Assets	Estimated Useful life
Leasehold Land	Right to Use over the balance period of Concession Agreement and approved Supplementary Concession Agreement (as mentioned in note 1) / over the period of agreement of 20 years
Leasehold Land Development	Over the balance period of Concession Agreement and approved Supplementary Concession Agreement by Gujarat Maritime board, other major port trust authorities, State Government authorities etc. as applicable.
Marine Structure, Dredged Channel, Building RCC Frame Structure	50 Years as per concession agreement/over the balance period of concession agreement as applicable.
Dredging Pipes - Plant and Machinery	1.5 Years
Nylon and Steel coated belt on Conveyor - Plant and Equipment	4 Years and 10 Years respectively
Inner Floating and outer floating hose, String of Single Point Mooring - Plant and Equipment	6 Years
Fender, Buoy installed at Jetty - Marine Structures	5 - 10 Years
Bridges, Drains & Culverts	25 Years as per concession agreement
Carpeted Roads – Other than RCC	10 Years
Non Carpeted Roads – Other than RCC	3 Years
Tugs	20 Years

An item of property, plant and equipment covered under Concession agreement, sub-concession agreement and supplementary concession agreement, shall be transferred to and shall vest in Grantor (government authorities) at the end of respective concession agreement. In cases, where the Group is expected to receive consideration of residual value of property from grantor at the end of concession period, the residual value of contracted property is considered as the carrying value at the end of concession period based on depreciation rates as per management estimate/Schedule II of the Companies Act, 2013 and in other cases it is Nil.

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

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

i) Intangible assets

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

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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

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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 Group'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 estimate
License Fees paid to Ministry of Railway (MOR) for approval for movement of Container Trains	on straight line basis	Over the license period of 20 years
Right to Use of Land	on straight line basis	Over the period of agreement between 10-20 years
Right of use to develop and operate the port facilities	on straight line basis	Over the balance period of Sub-Concession Agreement

Port concession rights arising from Service Concession/Sub-Concession Arrangements:

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

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

Gains or losses arising from de-recognition of port concession rights are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss when the asset is de-recognised.

The estimated period of port concession arrangements are of 30 years.

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 except where expenses are adjusted to securities premium account in compliance with section 52 of the Companies Act, 2013. 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.

Group 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 Group 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 Group'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 Group 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.

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

Group as a lessor

Leases in which the Group 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 Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group'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) 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.

m) Impairment of non-financial assets

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

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

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 Group 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.

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Impairment is determined for goodwill by assessing the recoverable amount of CGU (or group of CGUs) 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.

n) Provisions, Contingent Liabilities and Contingent Assets

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss. 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.

Operational Claim provisions

Provisions for operational claims are recognised when the service is provided to the customer. Further recognition is based on historical experience. The initial estimate of operational claim related cost is revised annually.

o) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group 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 Group 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 Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated 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 Group 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 Group 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 the period. The actuarial valuation is done as per projected unit credit method. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer it's settlement for twelve month after the reporting date.

p) 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 with that are attributable to the acquisition of the financial assets.

Subsequent measurement

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

- Debt instruments at amortised cost

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- Debt instruments and derivative instruments and equity instruments at fair value through profit or loss (FVTPL)

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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

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

(ii) 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 Group. 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 Statement of profit and loss. The losses arising from impairment are recognised in the profit or loss except where the Company has given temporary waiver of interest not exceeding 12 months period. This category generally applies to trade/loans 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 FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments
All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Perpetual debt
The Company invests in a subordinated perpetual debt, redeemable at the issuer's option, with a fixed coupon that can be deferred indefinitely if the issuer 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 Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

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

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

b) Financial assets that are debt instruments and are measured as at other comprehensive income (FVTOCI)

c) Lease receivables under Ind AS 17

d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

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

> Trade receivables or contract revenue receivables; and

> All lease receivables resulting from transactions within the scope of Ind AS 17

Under the simplified approach the Group 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 group 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 Group in accordance with the contract and all the cash flows that the Group 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 profit and loss.

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 group 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, or as derivatives, as appropriate.

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group 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 and loss.

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

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings

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are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings.

Financial guarantee contracts

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

Derecognition

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

Reclassification of financial assets

The Group 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 Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group 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 Group 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.

q) Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument are classified in the statement of profit and loss and reported with foreign exchange gains/(losses) not within results from operating activities. Changes in fair value and gains/(losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance cost.

r) Redeemable preference shares

Redeemable preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the redeemable preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption.

Transaction costs are apportioned between the liability and equity components of the redeemable preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

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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 consolidated 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 Group's cash management.

t) Cash dividend to equity holders of the parent

The Company recognises a liability to make cash to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

u) Goodwill on consolidation

Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth of a subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

Goodwill on consolidation arising on acquisitions on or after the date of transition represents the excess of the cost of acquisition at each point of time of making the investment in the subsidiary, over the Group's share in the fair value of the net assets of a subsidiary.

Goodwill on consolidation is allocated to cash generating units or group of cash generating units that are expected to benefit from the synergies of the acquisition.

v) Business combination

Business Combination have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes fair value of any contingent considerations. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at the fair value on the date of acquisition.

Business Combinations between entities under common control is accounted for at carriying value.

Transaction costs that the Group incurs in connection with a business combination such as legal fees, due diligence fees and other professional consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

w) Earning per share

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

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

2.4 Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated 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.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which has the most significant effect on the consolidated financial statements:

Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control):-

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Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control)

Group owns 49% ownership interest in Dholera Infrastructure Private Limited ("DIPL"), Group has entered into an agreement with the other shareholders of the DIPL basis which the directors of the Company has assessed that it has the practical ability to direct the relevant activities of DIPL unilaterally and therefore APSEZ has control over DIPL.

Investment in entities which are not considered for consolidation

The Group has investment of ₹ 40 crore in Kutch Railway Company Limited ("KRCL"), the investee, to the tune of the 20% of the paid up capital of the said company. However, the considering that majority of the remaining shares are held by government companies / government authorities / government agencies, and the day-to day-operations being managed by government officials, the Group does not consider that it has significant influence over KRCL. Accordingly, the investment in the said entity has not been accounted under Ind AS 28.

Further, the group has investment of ₹ 5.21 crore in Ambily Technologies Private Limited ("ATPL"), the investee, to the tune of 20% of the paid up capital of the said company. However, the Group is currently not involved in the operational and financial matters of the company and accordingly, the Group does not consider that it has significant influence over ATPL. Accordingly, the investment in ATPL has not been accounted under Ind AS 28.

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 Group based its assumptions and estimates on parameters available when the consolidated 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 Group. 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 Group 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 Group. The key assumptions used to determine the recoverable amount for the CGU, are disclosed and further explained in note 43 and 45.

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 condition as well as forward looking estimates at the end of each reporting period.

Taxes

Deferred tax assets(including MAT credits) are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 26.

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

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for the year ended March 31, 2018

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 29.

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 judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 34 for further disclosures.

Provision for decommissioning liabilities
The management of the Group has estimated that there is no contractual and probable decommissioning liability under the condition / terms of the various concession agreements/sub-concession agreements with various Maritime Boards/Government Port Trust Authorities.

Depreciation / amortisation and useful lives of property, plant and equipment / intangible assets
Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

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for the year ended March 31, 2018

3. Property, Plant and Equipment, Intangible Assets, Capital Work-in-Progress and Goodwill

Note 3(a) Property, Plant and Equipment

₹ In Crore

Particulars	Property, Plant and Equipment																
	Free Hold Land	Leasehold land	Buildings, Roads and Civil Infrastructure	Computer Hardware	Land Development cost on Leasehold Land	Office Equipments	Plant & Equipment	Furnitures & Fixture	Vehicles	Dredged Channels	Marine Structures	Railway Tracks	Tugs and Boats	Railway Wagons	Aircraft	Project Assets	Total
Cost																	
As at April 1, 2016	**624.93**	**17.54**	**2,887.52**	**41.96**	**665.26**	**40.30**	**5,116.90**	**42.00**	**31.09**	**2,596.73**	**2,347.20**	**862.02**	**847.42**	**116.80**	**295.63**	**1,046.53**	**17,579.83**
Additions	21.17	61.25	253.63	10.00	13.65	38.66	152.91	14.23	4.00	597.75	61.42	5.83	217.46	-	-	44.66	1,496.62
Deductions/ Adjustment	(2.05)	-	18.81	(0.52)	-	(0.18)	(1.19)	(0.16)	(1.99)	6.85	(138.92)	-	(22.93)	(0.54)	-	(96.31)	(239.13)
Exchange difference	-	-	1.20	(0.47)	5.15	0.61	6.01	-	-	18.77	(4.82)	2.70	5.90	0.25	(3.15)	(20.88)	11.27
As at March 31, 2017	**644.05**	**78.79**	**3,161.16**	**50.97**	**684.06**	**79.39**	**5,274.63**	**56.07**	**33.10**	**3,220.10**	**2,264.88**	**870.55**	**1,047.85**	**116.51**	**292.48**	**974.00**	**18,848.59**
Additions	15.33	0.22	315.28	17.09	144.42	10.59	795.36	18.10	8.31	372.30	180.17	10.79	1,023.59	-	-	-	2,911.55
Deductions/ Adjustment	(1.53)	-	(0.45)	(0.68)	(7.86)	(0.69)	(36.61)	(0.60)	(5.63)	-	-	-	(7.58)	-	-	(0.41)	(62.04)
Exchange difference	-	-	2.60	(0.06)	0.09	0.01	9.45	0.10	-	0.56	2.31	0.63	(0.86)	(0.01)	0.53	26.35	41.70
As at March 31, 2018	**657.85**	**79.01**	**3,478.59**	**67.32**	**820.71**	**89.30**	**6,042.83**	**73.67**	**35.78**	**3,592.96**	**2,447.36**	**881.97**	**2,063.00**	**116.50**	**293.01**	**999.94**	**21,739.80**
Depreciation/ amortisation																	
As at April 1, 2016	**-**	**0.52**	**195.66**	**12.69**	**21.34**	**9.33**	**386.75**	**4.19**	**5.95**	**57.75**	**58.73**	**84.16**	**45.55**	**8.70**	**17.45**	**110.90**	**1,019.67**
Depreciation for the year	-	1.97	194.87	12.27	31.34	23.10	404.37	4.28	5.96	70.78	53.51	85.85	121.10	10.42	17.25	137.53	1,174.60
Deductions/ (Adjustment)	-	-	(0.03)	(0.50)	-	(0.14)	(0.58)	(0.08)	(0.73)	-	(0.03)	-	(6.41)	-	-	-	(8.50)
As at March 31, 2017	**-**	**2.49**	**390.50**	**24.46**	**52.68**	**32.29**	**790.54**	**8.39**	**11.18**	**128.53**	**112.21**	**170.01**	**160.24**	**19.12**	**34.70**	**248.43**	**2,185.77**
Depreciation for the year	-	3.46	169.62	13.14	31.86	12.94	432.65	4.27	5.57	85.58	55.53	81.28	91.48	10.21	17.17	118.03	1,132.79
Deductions/ (Adjustment)	-	-	(0.21)	(0.42)	-	(0.33)	(15.99)	(0.27)	(2.95)	-	(1.06)	-	(1.38)	-	-	(0.21)	(22.82)
As at March 31, 2018	**-**	**5.95**	**559.91**	**37.18**	**84.54**	**44.90**	**1,207.20**	**12.39**	**13.80**	**214.11**	**166.68**	**251.29**	**250.34**	**29.33**	**51.87**	**366.25**	**3,295.74**
Net Block																	
As at March 31, 2017	644.05	76.30	2,770.66	26.51	631.38	47.10	4,484.09	47.68	21.92	3,091.57	2,152.67	700.54	887.61	97.39	257.78	725.57	16,662.82
As at March 31, 2018	**657.85**	**73.06**	**2,918.68**	**30.14**	**736.17**	**44.40**	**4,835.63**	**61.28**	**21.98**	**3,378.85**	**2,280.68**	**630.68**	**1,812.66**	**87.17**	**241.14**	**633.69**	**18,444.06**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Notes:-

a) Depreciation of ₹ 68.21 crore (previous Year ₹ 130.03 crore) relating to the project assets and pre-fabricated residential structure (temporary structure) has been allocated to Capitalisation / Capital Work in progress for expansion of project works.

b) Freehold Land includes land development cost of ₹ 12.56 crore (Previous Year ₹ 12.56 crore).

c) Plant and Equipment includes cost of Water Pipeline amounting to ₹ 3.37 crore (Gross) (Previous Year ₹ 3.37 crore), accumulated depreciation ₹ 1.19 crore (previous Year ₹ 0.79 crore) which is constructed on land not owned by the Company.

d) Buildings includes 612 residential flats (previous year 612 flats) and a hostel building valuing ₹ 130.75 crore (previous Year ₹ 130.75 crore) at Samudra Township, Mundra, which are pending to be registered in Company's name. Further an advance of Nil (previous year ₹ 8.19 crore) is also paid to purchase additional flats / hostel building.

e) As a part of concession agreement for development of port and related infrastructure at Mundra, the Company has been allotted land on lease basis by Gujarat Maritime Board (GMB). The Company has recorded rights in the GMB Land at present value of future annual lease payments in the books and classified the same as lease hold land.

f) Land development cost on leasehold land includes costs incurred towards reclaimed land of ₹ 663.61 crore (previous Year ₹ 537.03 crore). The cost has been estimated by the management, being cost allocated out of the dredging activities approximate the actual cost.

g) Reclaimed land measuring 1,112.80 hectare are pending to be registered in the name of the Company.

h) Project Assets includes dredgers and earth moving equipments.

i) Free hold Land includes Land given on Operating Lease Basis:

   Gross Block as at March 31, 2018 ₹ 6.71 crore (previous year ₹ 6.71 crore)

   Accumulated Depreciation as at March 31, 2018 ₹ 0.24 crore (previous year ₹ 0.12 crore)

   Net Block as at March 31, 2018 - ₹ 6.47 crores (Previous year - ₹ 6.59 crores)

j) Plant and equipment includes tanks given on operating lease basis:

   Gross Block as at March 31, 2018 - ₹ 8.07 crore (previous year - ₹ 8.07 crore)

   Accumulated Depreciation as at March 31, 2018: ₹ 1.22 crore (previous year - ₹ 0.81 crore)

   Net Block as at March 31, 2018 - ₹ 6.85 crores (Previous year - ₹ 7.26 crore)

k) Leasehold land includes 38 hectare of forest land amounting to ₹ 3.59 crore allotted to the Company by Ministry of Environment and Forests.

l) GIDC has allotted 11.70 hectare of land on right to use basis for the period of 10 years for developing facilities for the project having gross value of ₹ 0.58 crore (previous year ₹ 0.58 Crore).

m) Plant and equipment includes electrical installation of ₹ 13.04 Crore and accumulated depreciation of ₹ 3.46 Crore (previous year ₹ 13.04 Crore and accumulated depreciation of ₹ 2.31 Crore) for setting up of 66 kVA infrastructure facilities for providing power connection to the port facilities.

n) The company had been allotted 11.53 hectares of GIDC land and 13.57 hectare land on operating lease for development of port infrastructure.

o) The amount of borrowing costs capitalised during the year ended March 31, 2018 was ₹ 59.58 Crore (previous year ₹ 31.65 Crore). The rate used to determine the amount of borrowing costs eligible for capitalisation was ranging from 2.85% to 11%, which is the effective interest rate of the specific borrowing.

p) The Company had reclaimed total 230 hectares of land for its port activities. The Company had developed these land area through dredging activities and an amount of ₹ 17.68 Crore (Previous year ₹ 17.68 Crore) is capitalized as leasehold land development.

q) Plant and Equipment includes construction equipments of Gross value of ₹ 0.05 Crore (Previous Year ₹ 0.05 Crore) and accumulated depreciation of ₹ 0.01 Crore (Previous Year ₹ 0.01 Crore).

r) Refer footnote to note 14 & 17 for security / charges created on property, plant and equipment.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

Note 3(b) Intangible Assets

₹ In crore

Particulars	Software	Railway License Fee	Port Infra structure Rights	Right to use of land	Total
Cost					
As at April 1, 2016	**28.32**	**31.25**	**1,706.80**	**21.56**	**1,787.93**
Additions	23.61	-	5.68	-	29.29
Deductions/Adjustment	-	-	132.26	-	132.26
Exchange difference	(0.15)	-	(5.16)	-	(5.31)
As at March 31, 2017	**51.78**	**31.25**	**1,839.58**	**21.56**	**1,944.17**
Additions	25.46	-	92.78	-	118.24
Deductions/Adjustment	-	-	(6.45)	-	(6.45)
Exchange difference	0.02	-	5.65	-	5.67
As at March 31, 2018	**77.26**	**31.25**	**1,931.56**	**21.56**	**2,061.63**
Depreciation/amortisation					
As at April 1, 2016	**7.40**	**2.50**	**98.40**	**1.15**	**109.45**
Depreciation for the year	8.20	2.50	103.77	1.15	115.62
Deductions/Adjustment	-	-	(1.19)		(1.19)
As at March 31, 2017	**15.60**	**5.00**	**200.98**	**2.30**	**223.88**
Depreciation for the year	11.10	2.50	110.09	0.10	123.79
Impairment (refer note 43 (a))	-	-	155.18	-	155.18
Deductions/Adjustment	-	-	(0.04)	-	(0.04)
As at March 31, 2018	**26.70**	**7.50**	**466.21**	**2.40**	**502.81**
Net Block					
As at March 31, 2017	36.18	26.25	1,638.60	19.26	1,720.29
As at March 31, 2018	**50.56**	**23.75**	**1,465.35**	**19.16**	**1,558.82**

Note 3(c) Capital Work-in-Progress

₹ In Crore

Particulars	Amount
As at March 31, 2017	4,513.97
As at March 31, 2018	**4,545.46**

Refer note 36 for break up of cost of significant component in Capital Work-in-Progress.

Note 3(d) Goodwil

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Carrying value at the beginning of the year	2,670.39	2,644.58
Add/(Less):- Amount recognised through business combination (refer note 40)	(3.26)	25.81
Carrying value at the end of the year (refer note 45)	**2,667.13**	**2,670.39**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

4 Non-Current Investments

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Unquoted		
In Equity Shares of Company (Investment at fair value through OCI) (refer note (c) below)		
5,00,00,000 (previous year 5,00,00,000) fully paid Equity Shares of ₹ 10 each of Kutch Railway Company Limited	210.00	200.00
1,73,30,000 (previous year - 1,73,30,000) fully paid Equity Shares of ₹ 10 each of Bharuch Dahej Railway Company Limited	25.99	24.25
5,50,000 (previous year 5,50,000) fully paid Equity Shares of ₹ 10 each of Mundra Solar Technopark Private Limited	0.94	0.94
1,000 (previous year 1,000) fully paid Equity Shares of AUD 1 each of Mundra Port Pty Limited (refer note b)	-*	-*
14,001 (previous year - NIL) fully paid Equity Shares of ₹ 10 each of Ambily Technologies Private Limited	5.21	-
Total FVTOCI Investment	**242.14**	**225.19**
In equity shares of Joint Ventures (valued at cost)		
32,22,31,817 (previous year 31,02,01,040) fully paid Equity Shares of ₹ 10 each of Adani International Container Terminal Private Limited (refer note e)	-	-
5,93,78,278 (previous year 3,03,95,000) fully paid Equity Shares of ₹ 10 each of Adani CMA Mundra Terminal Private Limited (refer note d, e)	-	27.13
Investment in Debenture (Valued at amortised cost)		
3,170 (previous year - NIL) 7.7% Non-Convertible Redeemable Debenture of ₹ 10,00,000 each of J M Financial Products Limited	317.00	-
In Government Securities (valued at amortised cost)		
National Savings Certificates (Lodged with Government Department) & others	-*	0.01
	559.14	**252.33**

-* Figures being nullified on conversion to ₹ in crore.

Notes:

a) Aggregate cost of unquoted investments as at March 31, 2018 ₹ 559.14 crore (previous year - ₹ 252.33 crore).

b) 1,000 fully paid equity shares (previous year - 1,000) of Mundra Port Pty Ltd. (Refer note 38(t)) has been pledged with banks against borrowings by the respective entity.

c) Reconciliation of Fair value measurement of the investment in unquoted equity shares

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Opening Balance	225.19	221.95
Add : Investment made during the year	5.21	-
Fair value gain recognised in Other comprehensive income	11.74	3.24
Closing Balance	**242.14**	**225.19**

d) Investment in equity shares of joint Venture entity Adani CMA Mundra Terminal Private Limited ("ACMPTL") include deemed investment of ₹ Nil (previous year ₹ 4.49 crore) arising from financial guarantee given to banks for the loans taken by ACMPTL.

e) Carrying value of the investment is ₹ Nil due to elimination of unrealised profits from intra-group transactions.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

5 Trade Receivables

(Unsecured, unless otherwise stated)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Trade Receivables				
- Considered good	2.14	13.63	1,848.73	1,675.12
- Considered doubtful	-	-	24.43	25.06
Receivable from related parties (unsecured considered good) (refer note 32)	-	-	2,461.18	1,017.87
	2.14	**13.63**	**4,334.34**	**2,718.05**
Less : Allowances for Doubtful debts	-	-	(24.43)	(25.06)
	2.14	**13.63**	**4,309.91**	**2,692.99**
Other Trade Receivables	2.14	13.63	3,537.91	1,964.76
Customers' Bill Discounted (refer note (c) below)	-	-	772.00	728.23
Total Trade Receivables	**2.14**	**13.63**	**4,309.91**	**2,692.99**

Notes:

a) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

b) Generally, as per credit terms trade receivable are collectable within 30-180 days although the Group provide extended credit period with interest between 8% to 15% considering business and commercial arrangements with the customers including with the related parties. Receivable of ₹ 2.54 crore (previous year ₹ 7.91 crore) are contractually collectable on deferred basis.

c) The Carrying amounts of the trade receivables include receivables amounting to ₹ 772 crore (previous year ₹ 728.23 crore) which are subject to a bills discounting arrangement. Under this arrangement, the Group has transferred the relevant receivables to the bank / financial institution in exchange of cash and is prevented from selling or pledging the receivables. The Cost of bill discounting is to the customer's account as per the arrangement. However, the Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the bills discounting arrangement is presented as unsecured borrowing in note 17.

d) Trade receivable includes regular receivables arising from services provided to power companies which are passing through a difficult external environment causing certain delays in payment.

The Group has reviewed these receivables and considering the improving market conditions in the power sector, expects that the power companies will improve their operating effectiveness and recover past dues from Discoms and thereby the Group believes that the amount is good and recoverable.

6 Loans

(Unsecured unless otherwise stated)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Loans to Joint Venture entities				
Considered Good	1,193.06	759.32	20.31	34.32
Loans to Related Parties				
Considered Good	-	-	-	0.40
Loans to others (refer note below)				
Considered Good	2.80	-	1,484.58	1,747.90
	1,195.86	**759.32**	**1,504.89**	**1,782.62**

Notes to the Consolidated Financial Statements
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Notes :
Loan to others includes inter-corporate deposits aggregating ₹ 1,105.40 crore (previous year ₹ 1,345.14 crore) (Including renewals on due dates) to third parties. These deposits are given at prevailing market interest rates. The inter-corporate deposits have been approved by the Finance committee of the Board of Directors .

The Group has received adequate undertaking on record by its promoters' company to safeguard the full recovery of this amount together with the interest. In the opinion of the Group, all these loans /deposits are considered good and realisable as at the year end.

7 Other Financial Assets

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Security deposits				
- Considered good	488.35	177.14	292.46	372.80
- Considered doubtful	-	-	7.27	7.27
	488.35	**177.14**	**299.73**	**380.07**
Allowances for doubtful deposit	-	-	(7.27)	(7.27)
	488.35	**177.14**	**292.46**	**372.80**
Loans and Advances to Employees	2.20	2.42	2.87	3.25
Land Lease Receivable (refer note 20 (c))	923.81	592.52	4.64	2.87
Bank Deposit with original maturity of more than twelve months and margin money deposits (refer note 11)	40.51	50.32	-	-
Interest Accrued	-	3.15	694.30	422.09
Non Trade receivable	-	-	107.08	9.21
Receivables against sale of investment (refer note 38(t))	-	-	85.93	85.13
Derivatives instruments / Forward Contracts Receivable	-	6.50	61.91	99.66
Financial Guarantee Received	-	8.74	4.37	-
Others	-	-	0.50	9.21
Gratuity Assets (refer note 29)	-	-	2.77	2.40
	1,454.87	**840.79**	**1,256.83**	**1,006.62**

8 Other Assets

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Capital advances				
- Secured, considered good	0.04	3.35	-	-
- Unsecured, considered good	839.68	831.46	-	-
- Unsecured, doubtful	10.59	10.59	-	-
	850.31	**845.40**	**-**	**-**
Less: Allowances for doubtful advances	(10.59)	(10.59)	-	-
	839.72	**834.81**	**-**	**-**
Balance with Government Authorities	244.90	210.67	144.36	165.70
Prepaid Expenses	74.95	65.66	32.43	93.38
Deposits given (unsecured, considered good)	-	115.05	111.29	-
Accrued Income (refer note 42)	-	-	263.27	240.95
Advances recoverable other than in cash				
To others	0.12	0.19	89.79	143.84
To related party	-	25.00	334.67	337.31
Project work in progress (refer note 9)	-	935.17	-	-
Export benefits and Other receivables	-	-	409.96	451.09
Taxes recoverable (net) (refer note 26)	187.39	66.01	-	-
	1,347.08	**2,252.56**	**1,385.77**	**1,432.27**

Notes:
a) Capital advance includes ₹ 158.71 crore (previous year ₹ 155.48 crore) paid to various parties and government authorities towards purchase of land.
b) The Group has received bank guarantees of ₹ 0.04 crore (previous year ₹ 3.35 crore) against capital advances.

Notes to the Consolidated Financial Statements
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9 Inventories
(At lower of cost and Net realisable value)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Stores and Spares, Fuel and Lubricants	-	-	223.22	268.09
Project work in progress (refer note 42 and 46)	-	935.17	297.07	389.00
	-	**935.17**	**520.29**	**657.09**
Amount disclosed under non-current assets (refer note 8)	-	(935.17)	-	-
	-	**-**	**520.29**	**657.09**

10 Current Investments

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Unquoted mutual funds (valued at fair value through profit and loss)		
Nil (previous year 85,663.86 units) of ₹ 10 each in JM High Liquidity - Direct Plan - Growth	-	0.38
22457.17 units (previous year Nil) of ₹ 10 each in ICICI Prudential Liquidity - Direct Plan - Growth	0.58	-
2,50,000 units (previous year 2,50,000 units) of ₹ 10 each in HDFC Mutual Fund	0.25	0.25
Nil (previous year 34,465.76 units) of ₹ 10 each in SBI Premier Liquid Fund - Direct Plan - Growth	-	8.80
Nil (previous year 1,92,462.18 units) of ₹ 10 each in Birla Sun Life Cash Plus - Direct Plan - Growth	-	5.11
Investment in Commercial Papers (CP) (Valued at Amortised Cost)		
Commercial Papers of ECAP Equities Limited	518.95	465.84
Commercial Papers of L&T Finance Limited	-	251.65
Investment in Debentures (Valued at Amortised Cost)		
Nil (previous year 1,770 units) 8.75 % Non-Convertible Redeemable Debenture of ₹ 10,00,000 each of J M Financial Products Limited	-	177.00
	519.78	**909.03**
Aggregate carrying value of unquoted Mutual Funds	0.83	14.54
Aggregate net assets value of unquoted Mutual Funds	0.83	14.54
Aggregate carrying value of unquoted investment in Commercial Papers and Debentures	518.95	894.49

Note:-
Investments in commercial papers of ECAP Equities Limited is rated A1+. During the previous year, investments in commercial papers of ECAP Equities Limited, L&T Finance Limited and debentures of J M Financial Products Limited are A1+ and AA / Stable rated instruments, respectively.

11 Cash and Bank Balances

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Cash and cash equivalents				
Balance in current account	-	-	548.05	915.05
Deposits with original maturity of less than three months	-	-	33.44	35.12
Cheques on hand	-	-	241.86	-
Cash on hand	-	-	0.13	0.04
	-	**-**	**823.48**	**950.21**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

11 Cash and Bank Balances (Contd.)

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Other bank balances				
Bank Deposit with maturity of more than 12 months	37.51	-	-	-
In Current Account (earmarked for Unpaid Dividend) / share application Refund	-	-	0.88	0.82
Deposits with original maturity over 3 months but less than 12 months	-	-	2,117.25	1,015.07
Margin Money Deposits	3.00	50.32	25.94	10.70
	40.51	**50.32**	**2,144.07**	**1,026.59**
Amount disclosed under Non- Current Financial Assets (refer note 7)	(40.51)	(50.32)	-	-
	-	**-**	**2,144.07**	**1,026.59**

Note: Margin Money Deposits includes ₹ 28.94 crore (previous year ₹ 61.02 crore) pledged / lien against bank guarantees, letter of credit and other credit facilities.

12 Equity Share Capital

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Equity share capital		
Authorised share capital		
4,97,50,00,000 (previous year 4,97,50,00,000) Equity Shares of ₹ 2 each	995.00	995.00
	995.00	**995.00**
Issued, subscribed and fully paid-up share capital		
2,07,09,51,761 (previous year 2,07,09,51,761) fully paid up Equity Shares of ₹ 2 each	414.19	414.19
	414.19	**414.19**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	March 31, 2018		March 31, 2017	
	No.	₹ In Crore	No.	₹ In Crore
At the beginning of the year	2,07,09,51,761	414.19	2,07,09,51,761	414.19
Add (Less):- Change during the year	-	-	-	-
Outstanding at the end of the year	**2,07,09,51,761**	**414.19**	**2,07,09,51,761**	**414.19**

Notes:

Terms/rights attached to equity shares

(i) The Company has only one class of equity share having par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

(ii) 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.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

(b) Equity Component of Non-cumulative redeemable preference shares

Particulars	March 31, 2018		March 31, 2017	
	No.	₹ In Crore	No.	₹ In Crore
At the beginning of the year	28,11,037	165.88	28,11,037	165.88
Change during the year	-	-	-	-
Outstanding at the end of the year	**28,11,037**	**165.88**	**28,11,037**	**165.88**

Terms of Non-cumulative Redeemable Preference shares:

The Company has outstanding 28,11,037 0.01 % Non-Cumulative Redeemable Preference Shares ('NCRPS') of ₹ 10 each issued at a premium of ₹ 990.00 per share. Each holder of preference shares has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference share holders. These shares are redeemable on March 28, 2024 at an aggregate premium of ₹ 278.29 crore (equivalent to ₹ 990.00 per share). In the event of liquidation of the Company, before redemption the holder of NCRPS will have priority over equity shares in the payment of dividend and repayment of capital. The preference shares carry fixed dividend which is non-discretionary.

Under Indian GAAP, the preference shares were classified as equity and dividend payable thereon was treated as distribution of profit. Under Ind AS, the Preference Shares issued by the Company classifies as Compound Financial Instrument. These preference shares are separated into liability and equity components based on the terms of the contract. Interest on liability component is recognised as interest expense using the effective interest method.

The equity component of convertible preference shares includes the securities premium amount received on issue of preference shares and the preference share capital, redemption premium reserve being created in compliance of the Companies Act, 2013.

c) Details of shareholders holding more than 5% shares in the company

Equity Shares	March 31, 2018		March 31, 2017	
	No.	% Holding in the Class	No.	% Holding in the Class
Equity shares of ₹ 2 each fully paid				
i) Gautambhai Shantilal Adani and Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	87,73,17,807	42.36%	87,73,17,807	42.36%
ii) Adani Tradeline LLP (Formerly, known as Parsa Kente Rail Infra LLP)	14,05,12,153	6.78%	14,05,12,153	6.78%
Non-Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up				
Gujarat Ports Infrastructure and Development Co. Limited	3,09,213	11.00%	3,09,213	11.00%
Priti G. Adani	5,00,365	17.80%	5,00,365	17.80%
Shilin R. Adani	5,00,364	17.80%	5,00,364	17.80%
Pushpa V. Adani	5,00,365	17.80%	5,00,365	17.80%
Ranjan V. Adani	5,00,455	17.80%	5,00,455	17.80%
Suvarna M. Adani	5,00,275	17.80%	5,00,275	17.80%
	28,11,037	**100.00%**	**28,11,037**	**100.00%**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

13 Other Equity

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Equity Component of Non Cumulative Redeemable Preference share		
Opening Balance	165.88	165.88
Closing Balance	**165.88**	**165.88**

Securities Premium		
Opening Balance	2,535.70	2,535.70
Share in Securities Premium of Joint Venture	16.02	-
Closing Balance	**2,551.72**	**2,535.70**

Note:- Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The same is available for utilisation in accordance with the provisions of the Companies Act, 2013

General Reserve		
Opening Balance	2,141.55	1,623.22
Add- Transfer from Debenture Redemption Reserve	119.32	518.33
Closing Balance	**2,260.87**	**2,141.55**

Note:- The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit and loss.

Debenture Redemption Reserve (DRR)		
Opening Balance	476.21	638.88
Add: Transferred from Retained Earnings	304.82	355.66
Less: Transferred to General Reserve	(119.32)	(518.33)
Closing Balance	**661.71**	**476.21**

Note: The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. The DRR is created over the life of debentures out of retained earnings.

Tonnage Tax Reserve		
Opening Balance	3.30	-
Add: Transferred from Retained Earnings	316.20	3.30
Closing Balance	**319.50**	**3.30**

Note:- Subsidiary companies The Adani Harbour Services Private Limited and Shanti Sagar International Dredging Private Limited have opted for Tonnage Tax Scheme u/s 115V of the Income Tax Act, 1961. Accordingly Section 115 VT of The Income Tax Act, 1961 requires the said companies to create Tonnage Tax Reserve and transfer the amount equivalent to 20% of the book profits of the said companies from retained earnings to Tonnage Tax Reserve and to be utilised only for the purpose as mentioned in the said Act.

Foreign Currency Monetary Item Translation Difference Account		
Opening Balance	(74.55)	(262.45)
Add : Foreign exchange (loss)/gain during the year	(7.92)	62.70
Less : Amortised in statement of profit and loss	45.34	125.20
Closing Balance	**(37.13)**	**(74.55)**

Note: Exchange differences arising on other outstanding long term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. March 31, 2016 are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA) and amortized over the remaining life of the concerned monetary item.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

13 Other Equity (Contd.)

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Retained Earnings		
Opening Balance	11,722.42	8,253.81
Add : Impact of Demerger (refer note 44)	123.96	-
Add : Profit attributable to equity holders of the parent	3,673.62	3,911.52
Less : Dividend on shares	(269.22)	-
Less : Dividend distribution tax paid (DDT)	(54.81)	-
Less : Transfer to Debenture Redemption reserve	(304.82)	(355.66)
Less : Transfer to Tonnage Tax Reserve	(316.20)	(3.30)
Less : Adjustment on account of acquisition of Non-controlling interest (refer note 31 (a))	-	(87.35)
Less: Impact of Demerger on Non-controlling interest	6.46	-
Add / (Less) : Remeasurement gains / (losses) on defined benefit plans (net of tax)	0.59	3.40
Closing Balance	**14,582.00**	**11,722.42**

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

Other Comprehensive Income		
Foreign Currency translation reserve		
Opening Balance	0.73	0.73
Add/(Less):- Change during the year	(0.74)	-
Closing Balance	**(0.01)**	**0.73**

Note:- Exchange differences relating to translation of results and net assets of the group's foreign operations from their functional currencies to the group's presentation currency (i.e rupees) are recognised directly in other comprehensive income and accumulated in foreign currency translation reserve.

Equity instrument through other comprehensive income		
Opening Balance	140.55	135.53
Add : Change in fair value of FVTOCI Equity Investments (net of tax)	9.55	5.02
Closing Balance	**150.10**	**140.55**

Note:- This reserve represents the cumulative gains and losses arising on the revaluation of equity investments measured at fair value through other comprehensive income.

Total Other Equity	**20,654.64**	**17,111.79**

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Distribution made and proposed		
Cash Dividend on equity share declared and paid		
Final Dividend for the year ended March 31, 2017 (₹ 1.30 per share)	269.22	-
Dividend Distribution Tax	54.81	-
	324.03	**-**
Proposed Dividend on Equity Shares		
Final Dividend for the year ended March 31, 2018 (Current year ₹ 2.00 per share) (previous year ₹ 1.30 per share)	414.19	269.22
Dividend Distribution Tax	85.14	54.81
	499.33	**324.03**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

13 Other Equity (Contd.)

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Cash Dividend on Preference Share declared and paid		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*-	*-
Dividend Distribution Tax	*-	*-
Proposed Dividend on Preference Shares		
Dividend @ 0.01 % on Non-Cumulative Redeemable Preference Shares	*-	*-
Dividend Distribution Tax	*-	*-

*- Figure nullified in conversion of ₹ in crore

Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as liability (including dividend distribution tax thereon).

14 Long Term Borrowings

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Debentures				
2,520 (previous year 2,520) 9.35% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured. (Redeemable on July 04, 2026)	251.25	251.19	-	-
16,000 (previous year Nil) 7.65% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable ₹ 533.30 crore on October 31, 2025, ₹ 533.30 crore on October 31, 2026 and ₹ 533.40 crore on October 30, 2027)	1,582.84	-	-	-
10,000 (previous year 10,000) 8.22% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured. (Redeemable ₹ 333.30 crore on March 07, 2025, ₹ 333.30 crore on March 07, 2026 and ₹ 333.40 crore on March 08, 2027)	1,000.00	1,000.00	-	-
13,000 (previous year 13,000) 8.24% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured. (Redeemable ₹ 433.30 crore on November 29, 2024, ₹ 433.30 crore on November 29, 2025 and ₹ 433.40 crore on November 27, 2026)	1,300.00	1,300.00	-	-
2,000 (previous year 2,000) 9.35% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured. (Redeemable ₹ 100 crore on May 26, 2023 and ₹ 100 crore on May 27, 2026)	198.00	197.79	-	-
4,940 (previous year 4,940) 10.50% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable at three annual equal instalments commencing from February 25, 2021)	494.00	494.00	-	-
400 (previous year 750) 10.50% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable in 4 quarterly equal instalments on December 27, 2020, March 27, 2021, June 27, 2021 and September 27, 2021)	39.13	38.68	-	35.00
9,000 (previous year 9,000) 9.05% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemable ₹ 750 crore on April 18, 2019 and ₹ 150 crore on May 22, 2019)	900.00	900.00	-	-

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

14 Long Term Borrowings (Contd.)

₹ In Crore

Particulars	Non-current portion March 31, 2018	Non-current portion March 31, 2017	Current portion March 31, 2018	Current portion March 31, 2017
5,000 (previous year 5,000) 9.05% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured. (Redeemable on April 10, 2019)	498.34	496.66	-	-
5,000 (previous year 5,000) 9.05% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured. (Redeemable ₹ 250 crore on June 18, 2018 and ₹ 250 crore on September 18, 2018)	-	498.87	499.71	-
200 (previous year 200) 10.50% Non Convertible Redeemable Debenture of ₹ 5,00,000 each (previous year ₹ 10,00,000 each) Secured (Redeemable in 2 quarterly equal instalments on June 27, 2018 and September 27, 2018).	-	10.00	10.00	10.00
Nil (previous year 1,106) 10.15% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemed on September 15, 2017)	-	-	-	110.60
Nil (previous year 2,111) 9.15% Non Convertible Redeemable Debenture of ₹ 10,00,000 each Secured (Redeemed on April 28, 2017).	-	-	-	211.10
Preference shares				
Liability Component of Compound Financial Instrument - 0.01% Non Cumulative Redeemable Preference Shares (unsecured) (refer note 12(b))	91.69	84.12	-	-
Term loans				
Foreign currency loans:				
From banks (secured)	914.34	1,411.46	153.73	323.48
From banks (unsecured)	1,039.87	2,010.90	-	229.75
From Other financial institutions (secured)	14.60	28.56	14.11	13.56
3.50% Foreign Currency Bond priced at 195 basis points over the 5 years US Treasury Note (unsecured)	4,236.38	4,215.25	-	-
3.95% Foreign Currency Bond priced at 189 basis points over the 5 years US Treasury Note (unsecured)	3,230.33	3,207.56	-	-
4 % Foreign Currency Bond priced at 195 basis points over the 10 years US Treasury Note (unsecured)	3,203.06	-	-	-
Rupee loans:				
From banks (secured)	399.02	458.81	59.78	24.81
From Other financial institutions (unsecured)	3.66	-	1.20	-
From others (unsecured)	3.88	4.14	-	-
Foreign currency letters of credit				
From banks (secured)	570.39	554.51	-	0.60
From banks (unsecured)	658.19	830.74	63.49	-
	20,628.97	**17,993.24**	**802.02**	**958.90**

₹ In Crore

The above amount includes	Non-current portion March 31, 2018	Non-current portion March 31, 2017	Current portion March 31, 2018	Current portion March 31, 2017
Secured borrowings	8,161.91	7,640.53	737.33	729.15
Unsecured borrowings	12,467.06	10,352.71	64.69	229.75
Amount disclosed under the head Current Financial Liabilities (refer note 15)	-	-	(802.02)	(958.90)
	20,628.97	**17,993.24**	**-**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Notes:

a) Debentures include Secured Non-Convertible Redeemable Debentures amounting to ₹ 2,090.34 crore (previous year ₹ 2,410.15 crore) which are secured by first Pari-passu charge on all the immovable and movable assets of Multi-purpose Terminal, Terminal-II and Container Terminal –II project assets.

b) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 49.13 crore (previous year ₹ 93.68 crore) which are secured by exclusive mortgage and charge on entire Single Point Mooring (SPM) facilities serving Indian Oil Corporation Limited - Mundra and the first charge over receivables from Indian Oil Corporation Limited.

c) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 1,750.96 crore (previous year ₹ 1,750.06 crore) which are secured by first pari-passu charge on all the movable and immovable assets pertaining to coal terminal project assets at Wandh.

d) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 1,300.00 crore (previous year ₹ 1,300.00 crore) which are secured by first pari-passu charge on specified assets of certain subsidiary companies arrangements as per Debenture Trust Deed.

e) Debentures include Secured Non-Convertible Redeemable Debentures aggregating to ₹ 1,582.84 crore (previous year ₹ Nil) which are secured by first pari-passu charge on specified assets of one of the subsidiary companies arrangements as per Debenture Trust Deed.

f) Foreign currency loan aggregating to ₹ 160.66 crore (previous year ₹ 168.38 crore) carries interest @ 6 months Euribor plus 95 basis point. The above loan is repayable in 9 Semi-annual instalment of ₹ 17.85 crore from the balance sheet date. The loan is secured by exclusive charge on the Dredgers procured under the facility.

g) Foreign currency loans aggregating to ₹ 70.04 crore (previous year ₹ 75.13 crore) carries interest @ 6 months Euribor plus 75 basis point. The loan is repayable in 8 semi annually equal instalments of approx. ₹ 8.79 crore from the balance sheet date. The loan is secured by exclusive charge on the Cranes purchased under the facility.

h) Foreign Currency Loan aggregating to ₹ Nil (previous year ₹ 878.22 crore) carried interest at 6 month Libor plus 180 basis point. This loan was secured by first pari-passu charge on all the immovable and movable assets of Multi-purpose Terminal, Terminal-II and Container Terminal-II project assets. The said loan was repaid during the year.

i) Foreign currency letters of credit aggregating to ₹ 570.39 crore (previous year ₹ 555.11 crore) carries interest @ 3 to 6 months Libor plus basis point in range of 21 to 46. Loan of ₹ 570.39 crore (previous year ₹ 555.11 crore) payable on maturity in 2019-20 and 2020-21. The loan was secured against exclusive charge on assets purchased under the facility.

j) Unsecured Loan

(i) 5 years Foreign Currency Bond of USD 650 million equivalent to ₹ 4,236.38 crore (previous year ₹ 4,215.25 crore) carries interest rate at 3.50 % p.a. with bullet repayment in the year 2020.

(ii) 5 years Foreign Currency Bond of USD 500 million equivalent to ₹ 3,230.33 crore (previous year ₹ 3,207.56 crore) carries interest rate at 3.95% p.a. with bullet repayment in the year 2022.

(iii) 10 years Foreign Currency Bond of USD 500 million equivalent to ₹ 3,203.06 crore (previous year ₹ NIL) carries interest rate at 4.00% p.a. with bullet repayment in the year 2027.

(iv) Foreign Currency loan of ₹ Nil (previous year ₹ 226.98 crore) carried interest basis overnight Libor plus 120 basis point repaid during the year 2017-18.

(v) Foreign Currency Loan aggregating to ₹ 1,039.87 crore (previous year ₹ 1034.68 crore) carries interest at 2.85% fixed for 18 months and than after 6 months Libor plus 2.2%. is repayable in the year 2021.

(vi) Foreign Currency Loan aggregating to ₹ Nil (previous year ₹ 12.31 crore) carried interest at 2.12 % p.a. The said loan was repaid during the year.

(vii) Foreign currency letters of credit aggregating to ₹ 23.42 crore (previous year ₹ 31.47 crore) carries interest at 6 months Libor plus basis point in range of 21 to 51 and 12 months Euribor plus 75 basis points. ₹ 23.42 crore payable on maturity from 2019-20 to 2020-21.

(viii) Foreign currency loan aggregating to ₹ Nil (previous year ₹ 483.45 crore) carried interest @ 6 months Libor plus 204 basis point .The loan was repaid during the year 2017-18.

(ix) Foreign currency loan aggregating to ₹ Nil (previous year ₹ 483.23 crore) carried interest @ 3 months Libor plus 200 basis point. The loan was repaid during the year 2017-18.

Notes to the Consolidated Financial Statements

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(x) Rupee Term Loan aggregating to ₹ 4.86 crore (previous year ₹ Nil) carries interest ranging from 4.70 % p.a. to 7.95 % p.a. repayment beginning from May 2018 and having last repayment date on November 2021.

k) Term loan taken by the subsidiaries includes:

i) Loans from bank including foreign currency term loan amounting of ₹ Nil (previous year ₹ 156.79 crore) are taken by Adani Petronet (Dahej) Port Private Limited and are secured on pari passu basis by first mortgage of all the immovable assets of the Company, both present and future and are further secured by hypothecation of movable assets, both present and future of the Company. Foreign currency loans carries interest in the range of Libor plus 285 to 295 basis point and is repayable in 38 to 40 quarterly instalments each along with interest. The said loan was repaid during the year. The company has suppliers bills accepted under foreign currency letter of credit amounting to ₹ 1.11 crore (previous year ₹ 4.73 crore). Suppliers bills accepted under foreign currency letter of credit carries interest Euribor plus 28 basis points and repayable in the year 2020-21. This facility is availed out of the facility sanctioned to the Company.

ii) Foreign currency loans from banks amounting to ₹ Nil (previous year ₹ 25.44 crore) taken by Adani Logistics Limited are secured by equitable mortgage of immovable properties of the Company and first charge by way of hypothecation of all movable assets and intangible assets and assignment of book debt, revenues and receivable of the Company. The loan carries interest at 6M plus 325 basis point. The Loans are repayable in 36 quarterly installments and the same have been repaid in current year. The company has suppliers bills accepted under foreign currency letter of credit amounting to ₹ NIL (previous year ₹ 1.10 crore) carries interest @ Euribor + 45 basis points and the same have been repaid during the current year. This facility is availed out of the facility sanctioned to the Company.

iii) Foreign currency term loans from financial institutions amounting to ₹ 28.71 crore (previous year ₹ 42.12 crore) taken by Karnavati Aviation Private Limited carries interest @ Libor plus 253 basis point. The Loan is repayable in 20 Half yearly instalments along with interest beginning from April 27, 2010. The loan is secured by hypothecation of Aircraft Challenger 605. Foreign currency term loans from banks amounting to ₹ 96.48 crore (previous year ₹ 113.01 crore) taken by Karnavati Aviation Private Limited carries interest @ of Libor plus 175 basis point. The Loan is repayable in 28 Quarterly instalments along with interest beginning from May 30, 2013 . The loan is secured by hypothecation of Aircraft Legacy 650.

iv) Suppliers bills accepted under foreign currency letter of credit of Adani Hazira Port Private Limited amounting to ₹ 89.44 crore (previous year ₹ 255.15 crore). Suppliers bills accepted under foreign currency letter of credit carries interest in the range of Libor plus 0.21% to 0.51% which is repayable on maturity. This facility is availed in current year is out of the facility sanctioned to the Company.

v) Foreign currency letter of credit of Adani Kattupalli Port Private Limited amounting to ₹ 3.34 crore (previous year ₹ NIL). Suppliers bills accepted under foreign currency letter of credit carries nil interest and is repayable by April 19, 2018. This facility is availed in current year is out of the facility sanctioned to the Company.

vi) Foreign currency letters of credit of Adani Vizag Coal Terminal Private Limited aggregating of ₹ 60.15 crore (previous year ₹ 51.58 crore) carries interest of 3 Months Euribor 50 basis point. This facility is availed out of the facility sanctioned to the Company.

vii) Loans from banks taken by The Dhamra Port Company Limited includes secured rupee term loan from banks amounting to ₹ 458.60 crore (previous year ₹ 483.32 crore) payable in 24 quarterly instalments starting from June 2016 to March 2022 carries interest @ 9.25% p.a. The loan is secured by a first pari passu charge on all immovable Property, Plant and Equipments (including lease hold properties), movable fixed assets, non-current assets & current assets (including book debts, operating cash flows, receivables, revenue), intangible assets, pertaining to the existing project capacity both present & future.

Secured foreign currency loans from banks amounting to ₹ Nil (previous year ₹ 317.96 crore). The same carries interest @ LIBOR plus 2.30 % payable in 32 quarterly instalments starting from June 2018 to March 2026 and the same have been repaid in current year.

Foreign currency letters of credit amounting to ₹ 151.96 crore (previous year ₹ 151.20 crore). The loan is unsecured and carries interest @ LIBOR plus 20 basis point. The loan is repayable after 90 days from the bill of lading date and renewable thereafter. This facility is availed out of the facility sanctioned to the Company.

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for the year ended March 31, 2018

Foreign Currency Loans & Rupee Term Loan are secured by a first pari passu charge on all immovable property, plant and equipment (including lease hold properties), movable property, plant and equipment current assets (including book debts, operating cash flows, receivables, revenue), intangible assets, pertaining to the existing project capacity both present & future. Also secured by first pari-passu charge on new assets by way of utilization of the proceeds of loan and all bank accounts including (Trust & Retention Account and Debt Service Account) and also secured by pledge of shares representing 30% of the total equity paid up capital. Foreign Currency Term loan prepaid during the year however, release of charge is pending at the end of Year.

viii) Foreign currency letters of credit of Adani Kandla Bulk Terminal Private Limited aggregating of ₹ Nil (previous year ₹ 10.12 crore). The same carried interest in the range of 12M EURIBOR plus 30 basis point as well as 12M Libor plus 13 basis point and the same have been repaid during current year. This facility was availed out of the facility sanctioned to the Company.

ix) Foreign currency letters of credit by Adani Ennore Container Terminal Private Limited aggregating to ₹ 392.26 crore (previous year ₹ 325.39 crore). The loan carries interest @ 6 Months Euribor plus basis points in the range of 25 to 40 and @ 6 Months Libor plus basis points in the range of 20 to 30 and is secured against corporate guarantee given by holding company.

x) Term Loan from Banks taken by MPSEZ Utilities Private Limited aggregating to ₹ 0.20 crore (previous year ₹ 0.30 crore) are secured by way of hypothecation of Plant and Machinery of Company's Transmission & Distribution Business. The loan carries interest rate of Base Rate + 1% and is repayable in equal quarterly instalment after moratorium of 3 months. The tenure of loan is upto March 31, 2020.

xi) Loan taken by Adinath Polyfills Private Limited aggregating to ₹ 3.88 crore (previous year ₹ 3.72 crore) from its related parties. The same carries interest @ 6 % p.a. and is unsecured.

xii) Loan taken by Abbot Point Operations Pty Limited aggregating to AUD Nil (Previous year AUD 0.085 Mn) from its related parties and the loan is unsecured, interest free and repaid during the current year.

xiii) Term Loan from Banks taken by Shanti Sagar International Dredging Private Limited aggregating to ₹ 740.89 crore (previous year ₹ Nil) are secured by way of first ranking exclusive charge over the assets of company committed under agreement, Charge on assets has been created through agreement in favor of Axis Trustee Service Limited acting on behalf of all the lenders.. The same carries interest in the range of 6 month Euribor Zero plus 50 basis points. The loans are repayable 6 monthly in 20 equal installments commencing from 16th May, 2018.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

15 Other Financial Liabilities

₹ In Crore

Particulars	Non-current portion March 31, 2018	Non-current portion March 31, 2017	Current portion March 31, 2018	Current portion March 31, 2017
Current maturities of long term borrowings (refer note 14)	-	-	802.02	958.90
Derivative instruments	72.49	55.96	40.64	53.85
Capital creditors, retention money (Includes outstanding due to MSME creditors ₹ 0.02 crore previous year ₹ 0. 20 crore) (refer note 47)	1.34	5.35	763.04	678.26
Other payables (including discounts etc.)	-	-	151.58	74.24
Obligations under lease land (refer note (a) below)	6.85	6.99	0.13	0.01
Unpaid Dividends #	-	-	0.88	0.82
Interest accrued but not due on borrowings	22.21	6.76	312.85	259.21
Deposit from Customer	3.44	5.44	18.29	10.43
Financial Guarantees given	2.71	12.53	4.37	-
	109.04	**93.03**	**2,093.80**	**2,035.72**

Not due for credit to "Investors Education & Protection Fund

Notes:

(a) Assets taken under Finance Leases – land for purposes of developing, constructing, operating and maintaining the Mundra Port and related infrastructure for providing services to the users in accordance with the terms of the concession agreement with Gujarat Maritime Board (GMB). The lease rent is subject to revision every three years on April 1st by 20% of the previous amount. The lease rent terms are for the period of 30 years and are renewable accordingly with extension or renewal of the concession agreement. The lease agreement entered is non-cancellable till the termination or expiry of the concession agreement. There is no contingent rent, no sub-leases restrictions imposed by the lease arrangements. Expenses of ₹ 0.59 crore (previous year ₹ 0.59 crore) incurred under such lease have been expensed in the statement of profit and loss.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

₹ In Crore

Particulars	Within one year	After one year but not later than five years	More than five years	Total minimum lease payments	Less: Amounts representing finance charges	Present value of minimum lease payments
March 31, 2018						
Minimum Lease Payments	0.71	3.13	8.34	12.18	(5.20)	6.98
Finance charge allocated to future periods	0.58	2.17	2.45	5.20	-	-
Present Value of MLP	0.13	0.96	5.89	6.98	-	6.98
March 31, 2017						
Minimum Lease Payments	0.59	2.99	9.20	12.78	(5.78)	7.00
Finance charge allocated to future periods	0.58	2.24	2.96	5.78	-	-
Present Value of MLP	0.01	0.75	6.24	7.00	-	7.00

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(b) Disclosure with regards to Amendments to Ind AS 7 Statement of Cash Flows

The amendments 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 period.

₹ In Crore

Particulars	April 1, 2017	Cash Flows	Foreign Exchange Movement	Change in fair value	Other Adjustment	March 31, 2018
Long-term Borrowings (Including Current Maturities of Long Term Debt)	18,952.14	2,403.81	153.04	(78.00)	-	21,430.99
Short-term borrowing (including bills discounting)	3,262.12	(2,603.22)	1.92	68.58	43.77	773.17
Interest accrued but not due	265.97	(1,163.95)	14.20	(38.51)	1,257.35	335.06
Unpaid Dividend on Equity and Preference Shares (including dividend distribution tax)	0.82	(323.97)	-	-	324.03	0.88
Derivative Contract	69.90	(201.70)	-	-	238.02	106.22
Total	**22,550.95**	**(1,889.03)**	**169.16**	**(47.93)**	**1,863.17**	**22,646.32**

16 Other Liabilities

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Advance from customers	0.35	10.51	221.16	312.87
Deposit from customers	-	-	14.31	15.54
Statutory liability	-	-	91.51	61.53
Unearned Income under long term land lease/ Infrastructure usage agreements	752.53	687.23	60.78	50.39
Deferred Income on fair valuation of Deposit taken	1.37	1.48	-	-
Deferred Government Grant (refer note (i) below)	453.26	327.25	10.43	9.36
Deferred Revenue for Service Line Contributions	20.23	24.49	-	-
Unearned revenue	-	-	62.63	71.59
	1,227.74	**1,050.96**	**460.82**	**521.28**

Note:-

(i) Movement in Deferred Government Grant

₹ In Crore

	March 31, 2018	March 31, 2017
Opening Balance	336.61	164.49
Add : Addition during the year	135.65	180.34
Less: Amortisation during the year	(8.57)	(8.22)
Closing Balance	**463.69**	**336.61**

17 Short Term Borrowings

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Short term borrowings from banks under suppliers credit (Secured)	1.17	2.47
Commercial paper (Unsecured)	-	2,531.42
	1.17	**2,533.89**
Customers' Bills Discounted (Unsecured) (refer note 5(c))	772.00	728.23
	773.17	**3,262.12**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

Notes:

a) Suppliers bills accepted under foreign currency letters of credit aggregating to ₹ Nil (previous year ₹ 2.47 crore) carried interest at 1 to 12 months Libor plus basis point in range of 15 to 75 and 6 to 12 Months Euribor plus basis point in range of 38 to 40. The loan was repaid on maturity during the year. The loan was secured against material purchased under the facilities.

b) Suppliers bills accepted under foreign currency letters of credit aggregating to ₹ 1.17 crore (previous year ₹ Nil) carries interest at 6 Months Euribor plus 28 basis point. Subservient charge on movable fixed assets and current assets of the Company, except those secured by exclusive charge in favour of other lenders.

c) Commercial Paper (CP) aggregating ₹ Nil (previous year ₹ 2,531.42 crore) carries interest rate in range of 6.75 % to 10 % p.a. The CP had maturity period of 1 to 9 months and matured during the year.

d) Factored receivables of ₹ 772.00 crore (previous year ₹ 728.23 crore) have recourse to the Company and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 1 to 12 months period.

18 Trade and Other Payables

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Payables to micro, small and medium enterprises (refer note 47)	0.07	0.36
Other trade payables	489.66	455.30
	489.73	**455.66**
Dues to related parties included in above (refer note 32)	**34.29**	**57.76**

19 Provisions

₹ In Crore

Particulars	Non-current portion		Current portion	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Provision for Employee Benefits				
Provision for gratuity (refer note 29)	0.21	3.91	2.53	0.64
Provision for compensated absences	4.01	7.10	62.02	56.12
	4.22	**11.01**	**64.55**	**56.76**
Other Provisions				
Provision for operational claims (refer note (a) below)	-	-	33.67	30.46
	4.22	**11.01**	**98.22**	**87.22**

Note (a):-

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Opening Balance	30.46	35.80
Add/(Less) : Change during the year	3.21	(5.34)
Closing Balance	**33.67**	**30.46**

Operational Claims are the expected claims against outstanding receivables made/to be made by the customers towards shortages of stock, handling losses, damages to the cargo, storage and other disputes. The probability and the timing of the outflow/adjustment with regard to above depends on the ultimate settlement / conclusion with the respective customer.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

20 Revenue from Operations

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Income from Port Operations (Including Port Infrastructure Services) (refer note (b) below)	7,330.25	7,050.20
Income from Development of Container Infrastructure (refer note 46)	2,202.17	-
Land Lease, Upfront Premium and Deferred Infrastructure Income (refer note(a), (c) and (d) below)	591.53	313.65
Utilities Services	95.57	49.46
Aircraft Operations	8.21	12.12
Logistics Services	733.16	642.87
Other operating income including construction, Infrastructure development support services, export incentives and related income	362.07	371.05
	11,322.96	**8,439.35**

Notes:

a) Land Lease Income includes annual income of ₹ 52.01 crore (previous Year ₹ 43.77 crore) in respect of land finance lease transaction.

b) Income from Port Operations includes income of ₹ Nil (previous year ₹ 192.70 crore) towards project related advisory services rendered for the development of Container Terminal Project at Mundra. The income has been recognised based on completion of performance obligation as per the arrangement / agreement entered between the Company, Joint venture entity and the Service Provider. The Container Terminal facilities are developed in Joint venture entity.

c) Assets given under Finance Leases – The company has given land on finance lease to various parties. All leases include a clause to enable upward revision of the rental charge every three to five years by 10% to 20%. These leases have terms of between 14 and 50 years. The lease agreements entered are non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. The company has also received one-time income of upfront premium ranging from ₹ 625 to ₹ 5273 per Sq mtr for use of common infrastructure by the parties. Such one-time income of upfront premium is non-refundable. Income of ₹ 537.67 crore (previous year ₹ 267.45 crore) including upfront premium of ₹ 296.33 crore (previous year ₹ 193.46 crore) accrued under such lease have been booked as income in the consolidated statement of profit and loss.

Future minimum lease receivables under finance leases together with the present value of the net minimum lease payments receivable ("MLPR") are as follows:

₹ In Crore

Particulars	March 31, 2018		March 31, 2017	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
Within One Year	46.07	42.59	36.62	32.90
After one year but not later than five years	267.65	202.56	171.15	127.31
More than five years	2,681.72	683.30	1,683.32	435.18
Total minimum lease receivables	**2,995.44**	**928.45**	**1,891.09**	**595.39**
Less: Amounts representing finance charges	(2,066.99)	-	(1,295.70)	-
Present value of minimum lease receivables	**928.45**	**928.45**	**595.39**	**595.39**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

d) Assets given on operating lease

The Company has given certain land portions on operating lease. These lease arrangements range for a period between 5 to 60 years and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

The total future minimum lease rentals receivable at the Balance Sheet date is as under:

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
For a period not later than one year	35.17	46.84
For a period later than one year and not later than five years	80.61	95.08
For a period later than five years	266.64	287.35
	382.42	**429.27**

21 Other Income

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Interest income on		
Bank Deposits, Inter Corporate Deposits etc.	828.68	820.15
Customer dues	72.40	47.23
Dividend income on		
Long-term Investments	4.00	2.20
Net Gain on Sale of Current Investments (Mutual Funds)	34.64	37.34
Net Gain on Sale of Non-Current Investment	-	2.99
Scrap sales	13.73	7.93
Unclaimed liabilities / excess provision written back	1.93	6.78
Financial Guarantee	4.37	8.82
Amortisation of Government Grant (refer note 16 (i))	8.57	8.22
Miscellaneous Contractual Income (Including equipment hire charges)	-	56.06
Miscellaneous Income	42.61	42.39
	1,010.93	**1,040.11**

22 Operating Expenses

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Cargo handling / other charges to contractors	969.94	781.12
Container Infrastructure Development Expenditure (refer note 46)	749.65	-
Purchase of Traded Goods	129.87	111.02
Customer Claims	0.04	6.34
Port Management Fees	-	99.14
Railway's Service Charges (Net)	519.97	417.47
Tug and Pilotage Charges	34.87	52.83
Maintenance Dredging	8.21	29.84
Repairs to Plant & Machinery	50.54	26.87
Stores, Spares and Consumables	174.17	123.44
Repairs to Buildings	10.07	10.57
Power & Fuel (net of credit from Wind Power Generation ₹ 7.52 crore (previous year ₹ Nil))	216.29	190.04
Waterfront Charges	199.62	203.02
Cost of Land transferred under Finance Lease	11.96	1.84
Cargo Freight and Transportation Expenses	140.93	99.39
Aircraft Operating Expenses	10.34	12.07
Other expenses including Customs Establishment charges	5.36	2.89
	3,231.83	**2,167.89**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

23 Employee Benefits Expense

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Salaries, Wages and Bonus	411.25	341.94
Contribution to Provident & Other Funds	12.56	12.60
Gratuity Expense (refer note 29)	4.09	5.80
Staff Welfare Expenses	19.42	22.80
	447.32	**383.14**

24 Finance Costs

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
a) Interest and Bank Charges		
Interest on		
Debentures and Bonds	935.23	647.20
Fixed Loans, Buyer's Credit, Short Term etc.	261.37	539.68
Others	1.09	17.08
Bank and other Finance Charges	59.66	77.28
	1,257.35	**1,281.24**
b) Loss on Derivatives / Swap Contracts (net)	238.02	111.94
	1,495.37	**1,393.18**

25 Other Expenses

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Rent Expenses (refer note (a) and (b) below)	31.54	30.93
Rates and Taxes	5.29	10.13
Insurance	34.17	24.15
Advertisement and Publicity	17.37	15.39
Other Repairs and Maintenance	50.25	44.90
Legal and Professional Expenses	88.43	70.84
Corporate Support Service Fees	35.58	44.37
IT Support Services	15.87	10.77
Security Services Charges	2.07	7.29
Communication Expenses	14.76	11.75
Electric Power Expenses	3.50	4.36
Travelling and Conveyance	39.64	26.06
Directors Sitting Fee	0.35	0.42
Commission to Non-executive Directors	0.48	0.48
Charity and Donations (refer note (c) below)	74.18	59.44
Allowances for Doubtful Advance and Deposits	-	10.59
Diminution in value of capital inventories	0.30	21.15
Loss on Sale/Discard of Property, Plant and Equipment (net)	11.26	3.54
Miscellaneous Expenses	73.36	77.07
	498.40	**473.63**

Notes:-

a) Assets taken under Operating Leases:-

An office space and residential houses for staff accommodation are generally obtained on operating leases except that stated under note (b) below. The lease rent terms are generally for an eleven months period and are renewable by mutual agreement. There are no sub-leases and leases which are cancellable in nature except that mentioned under note (b)

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

below. There are no restrictions imposed by the lease arrangements. There is no contingent rent in the lease agreements and there is no escalation clause in the lease agreements except that mentioned under note (b) below. Expenses of ₹ 4.21 crore (previous year ₹ 4.24 crore) incurred under such leases have been expensed in the statement of profit and loss.

b) Assets taken under Operating Leases:-

An office premises have been taken on operating leases. The lease rent terms are for the period of 15 years and are renewable by mutual consent. The Company has given deposit of ₹ 100 crore as per the terms in one of the lease transaction. The lease agreement entered is non-cancellable for the period of first 3 years of the lease agreement. As per the lease agreement lease rental is escalated by 10% at every 5 years. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. Expenses of ₹ 0.05 crore (previous year ₹ 0.10 crore) incurred under such lease have been expensed in the statement of profit and loss.

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

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Not later than one year	27.80	20.15
Later than one year and not later than five years	106.65	82.39
Later than five years	476.53	366.58

c) Details of Expenditure on Corporate Social Responsibilities

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

(i) Gross Amount required to spent during the year is ₹ 71.13 crore (previous year ₹ 54.50 crore)

(ii) Amount spent during the year ended

₹ In Crore

Particulars	In cash	Yet to be paid in cash	Total
March 31, 2018			
Construction/acquisition of any asset	-	-	-
On purposes other than above	71.21	-	71.21
Total	**71.21**	**-**	**71.21**
March 31, 2017			
Construction/acquisition of any asset	8.40	-	8.40
On purposes other than above	46.40	-	46.40
Total	**54.80**	**-**	**54.80**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

26 Income Tax

The major component of income tax expenses for the year ended March 31, 2018 and March 31, 2017 are as under :-

(i) Tax Expense reported in the Consolidated Statement of Profit and Loss

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Current Income Tax		
Current Tax Charges	1,546.39	881.72
Tax(credit) under Minimum Alternative Tax	(95.04)	(770.42)
Deferred Tax		
Relating to origination and reversal of temporary differences	92.83	175.33
	1,544.18	**286.63**

Note:- The Company was availing tax holiday under section 80IAB of Income tax Act, 1961 till March 31, 2017 and w.e.f. April 01, 2017 the Company is subjected to normal tax regime. Hence the tax expense for the current year ended is not comparable with the amounts of previous year.

Tax on Other Comprehensive Income ('OCI')

Deferred tax related to items recognised in OCI during the year

Tax impact on re-measurement gains/(losses) on defined benefit plans	0.28	1.61
Tax impact on net Gains on FVTOCI Equity Investments	1.74	(0.03)
	2.02	**1.58**

(ii) Balance Sheet Section

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Taxes recoverable (net) (refer note 8)	187.39	66.01
Liabilities for Current Tax (net)	(128.62)	(193.91)
	58.77	**(127.90)**

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

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

Particulars	March 31, 2018		March 31, 2017	
	%	₹ In Crore	%	₹ In Crore
Accounting profit before Income tax		5,234.13		4,178.87
At India's Statutory income tax rate (34.608%)	34.61	1,811.43	34.61	1,446.22
Add /(Less) Tax effect of:-				
Expenses not allowable under Tax Law	1.22	63.98	0.62	26.11
Deduction under chapter VI-A	(2.94)	(154.12)	(22.95)	(959.10)
Credit recognition of previous period tax losses	(0.87)	(45.55)	(4.82)	(201.55)
Income charged as per special provision of Income Tax Act, 1961	(4.64)	(242.74)	-	-
Income that is exempt from tax	(0.11)	(5.56)	-	-
Tax credit on unrealised profit eliminated	-	-	0.02	0.66
Adjustment in respect of previous years	0.64	33.71	-	-
MAT Credit of previous period (recognised)/derecognised	0.76	39.53	(2.65)	(110.88)
Deferred tax balances due to the change in income tax rate	0.09	4.85	-	-
Unused tax losses and tax offsets not recognised as deferred tax assets	2.19	114.82	1.34	55.86
Subsidiaries' charged at different tax rates	(0.86)	(45.19)	-	-
Others	(0.59)	(30.98)	0.70	29.31
Income tax reported in Statement of Profit and Loss	**29.50**	**1,544.18**	**6.86**	**286.63**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

(iv) Deferred Tax Liability (net)

₹ In Crore

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
(Liability) on Accelerated depreciation for tax purpose	(1756.75)*	(1,616.05)	(242.36)	(96.27)
Asset/(Liability) recognised due to scheme of arrangement (refer note 40)	7.84	-	-	-
Assets on Provision for Employee Benefits	4.95	4.02	0.93	4.02
Assets / (Liability) on other temporary differences	2.60	28.30	(25.54)	(112.92)
Assets on unrealised intra-group profit	221.82	171.95	49.87	24.06
Assets on account of unabsorbed losses/depreciation	491.02	363.55	127.47	21.83
Assets on Bond issue expenses amortization	9.69	13.71	(4.02)	13.71
(Liability) on Preference Share debt component	(65.55)	(68.17)	2.62	2.40
Assets on fair valuation of Corporate and Bank Guarantee	0.95	3.04	(2.09)	(30.61)
(Liability) on Deemed Investments	(5.61)	(5.61)	-	-
(Liability) on equity investment FVTOCI	(26.54)	(24.81)	(1.73)	0.03
	(1,115.58)	**(1,130.07)**	**(94.85)**	**(173.75)**

* Net deferred tax liabilities after effect of deferred tax amounting to ₹ 101.66 crore on demerger of marine business. (refer note 44).

(v) Deferred Tax reflected in the Balance Sheet as follows

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Deferred Tax Assets (net)	1,310.54	1,991.56
Deferred Tax Liabilities (net)	(142.40)	(215.71)
	1,168.14	**1,775.85**
Component of Deferred Tax Assets / (Liabilities)		
Tax Credit Entitlement under MAT	2,283.72	2,905.92
Less :Deferred tax liabilities (net)	(1,115.58)	(1,130.07)
	1,168.14	**1,775.85**

(vi) Reconciliation of Deferred tax liabilities (net)

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Tax expenses during the period recognised in Statement of Profit and Loss	92.83	175.33
Tax expenses during the period recognised in OCI	2.02	(1.58)
	94.85	**173.75**

MAT credit of ₹ 134.57 crore (previous year ₹ 199.13 crore) has been recognised in subsidiary entities Adani Petronet (Dahej) Port Private Limited, MPSEZ Utilities Private Limited, Adani Kattupalli Port Private Limited, Adani Logistics Limited, Adani Hospitals Mundra Private Limited, Adani Hazira Port Private Limited and The Dhamra Port Company Limited.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

(vii) The Group has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognised in the Balance Sheet

₹ In Crore

Financial Year	Amount	Expiry Date
2010-11	0.07	2025-26
2012-13	122.81	2027-28
2013-14	445.85	2028-29
2014-15	475.18	2029-30
2015-16	694.93	2030-31
2016-17	410.31	2031-32
2017-18	134.57	2032-33
Total	**2,283.72**	

(viii) Certain subsidiary companies has carried forward unabsorbed depreciation aggregating ₹ 903.69 crore (Previous year ₹ 811.55 crore) under the Income Tax Act,1961 for which there is no expiry date of its tax credit utilisation by the respective entities. Further certain subsidiary companies have carried forward losses aggregating ₹ 482.05 crore (previous year ₹ 393.96 crore) under the Income Tax Act, 1961, which gets expired within 8 years of the respective year. The carried forward losses will get expired mainly during the year 2020-21 to 2025-26 Deferred tax assets has not been recognised in respect of these unabsorbed losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Group were able to recognise all unrecognised deferred tax assets, the profit would increase by ₹ 475.86 crore.

(ix) During the year ended March 31, 2018, the Company has paid dividend to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authority on behalf of the shareholders. Hence DDT paid is charged to other equity.

27 Earnings Per Share (EPS)

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Profit after tax	3,673.62	3,911.52
Less : Dividends on Non-Cumulative Redeemable Preference Shares and tax thereon	*-	*-
Net profit for calculation of basic and diluted EPS	**3,673.62**	**3,911.52**

*- Figures being nullified on conversion to ₹ in crore.

Particulars	No.	No.
Weighted average number of equity shares in calculating basic and diluted EPS	2,07,09,51,761	2,07,09,51,761
Basic and Diluted Earnings per Share (in ₹)	**17.74**	**18.89**

28 Disclosure pursuant of Ind AS 11 Construction Contracts are as under

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
a) Contract revenue recognized during the year	Nil	18.24
b) Disclosure for Contract in Progress		
(i) Aggregate amount of contract costs incurred up to date		6.37
(ii) Recognised Profit (Less recognised losses)		11.87
(iii) Customer advances outstanding		-
(iv) Retention money due from customers		-
c) Amount due from customers		8.94
d) Amount due to customers		0.59

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

29 Disclosures as required by Ind AS - 19 Employee Benefits

a) The Group has recognised, in the Consolidated Statement of Profit and Loss for the current year, an amount of ₹ 12.81 crore (Previous Year ₹ 12.87 crore) as expenses under the following defined contribution plan.

₹ In Crore

Contribution to	2017-18	2016-17
Provident Fund	12.56	12.60
Superannuation Fund	0.25	0.27
Total	**12.81**	**12.87**

b) The Group has a defined gratuity plan. Under the plan every employee who has completed at least five year of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Companies in form of a qualifying insurance policy 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 asset-liability matching strategy. The management decides its contribution based on the results of this review. The management aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

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

Gratuity

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

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Present value of the defined benefit obligation at the beginning of the year	24.30	23.99
Current service cost	4.05	4.93
Past Service Cost	-	-
Interest cost	1.86	1.92
Actuarial (gain) / loss arising from and including OCI:		
- change in demographic assumptions	-	-
- change in financial assumptions	(0.63)	(5.78)
- experience variance	(0.26)	1.20
Benefits paid	(1.89)	(1.77)
Liability Transfer In	1.35	1.49
Liability Transfer Out	(1.66)	(1.68)
Present value of the defined benefit obligation at the end of the year	27.12	24.30

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

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Fair value of plan assets at the beginning of the year	22.15	13.03
Investment income	1.70	1.03
Contributions by employer	3.56	8.02
Benefits paid	(0.24)	(0.35)
Return on plan assets , excluding amount recognised in net interest expense	(0.02)	0.40
Acquisition Adjustment	-	0.02
Fair value of plan assets at the end of the year	27.15	22.15

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

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

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Present value of the defined benefit obligation at the end of the year	27.12	24.30
Fair value of plan assets at the end of the year	27.15	22.15
Amount recognised in the balance sheet	0.03	(2.15)
Net asset - Current	2.77	2.40
Net liability - Current	(2.53)	(0.64)
Net liability - Non-current	(0.21)	(3.91)

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

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Current service cost	4.05	4.93
Interest cost on benefit obligation	0.18	0.87
Amount Capitalised	(0.14)	-
Total Expense included in employee benefits expense	4.09	5.80

v) Recognised in the other comprehensive income for the year

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Actuarial (gain)/losses arising from		
- change in demographic assumptions	-	-
- change in financial assumptions	(0.64)	(5.67)
- experience variance	(0.25)	1.06
Return on plan assets, excluding amount recognised in net interest expense	0.02	(0.40)
Recognised in the other comprehensive income	(0.87)	(5.01)

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

Particulars	March 31, 2018	March 31, 2017
Discount rate	7.80%	7.60%
Rate of escalation in salary (per annum)	7%	7%
Mortality	India Assured Lives Mortality (2006-08)	India Assured Lives Mortality (2006-08)
Attrition rate	10% for 5 years & below and 1% thereafter	10% for 5 years & below and 1% thereafter

The estimates of future salary increases, considered in actuarial valuation, takes into account 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

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

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

As the gratuity fund is managed by life insurance companies, details of fund invested by insurer are not available with the Group.

viii) 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, 2018		March 31, 2017	
Assumptions	Discount rate		Discount rate	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Impact on defined benefit obligations	(2.90)	3.45	3.25	(2.72)

Particulars	March 31, 2018		March 31, 2017	
Assumptions	Salary Growth rate		Salary Growth rate	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Impact on defined benefit obligations	3.44	(2.95)	3.24	(2.76)

Particulars	March 31, 2018		March 31, 2017	
Assumptions	Attrition rate		Attrition rate	
Sensitivity level	0.5% Increase	0.5% Decrease	0.5% Increase	0.5%Decrease
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Impact on defined benefit obligations	(0.09)	0.29	(0.19)	0.20

Particulars	March 31, 2018		March 31, 2017	
Assumptions	Mortality rate		Mortality rate	
Sensitivity level	0.1% Increase	0.1% Decrease	0.1% Increase	0.1% Decrease
	₹ In Crore	₹ In Crore	₹ In Crore	₹ In Crore
Impact on defined benefit obligations	0.01	(0.01)	0.01	(0.02)

ix) Maturity profile of Defined Benefit Obligation

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

x) The Following payments are expected contributions to the defined benefit plan in future years:

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Within the next 12 months (next annual reporting period)	1.44	1.05
Between 2 and 5 years	7.67	7.03
Between 5 and 10 years	8.78	7.25
Beyond 10 years	66.00	60.66
Total Expected Payments	**83.89**	**75.99**

The Group expects to contribute ₹ 3.38 crore to gratuity fund in the financial year 2018-19. (previous year ₹ 6.06 crore)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

xi) Asset Liability Matching Strategies

The Company has purchased insurance policy which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy thus mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset)

30 Segment Information

Operating Segments

The identified reportable Segments are Port and SEZ activities at contiguous Special Economic Zone and others in terms of Ind-AS 108 'Operating Segment' as notified under section 133 of the Companies Act 2013. Other Segment mainly includes Aircraft Operating Income, Utilities services, Container Trains Services on specific Railway Routes and Multi-modal Cargo storage cum logistics services through development of Inland Container Depots at various strategic locations in terms of concession agreement from Ministry of Railways.

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter Segment transfer:

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

Summary of segment information is given below:

₹ in Crore

Particulars	Port and SEZ activities	Others	Eliminations	Total
Revenue				
External Sales	**10,384.04**	**938.92**		**11,322.96**
	7,627.65	*811.70*		*8,439.35*
Inter-Segment Sales	**109.10**	**108.10**	**(217.20)**	**-**
	153.35	*131.21*	*(284.56)*	*-*
Total Revenue	**10,493.14**	**1,047.02**	**(217.20)**	**11,322.96**
	7,781.00	*942.91*	*(284.56)*	*8,439.35*
Results				
Segment Results	**5,709.01**	**67.03**		**5,776.04**
	4,247.10	*67.73*		*4,314.83*
Unallocated Corporate Income (Net of expenses)				**52.38**
				389.84
Operating Profit	**5,709.01**	**67.03**		**5,828.42**
	4,247.10	*67.73*		*4,704.67*
Less: Finance Expense				**1,495.37**
				1,393.18
Add: Interest Income				**901.08**
				867.38
Profit before tax				**5,234.13**

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for the year ended March 31, 2018

₹ in Crore

Particulars	Port and SEZ activities	Others	Eliminations	Total
				4,178.87
Tax Expense				**1,544.18**
				286.63
Total Tax				**1,544.18**
				286.63
Profit after tax				**3,689.95**
				3,892.24
Less: Minority Interest				**16.33**
				(10.02)
Add : Share of joint venture entities				**-**
				9.26
Net profit				**3,673.62**
				3,911.52
Other Information				
Segment Assets	**34,069.40**	**1,442.51**		**35,511.91**
	31,837.30	*1,275.41*		*33,112.71*
Unallocated Corporate Assets				**11,863.21**
				10,472.37
Total Assets				**47,375.12**
				43,585.08
Segment Liabilities	**3,094.49**	**160.17**		**3,254.66**
	2,802.77	*121.64*		*2,924.41*
Unallocated Corporate Liabilities				**22,902.07**
				22,995.45
Total liabilities				**26,156.73**
				25,919.86
Capital Expenditure during the year	**2,671.32**	**60.83**		**2,732.15**
	3,693.16	*55.02*		*3,748.18*
Segment Depreciation and amortisation	**1,133.89**	**54.48**		**1,188.37**
	1,108.72	*51.47*		*1,160.19*
Major Non-Cash Expenses other than Depreciation and amortisation (net)	**187.63**	**0.30**		**187.93**
	35.99	*4.63*		*40.62*
Unallocated Major Non-Cash Expenses other than Depreciation and amortisation (net)				**146.40**
				221.60

Previous year figures are in italics

Additional information regarding the Company's geographical segments:

₹ in Crore

Sr No	Particulars	Revenue from External Customers		Non Current Assets	
		For the year ended March 31, 2018	For the year ended March 31, 2017	As at March 31, 2018	As at March 31, 2017
1	India	10,911.62	8,273.82	29,763.92	29,704.55
2	Outside India	411.34	165.53	109.17	107.04

There is no transaction with single external customer which amounts to 10% or more of the Group's revenue

Notes to the Consolidated Financial Statements

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31 Adani Ports and Special Economic Zone Limited's share in the voting power of subsidiary companies as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2018	Proportion of Ownership Interest (%) March 31, 2017
a	Adani Logistics Limited	India	100	100
b	Karnavati Aviation Private Limited	India	100	100
c	MPSEZ Utilities Private Limited	India	100	100
d	Mundra SEZ Textile and Apparel Park Private Limited	India	57	57
e	Adani Murmugao Port Terminal Private Limited	India	100	100
f	Mundra International Airport Private Limited	India	100	100
g	Adani Hazira Port Private Limited	India	100	100
h	Adani Petronet (Dahej) Port Private Limited	India	74	74
i	Hazira Infrastructure Private Limited	India	100	100
j	Mundra LPG Infrastructure Private Limited (formerly known as Hazira Road Infrastructure Private Limited)	India	100	100
k	Adani Vizag Coal Terminal Private Limited	India	100	100
l	Adani Kandla Bulk Terminal Private Limited (refer note (a) below)	India	100	100
m	Adani Warehousing Services Private Limited	India	100	100
n	Adani Ennore Container Terminal Private Limited	India	100	100
o	Adani Hospitals Mundra Private Limited	India	100	100
p	The Dhamra Port Company Limited	India	100	100
q	Shanti Sagar International Dredging Private Limited (formerly known as Adani Food and Agro Processing Park Private Limited)	India	100	100
r	Abbot Point Operations Pty Limited	Australia	100	100
s	Adani Vizhinjam Port Private Limited	India	100	100
t	Adani Kattupalli Port Private Limited	India	100	100
u	Adani Dhamra LPG Terminal Private Limited (formerly known as Dhamra LPG Terminal Private Limited)	India	100	100
v	Mundra LPG Terminal Private Limited (formerly known as Adani Mundra LPG Terminal Private Limited)	India	100	100
w	Dhamra LNG Terminal Private Limited	India	100	100
x	Adani Petroleum Terminal Private Limited (incorporated on April 26, 2016)	India	100	100
y	Abbot Point Bulkcoal Pty Limited (acquired on October 04, 2016)	Australia	100	100
z	The Adani Harbour Services Private Limited (formerly known as TM Harbour Services Private Limited) (acquired on December 07, 2016)	India	100	100
aa	Dholera Infrastructure Private Limited (refer note 2.4)	India	49	49
ab	Dholera Port and Special Economic Zone Limited (refer note 2.4)	India	100	100
ac	Adinath Polyfills Private Limited	India	100	100
ad	Mundra International Gateway Terminal Private Limited	India	100	-
ae	Adani International Terminals Pte Ltd	Singapore	100	-

Adani Ports and Special Economic Zone Limited's share in the voting power in joint venture entities as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest (%) March 31, 2018	Proportion of Ownership Interest (%) March 31, 2017
a	Adani International Container Terminal Private Limited	India	50	50
b	Adani CMA Mundra Terminal Private Limited	India	50	50

Note a) :

During the previous year, the Company has accounted for purchase of 3,12,13,000 numbers of equity shares in Adani Kandla Bulk Terminal Private Limited at consideration of ₹ 31.21 crore. The equity shares have been purchased from the Adani Enterprises Limited, a group company whereby this entity has become a wholly owned subsidiary. As per the management, the transfer has been recorded based on Irrevocable Letter of Affirmation dated March 31, 2017 from the seller and acceptance by the Company although legal transfer of equity share of Adani Kandla Bulk Terminal Private Ltd is still in process at year end.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

32 Related Party Disclosures

Related parties with whom transaction have been taken place during the year.

Joint Venture Entities	Adani International Container Terminal Private Limited
	Adani CMA Mundra Terminal Private Limited
Key Managerial Personnel and their relatives	Mr. Gautam S. Adani - Chairman and Managing Director
	Mr. Rajesh S. Adani - Director and Brother of Mr. Gautam S. Adani
	Mr. Karan G. Adani - Chief Executive Officer and son of Mr. Gautam S. Adani
	Dr. Malay Mahadevia, Wholetime Director
	Mr. A.K. Rakesh, IAS - Non-Executive Director (till September 07, 2016)
	Prof. G. Raghuram - Non-Executive Director
	Mr. Sanjay S. Lalbhai - Non-Executive Director
	Ms. Radhika Haribhakti - Non-Executive Director
	Mr. Gopal Krishna Pillai - Non-Executive Director
	Mr. B. Ravi - Chief Finance Officer (till February 12, 2018)
	Ms. Dipti Shah - Company Secretary
Entities over which Key Managerial Personnel and their relative having significant influence/major shareholders of the Company having significant influence through voting powers	Abbot Point Port Holdings Pte Limited, Singapore
	Adani Foundation
	Adani Institute of Infrastructure Management
	Adani Properties Private Limited
	Delhi Golf Link Properties Private Limited
	Adani Townships and Real Estate Company Private Limited
	Mundra Port Pty Limited, Australia
	Adani Infrastructure and Developers Private Limited
	Adani Mundra SEZ Infrastructure Private Limited
	Shanti Builders
	Adani Agri Fresh Limited
	Adani Bunkering Private Limited
	Adani Enterprises Limited
	Adani Green Energy Limited
	Adani Gas Limited
	Adani Global FZE
	Adani Infra (India) Limited
	Adani Power Dahej Limited
	Adani Power (Mundra) Limited
	Adani Power Limited
	Adani Power Maharashtra Limited
	Adani Power Rajasthan Limited
	Adani Wilmar Limited
	Kutch Power Generation Limited
	Belvedere Golf and Country Club Private Limited
	Gujarat Adani Institute of Medical Science
	Adani Institute for Education and Research
	Sunanda Agri Trade Private Limited
	Adani Skill Development Centre
	Prayatna Developers Private Limited
	Udupi Power Corporation Limited
	Adani Global Pte Limited
	Adani Renewable Energy Park Rajasthan Limited
	Parampujya Solar Energy Private Limited
	Wardha Solar (Maharashtra) Private Limited
	Adani Cementation Limited
	Mundra Solar PV Limited
	Mundra Solar Technopark Private Limited

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

Terms and conditions of transactions with related parties

Outstanding balances of the related parties at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts 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:

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.

(A) Transactions with Related Parties

₹ in crore

Sr No	Particulars	For the Year Ended	With Joint Ventures	With Other Parties	Key Managerial Personnel and their relatives
1	Income from Port Services / Other Operating Income	**March 31, 2018**	**267.65**	**899.60**	**-**
		March 31, 2017	144.60	1,027.79	-
2	Lease including Infrastructure Usage Income/ Upfront Premium (Includes Reversal)	**March 31, 2018**	**449.75**	**17.50**	**-**
		March 31, 2017	4.61	131.17	-
3	Income from Development of Container Terminal Infrastructure	**March 31, 2018**	**2,258.85**	**-**	**-**
		March 31, 2017	-	-	-
4	Interest Income on loans/ deposits/deferred accounts receivable	**March 31, 2018**	**121.33**	**83.79**	**-**
		March 31, 2017	13.59	395.29	-
5	Purchase of Spares and consumables, Power & Fuel	**March 31, 2018**	**-**	**124.46**	**-**
		March 31, 2017	-	175.90	-
6	Recovery of expenses (Reimbursement)	**March 31, 2018**	**19.19**	**-**	**-**
		March 31, 2017	5.59	-	-
7	Services Availed (including reimbursement of expenses)	**March 31, 2018**	**-**	**71.80**	**-**
		March 31, 2017	2.28	63.91	-
8	Rent charges paid	**March 31, 2018**	**2.08**	**8.86**	**-**
		March 31, 2017	3.80	4.98	-
9	Sales of Scrap and other Miscellaneous Income	**March 31, 2018**	**0.57**	**9.01**	**-**
		March 31, 2017	6.66	2.34	-
10	Loans Given	**March 31, 2018**	**472.34**	**3.77**	**-**
		March 31, 2017	793.64	1,223.89	-
11	Loans Received back	**March 31, 2018**	**55.72**	**4.17**	**-**
		March 31, 2017	-	3,747.72	-
12	Advance / Deposit Given	**March 31, 2018**	**-**	**18.00**	**-**
		March 31, 2017	-	140.66	-
13	Advance / Deposit Received Back	**March 31, 2018**	**-**	**10.00**	**-**
		March 31, 2017	-	800.19	-
14	Investment in equity shares	**March 31, 2018**	**48.23**	**-**	**-**
		March 31, 2017	-	-	-
15	Purchase of Investment	**March 31, 2018**	**-**	**-**	**-**
		March 31, 2017	-	61.34	-
16	Donation	**March 31, 2018**	**-**	**62.28**	**-**
		March 31, 2017	-	53.29	-
17	Sale of assets	**March 31, 2018**	**345.22**	**1.40**	**-**
		March 31, 2017	8.19	-	-
18	Purchase of property/asset/land use rights	**March 31, 2018**	**-**	**-**	**-**
		March 31, 2017	-	334.20	-
19	Remuneration	**March 31, 2018**	**-**	**-**	**19.76**
		March 31, 2017	-	-	17.55

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

(A) Transactions with Related Parties (Contd.)

₹ in crore

Sr No	Particulars	For the Year Ended	With Joint Ventures	With Other Parties	Key Managerial Personnel and their relatives
20	Commission to Director	**March 31, 2018**	**-**	**-**	**1.00**
		March 31, 2017	-	-	1.00
21	Commission to Non-Executive Director	**March 31, 2018**	**-**	**-**	**0.36**
		March 31, 2017	-	-	0.48
22	Sitting Fees	**March 31, 2018**	**-**	**-**	**0.13**
		March 31, 2017	-	-	0.13

(B) Balances with Related Parties

₹ In crore

Sr No	Particulars	As at	With Joint Ventures	With Other Parties	Key Managerial Personnel and their relatives
1	Trade Receivable (net of bills discounted, refer note 5(c))	**March 31, 2018**	**1,505.70**	**955.47**	**-**
		March 31, 2017	49.55	968.32	-
2	Loans	**March 31, 2018**	**1,213.37**	**-**	**-**
		March 31, 2017	793.64	0.40	-
3	Capital Advances	**March 31, 2018**	**0.09**	**152.02**	**-**
		March 31, 2017	2.64	162.68	-
4	Trade Payable (including provisions)	**March 31, 2018**	**3.22**	**31.07**	**-**
		March 31, 2017	12.50	45.26	-
5	Advances and Deposits from Customer/ Sale of Assets	**March 31, 2018**	**3.68**	**14.92**	**-**
		March 31, 2017	136.74	25.95	-
6	Other Financial & Non-Financial Assets	**March 31, 2018**	**160.13**	**904.83**	**-**
		March 31, 2017	62.77	840.14	-
7	Other Financial & Non-Financial Liabilities	**March 31, 2018**	**-**	**139.95**	**-**
		March 31, 2017	0.07	15.63	-
8	Corporate Guarantee	**March 31, 2018**	**USD 32.10 Million**	**USD 800 Million**	**-**
			₹ 448	**-**	**-**
		March 31, 2017	USD 50 Million	USD 800 Million	-
			₹ 448	-	-
9	Corporate Guarantee (Deed of indemnity received). Loan outstanding USD 288 Mn (previous year USD 453 Mn)	**March 31, 2018**	**-**	**USD 800 Million**	**-**
		March 31, 2017	-	USD 800 Million	-

Notes:

a) The Group has allowed to some of its joint venture entities and other group company to avail non fund based bank guarantee facilities out of its credit facilities. The aggregate of such transaction amount ₹ 240.08 crore (Previous year ₹ 267.21 crore)

b) During the previous year, out of total advance of ₹ 302 crore given to Adani Enterprises Limited for acquisition of equity, the Company has adjusted ₹ 52 crore for the purpose of acquisition of Non-Controlling interest in two subsidiaries. and balance amount is received back.

c) Pass through transactions/payable relating to railway freight, water front charges and other payable to third parties have not been considered for the purpose of related party disclosure.

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33 The Group takes various types of derivative instruments. The category-wise outstanding position of derivative instruments is as under:

Nature	Particulars of Derivatives		Purpose
	As at March 31, 2018	As at March 31, 2017	
INR - Foreign Currency Swap	USD 146 Million (₹ 951.56 crore)	Nil	Hedging of equivalent INR borrowings to mitigate higher interest rate of INR borrowings as against the foreign currency loans with possible risk of principal currency losses.
Forward Contract	USD 172.40 Million	USD 190.40 Million	Hedging of expected future billing based on foreign currency denominated tariff
	USD 7.63 Million	USD 97.75 Million	Hedging of foreign currency borrowing principal and interest liability
	EUR 62.75 Million	EUR 98.00 Million	Hedging of USD borrowing principal liability
	USD 70 Million	USD 9 Million	Hedging of foreign currency borrowing principal liability
	Nil	EUR 0.58 Million	Hedging of foreign currency term loan principal and interest liability
Options	USD 1.07 Million	USD 76.61 Million	Hedging of foreign currency borrowing principal and interest liability
	Nil	EUR 6.45 Million	Hedging of foreign currency borrowing principal liability
	EUR 90 Million	EUR 137.25 Million	Hedging of foreign currency borrowing principal liability
	USD 79 Million	USD 36.00 Million	Hedging of foreign currency borrowing principal liability
Interest rate Swap - Fixed to Variable Rate	Interest on USD 225 Million Principal amount	Interest on USD 175 Million Principal amount	Hedging of interest rate on foreign currency borrowing
Foreign Currency - INR Full Currency Swap	USD 111.38 Million	USD 146.38 Million	Hedging of currency and interest rate risk of foreign currency borrowing

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

Nature	As at March 31, 2018		As at March 31, 2017	
	Amount (₹ In Crore)	Foreign Currency (in Million)	Amount (₹ In Crore)	Foreign Currency (in Million)
Foreign Currency Loan	1,158.08	USD 177.69	3,212.81	USD 495.42
	1,010.74	EUR 125.08	243.51	EUR 35.14
	-	-	12.31	JPY 212.16
Buyer's Credit	1,175.32	USD 180.33	610.30	USD 94.11
	68.19	EUR 8.44	16.07	EUR 2.32
Trade Payables and Other Current Liabilities	27.03	USD 4.15	170.68	USD 26.31
	2.07	EUR 0.26	6.19	EUR 0.89
	0.63	JPY 10.18	2.84	JPY 48.90
	2.37	SGD 0.48	0.04	SGD 0.01
	-	-	0.04	AUD 0.01
	0.30	GBP 0.03	0.04	GBP #
Interest accrued but not due	80.14	USD 12.30	4.12	USD 0.64
	2.35	EUR 0.29	0.96	EUR 0.14
	-	-	0.11	JPY 1.87
Other Receivable	85.93	AUD 17.17	85.13	AUD 17.17
	0.43	EUR 0.05	-	-
Foreign currency Bond	10,027.99	USD 1,538.63	6,735.48	USD 1,038.63
Loan Given	433.74	USD 66.55	-	-

Figures being nullified on conversion to foreign currency in million.

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Closing rates as at :	March 31, 2018	March 31, 2017
INR / USD	65.18	64.85
INR / EUR	80.81	69.29
INR / GBP	92.28	80.90
INR / JPY	0.62	0.58
INR / AUD	50.05	49.58
INR / SGD	49.82	48.41

34 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

34.1 Category-wise Classification of Financial Instruments:

₹ in crore

Particulars	Refer Note	As at March 31, 2018			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial Assets					
Cash and Cash Equivalents	11	-	-	823.48	823.48
Bank balances other than Cash and Cash Equivalents	7,11	-	-	2,184.58	2,184.58
Investments in unquoted Equity Shares (other than Investment in Joint Venture Entities)	4	242.14	-	-	242.14
Investments in unquoted Equity shares of Joint Ventures	4	-	-	-	-
Investments in unquoted Mutual Funds	10	-	0.83	-	0.83
Investments in unquoted Debentures, Commercial Papers and Government Securities	4, 10	-	-	835.95	835.95
Trade Receivables (including bill discounted)	5	-	-	4,312.05	4,312.05
Loans	6	-	-	2,700.75	2,700.75
Advance paid for Acquisition	37 (c)	-	-	1,825.00	1,825.00
Derivative Instruments	7	-	61.91	-	61.91
Financial Guarantees Received	7	-		4.37	4.37
Other Financial assets	7	-	-	2,604.91	2,604.91
Total		**242.14**	**62.74**	**15,291.09**	**15,595.97**
Financial Liabilities					
Borrowings (including the bills discounted and current maturities)	14,15,17	-	-	22,204.16	22,204.16
Trade Payables	18	-	-	489.73	489.73
Derivative Instruments	15	-	113.13	-	113.13
Financial Guarantees given	15	-		7.08	7.08
Other Financial Liabilities	15	-		1,280.61	1,280.61
Total		**-**	**113.13**	**23,981.58**	**24,094.71**

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₹ in crore

Particulars	Refer Note	As at March 31, 2017			
		Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial Assets					
Cash and Cash Equivalents	11	-	-	950.21	950.21
Bank balances other than Cash and Cash Equivalents	7,11	-	-	1,076.91	1,076.91
Investments in unquoted Equity Shares (other than investment in joint venture entities)	4	225.19	-	-	225.19
Investments in unquoted Equity shares of Joint Ventures	4	-	-	27.13	27.13
Investments in unquoted Mutual Funds	10	-	14.54	-	14.54
Investments in unquoted Debentures, Commercial Papers and Government Securities	4,10	-	-	894.50	894.50
Trade Receivables (including bill discounted)	5	-	-	2,706.62	2,706.62
Loans	6	-	-	2,541.94	2,541.94
Advance paid for Acquisition	37(c)		-	1,450.00	1,450.00
Financial Guarantees Received	7	-	-	8.74	8.74
Other Financial Assets	7	-	-	1,682.19	1,682.19
Derivative Instruments	7	-	106.16	-	106.16
Total		**225.19**	**120.70**	**11,338.24**	**11,684.13**
Financial Liabilities					
Borrowings (including the Bills discounted and current maturities)	14,15,17	-	-	22,214.26	22,214.26
Trade Payables	18	-	-	455.66	455.66
Derivatives Instruments	15	-	109.81	-	109.81
Financial Guarantees given	15	-	-	12.53	12.53
Other Financial Liabilities	15	-	-	1,047.51	1,047.51
Total		**-**	**109.81**	**23,729.96**	**23,839.77**

34.2 Fair Value Measurements:

(a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities:

₹ in crore

Particulars	As at March 31, 2018			As at March 31, 2017		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
Financial Assets						
Investment in unquoted Equity Investments measured at FVTOCI (refer note 4)	-	242.14	242.14	-	225.19	225.19
Investments in unquoted Mutual Funds measured at FVTPL (refer note 10)	0.83	-	0.83	14.54	-	14.54
Derivative instruments	61.91	-	61.91	106.16	-	106.16
Total	**62.74**	**242.14**	**304.88**	**120.70**	**225.19**	**345.89**
Financial Liabilities						
Derivative instruments	113.13	-	113.13	109.81	-	109.81
Total	**113.13**	**-**	**113.13**	**109.81**	**-**	**109.81**

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(b) Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2018 and March 31, 2017 are as shown below:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares	DCF Method	Weighted Average Cost of Capital (WACC)	March 31, 2018 : 12.12% - 20.80% (16.46%) March 31, 2017 : 13.56% - 18.45% (16.01%)	1% increase would result in decrease in fair value by ₹ 23.19 Crore as of March 31, 2018 (₹ 13.48 Crore as of March 31, 2017)
		Perpetual Growth Rate for Subsequent years	March 31, 2018 : 2% - 5% (3.5%) March 31, 2017 : 2% - 5% (3.5%)	1% decrease would result in decrease in fair value by ₹ 12.55 Crore as of March 31, 2018 (₹ 7.35 Crore as of March 31, 2017)

(c) 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 Group Management does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

34.3 Financial Risk objective and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations/projects and to provide guarantees to support Group's operations and its joint venture entities. The Group's principal financial assets include loans, investment including mutual funds, trade and other receivables, and other receivables, and cash and cash equivalents which is derived directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

In the ordinary course of business, the Group is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Group's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Cross Currency Swaps, Full Currency swaps, Interest rate swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations.

The Group's risk management activities are subject to the management, direction and control of Central Treasury Team of the Group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Group. The Group's central treasury team ensures appropriate financial risk governance framework for the Group through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group'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 Group 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.

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(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, short term investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The sensitivity analysis have 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, 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, 2018 and March 31, 2017.

(i) Interest rate risk

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowing. The Group enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

Interest rate sensitivity

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 Group's profit for the year ended March 31, 2018 would decrease / increase by ₹ 19.78 crore (for the year ended March 31, 2017 : decrease / increase by ₹ 29.47 crore). This is mainly attributable to interest rates on variable rate of long term borrowings.

(ii) Foreign currency risk

Exchange rate movements, particularly the United States Dollar (USD), Japanese Yen (JPY), Australian Dollar (AUD) and Euro (EUR) against Indian Rupee (INR), have an impact on the Group's operating results. The Group 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 Group 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 Group has entered into foreign currency forward contracts as per the policy of the Group.

The Company is mainly exposed to changes in USD, EURO, GBP, SGD, JPY and AUD. 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.

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₹ in crore

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Liabilities				
USD Sensitivity				
₹ /USD - Increase by 1%	(66.40)	(72.24)	(66.40)	(72.24)
₹ /USD - Decrease by 1%	66.40	72.24	66.40	72.24
EURO Sensitivity				
₹ /EURO - Increase by 1%	(8.48)	(0.09)	(8.48)	(0.09)
₹ /EURO - Decrease by 1%	8.48	0.09	8.48	0.09
GBP Sensitivity				
₹ /GBP - Increase by 1%	-*	-	-*	-
₹ /GBP - Decrease by 1%	-*	-	-*	-
SGD Sensitivity				
₹ /SGD - Increase by 1%	(0.02)	-	(0.02)	-
₹ /SGD - Decrease by 1%	0.02	-	0.02	-
JPY Sensitivity				
₹ /JPY- Increase by 1%	(0.01)	(0.03)	(0.01)	(0.03)
₹ /JPY - Decrease by 1%	0.01	0.03	0.01	0.03
Assets				
AUD Sensitivity				
₹ /AUD- Increase by 1%	0.86	0.85	0.86	0.85
₹ /AUD - Decrease by 1%	(0.86)	(0.85)	(0.86)	(0.85)

-* Figures being nullified on conversion to ₹ in crore

(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.

The Company has given corporate guarantees and pledged part of its investment in equity in order to fulfil the collateral requirements of the subsidiaries and joint venture entities. The counterparties have an obligation to return the guarantees/ securities to the Company. There are no other significant terms and conditions associated with the use of collateral.

(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 Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Concentrations of Credit Risk form part of Credit Risk

Considering that the group operates the port services and provide related infrastructure services, the group is significantly dependent on cargo from such large port user customer located at Mundra/ user customers located in the port vicinity. Out of total revenue, the Company earns 23 % revenue from such customers, and with some of these customers, the group has long

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term cargo contracts. Receivables from such customer constitute 36% of total trade receivables. A loss of these customer could adversely affect the operating result or cash flow of the Group.

(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 analyses 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 crore

Particulars	Refer Note	On Demand	Less than 1 year	1 to 5 years	Over 5 years	Total
As at March 31, 2018						
Borrowings (including the bills discounted)	14,15 ,17	-	1,575.19	12,631.60	7,997.37	22,204.16
Trade Payables	18	-	489.73	-	-	489.73
Derivatives Instruments	15	-	40.64	72.49	-	113.13
Financial Guarantees given	15	-	4.37	2.71	-	7.08
Other Financial Liabilities	15	-	1,246.77	27.95	5.89	1,280.61
Total		**-**	**3,356.70**	**12,734.75**	**8,003.26**	**24,094.71**
As at March 31, 2017						
Borrowings (including the bills discounted)	14,15 ,17	-	4,221.02	14,629.62	3,363.62	22,214.26
Trade Payables	18	-	455.66	-	-	455.66
Derivatives Instruments	15	-	53.85	55.96	-	109.81
Financial Guarantees given	15	-	-	12.53	-	12.53
Other Financial Liabilities	15	-	1,022.97	18.30	6.24	1,047.51
Total		**-**	**5,753.50**	**14,716.41**	**3,369.86**	**23,839.77**

34.4 Capital Management

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

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

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Total Borrowings (refer note 14,15 and 17)	22,204.16	22,214.26
Less: Cash and bank balance (refer note 7,11)	3,008.06	2,027.12
Net Debt (A)	**19,196.10**	**20,187.14**
Total Equity (B)	**21,068.83**	**17,525.98**
Total Equity and Net Debt (C = A + B)	**40,264.93**	**37,713.12**
Gearing ratio	48%	54%

In order to achieve this overall objective, the Group'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.

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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, 2018 and March 31, 2017.

35 The MPSEZ Utilities Private Limited is engaged in the business of distribution of power. Quantitative information in respect of purchase and sale of power as under :-

Sr. No.	Particulars	2017-18 Million Units	2016-17 Million Units
ia)	Unit Purchased - Scheduled	270.44	189.62
ib)	Unscheduled Interchange (UI)	23.50	16.91
i)	Total Units Purchased	293.94	206.53
ii)	Unit Sold	283.98	198.67
iii)	Transmission & Distribution Losses	9.96	7.86
iv)	Transmission & Distribution Losses (%)	3.39%	3.81%

36 Detail of Capital Work-in-Progress including certain expenses of revenue nature allocable to New Expansion Projects and Capital Inventory, Consequently expenses disclosed under the respective notes are net of such amount .

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A. Project Costs	4,012.10	3,991.86
B. Capital Inventory	512.11	461.14
C. Cost attributable to Construction Period :		
Personnel Expenses		
Salaries, Wages & Bonus	28.81	11.44
Contribution to Provident Fund	0.95	0.35
Workmen and Staff Welfare Expense	0.89	-
Sub Total	**30.65**	**11.79**
Other Expenses		
Electricity expenses	3.62	-
Insurance	1.25	0.11
Other Repairs and Maintenance	0.07	0.34
Legal and Professional Expenses	14.36	4.78
Travelling and Conveyance	4.39	3.74
Vehicle Hiring Charges	0.30	0.91
Rent	2.79	-
Manpower expenses	1.26	-
Security Charges	0.05	0.67
Other Expenses	3.86	3.13
Rates & Taxes	2.33	-
Factory and Office Expenses	0.19	0.52
Foreign exchange fluctuations	(8.35)	-
Project related Community Development Expenditure	2.69	-
Sub Total	**28.81**	**14.20**
Financial Cost		
Interest on Borrowings	68.63	61.87
Bank Charges	4.63	1.08
Sub Total	**73.26**	**62.95**
Less: Interest Income on Bank Deposits and others	(7.74)	(11.75)
Depreciation	68.21	85.52
Total Expenditure (a)	**193.19**	**162.71**

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₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Trial Run Income (net of expenses)	(0.63)	-
Miscellaneous Income	(0.09)	-
Total Income (b)	**(0.72)**	**-**
Net (a) + (b)	**192.47**	**162.71**
Brought Forward from Previous Year	60.97	36.88
Total	**253.44**	**199.59**
Amount capitalized/allocated to project costs during the year	(232.19)	(138.62)
Balance Carried Forward Pending Allocation / Capitalisation	21.25	60.97
Total Capital Work In Progress (A + B + C)	**4,545.46**	**4,513.97**

Note: Project costs mainly include costs incurred on development of dredged channel, receipts and dispatch conveyor system and LNG terminal at Mundra and on construction of port assets at Vizhinjam, Dhamra and Ennore.

37 Capital Commitments and other Commitments

Capital Commitments

₹ In Crore

Particulars	March 31, 2018	March 31, 2017
Estimated amount of contracts (Net of advances) remaining to be executed on capital account and not provided for	3,642.82	3,592.64

Other Commitments

a) The port projects of subsidiary companies viz. Adani Petronet (Dahej) Port Private Limited("APDPPL"), Adani Hazira Port Private Limited("AHPPL"), The Dhamra Port Company Limited ("DPCL") and joint venture Adani International Container Terminal Private Limited ("AICTPL") have been funded through various credit facility agreements with banks. Against the said facilities availed by the aforesaid entities from the banks, the Company has executed a Sponsor Undertaking and Pledge Agreements whereby 51% of the holding would be retained by the Company (In case of AICTPL jointly with the Joint Venture partner) at all points of time. Further, the Company is also required to pledge 30% (26% from the date of commencement of the operation) of its shareholding in the respective entities. (In case of AICTPL, jointly with Joint Venture partner of which 12.98% share held by Joint Venture partner are yet to be pledged with bank).

During the year, Adani Petronet (Dahej) Port Private Limited("APDPPL") and Adani Hazira Port Private Limited("AHPPL") has repaid loan to lenders and process for release of share pledge is in progress.

The details of shareholding pledged by the Company is as follows :

Name of Subsidiaries / Joint Ventures	% of Non disposal undertaking (Apart from pledged)		% of Share Pledged of the total shareholding of investee company	
	As on March 31, 2018	As on March 31, 2017	As on March 31, 2018	As on March 31, 2017
Adani Petronet (Dahej) Port Private Limited	-	21%	-	30%
Adani Hazira Port Private Limited	-	21%	27%	27%
Adani International Container Terminal Private Limited	-	21%	13%	13%
The Dhamra Port Company Limited	21%	21%	30%	30%

b) Contract/ Commitment for purchase of certain supplies. Advance given ₹ 331.19 crore (previous year ₹ 351.81 crore)

c) The Company has, through its subsidiary Adani Kattupalli Port Private Limited ("AKPPL"), entered into an in principle agreement on November 01, 2015 for strategic acquisition of the Kattupalli Port in Tamil Nadu from L&T Shipbuilding Limited ("LTSB") a subsidiary of Larsen & Toubro Limited. The transaction is subject to receiving the necessary government and regulatory approvals and the port business being demerged from LTSB. While awaiting all the necessary approvals, APSEZ through its subsidiary AKPPL has an arrangement to operate the Port w.e.f November 01, 2015 through AKPPL.

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for the year ended March 31, 2018

d) The subsidiary companies have imported capital good for its Container and Multipurpose Port Terminal Project under the EPCG Scheme at concessional rate of custom duty by undertaking obligation to export. Future outstanding export obligation under the scheme is ₹ 2,019.90 crore (previous year ₹ 1,894.35 crore) which is equivalent to 6 to 8 times of duty saved ₹ 314.95 crore (previous year ₹ 275.95 crore). The export obligation has to be completed by 2018-19, 2019-20 2020-21, 2021-22 and 2022-23. Further during the year, the subsidiary companies have submitted documents for fulfilment of obligations to the tune of ₹ 544.03 crore however pending the export obligation discharge clearance certificate, the same have been considered as outstanding as on March 31, 2018.

e) On May 25, 2016, one of the subsidiary company has entered into Agreement for Grant of Right to Use of Jetty, Back-up yard and related marine infrastructure for proposed LNG Terminal at Dhamra Port with Dhamra LNG Terminal Private Limited ('DLTPL'), a fellow subsidiary. In pursuant to that, the Company has also entered Engineering, Procurement and Construction contract (EPC Contract) in previous year for construction and development of Jetty, Back up yard and other marine infrastructure with contract value of ₹ 761 crore. As at March 31, 2018 the Company has incurred expenditure of ₹ 53.94 crore (Previous year – NIL) towards construction of Jetty and related marine infrastructure and also given Interest bearing Deposits of ₹ 192.83 crore under the contract. Based on broader understanding as per the agreement for grant of right to use between the company and DLTPL, the company expects to lease these infrastructure on right to use basis as per the terms of aforesaid agreement.

f) One of the subsidiary company has entered into agreement in financial year 2013-14 to acquire land measuring 85,553 square meter in the Hazira region and an advance consideration of ₹ 18.23 crore paid towards the land has been classified as capital advance. The company has entered into agreement in financial year 2016-17 and 2017-18 to acquire additional land measuring 748 acre in the Patan region and an advance consideration of ₹ 1.65 crore and ₹ 6.88 crore paid towards the land classified as capital advance respectively. As at March 31, 2018, the company do not have physical possession of the said land, although it has contractual right in the said land parcels. The management represent that as land area and location is identifiable and the transaction will be concluded on receiving necessary government approvals.

g) As a part of Environmental Clearance obtained by the Vizhinjam International Sea Port Limited (VISL or 'the Concessionaire'), one of the subsidiary company has been obliged to incur expenditure of ₹ 33.70 crore towards 'Corporate Social Responsibility' along with development of Port Infrastructure under Phase - I and the same is included under the total Project cost. Out of total commitment of ₹ 33.70 crore, the same subsidiary company has incurred ₹ 3.96 crore till March 31, 2018.

38 Contingent Liabilities not provided for

₹ In Crore

Sr. No	Particulars	March 31, 2018	March 31, 2017
a	Corporate Guarantees given to banks and financial institutions against credit facilities availed by the joint venture entities. Amount outstanding there against ₹ 606.84 crore (previous year ₹ 659.52 crore). During the previous year, Joint Venture entity had repaid the loan of ₹ 758.29 crore, however, the release of corporate guarantee against said loan was pending as at year end and the amount was not included in the disclosure.	773.88	772.25
b	Corporate Guarantee given to a bank for credit facility availed by erstwhile subsidiary company, Mundra Port Pty Limited, Australia read with note (t) below. (Amount outstanding there against ₹ 1,877.04 crore (previous year ₹ 2,937.71 crore)	Refer note (t) below	Refer note (t) below
c	Bank Guarantees and Letter of Credit facilities availed by the joint venture entities and other group company against credit facilities sanctioned to the company.	240.08	267.21
d	Bank Guarantees given to government authorities and bank (also includes DSRA bank guarantees given to Bank on behalf of subsidiaries and erstwhile subsidiaries.)	134.30	159.98
e	Civil suits filed by the Customers for recovery of damages against certain performance obligations. The said civil suits are currently pending with various Civil Courts in Gujarat. The management is reasonably confident that no liability will devolve on the Company in this regard and hence no provision is made in the books of accounts towards these suits.	0.94	0.94
f	Show cause notices from the Custom Authorities against duty on port related cargo. The Company has given deposit of ₹ 0.05 crore (previous year ₹ 0.05 crore) against the demand. The management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognised in the books of accounts.	0.14	0.14

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for the year ended March 31, 2018

38 Contingent Liabilities not provided for (Contd.)

₹ In Crore

Sr. No	Particulars	March 31, 2018	March 31, 2017
g	Customs department notice for wrongly availing duty benefit exemption under DFCEC Scheme on import of equipment. The Company has filed its reply to the show cause notice with Deputy Commissioner of Customs, Mundra and Commissioner of Customs, Mumbai against order in original. The management is of view that no liability shall arise on the Company.	0.25	0.25
h	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Rajkot and Commissioner of Service Tax, Ahmedabad and appeal there of, for wrongly availing of Cenvat credit/ Service tax credit and Education Cess credit on input services and steel, cement and other fixed assets during financial year 2006-07 to 2014-15. In similar matter, the Excise department has demanded recovery of the duty along with penalty and interest thereon. The Company has given deposit of ₹ 4.50 crore (previous Year ₹ 4.50 crore) against the demand. These matters are pending before the Supreme Court, the High Court of Gujarat, Commissioner of Central Excise (Appeals), Rajkot and Commissioner of Service Tax, Ahmedabad. The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company. Further, during the earlier year, the Company has received favourable order from High Court of Gujarat against demand in respect of dispute relating to financial year 2005-06 and favourable order from CESTAT against similar demand in respect of dispute relating to FY 2005-06 to FY 2010 -11 (up to Sept 2011).	36.49	24.78
i	Show cause notices received from Commissioner of Customs and Central Excise, Rajkot and appeal thereof in respect of levy of service tax on various services provided by the Company and wrong availment of CENVAT credit by the Company during financial year 2009-10 to 2011-12. These matters are currently pending at High Court of Gujarat ₹ 6.72 crore (previous Year ₹ 6.72 crore); and Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad ₹ 0.15 crore (previous Year ₹ 0.15 crore) and Commissioner of Service Tax Ahmedabad ₹ 0.03 crore (previous Year ₹ 0.03 crore). The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	6.90	6.90
j	Commissioner of Customs, Ahmedabad has demanded vide letter no.4/Comm./SIIB/2009 dated 25/11/2009 for recovery of penalty in connection with import of Air Craft which is owned by Karnavati Aviation Private Limited (Formerly Gujarat Adani Aviation Private Limited.), subsidiary of the Company. Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal against the demand order, the management is reasonably confident that no liability will devolve on the Company and hence no liability has been recognized in the books of accounts.	2.00	2.00
k	In terms of the Show Cause Notice issued to a subsidiary company by the Office of the Commissioner of Customs for a demand of ₹ 18.33 Crore along with applicable interest and penalty thereon for the differential amount of Customs Duty in respect of import of Bombardier Challenger CI-600 under Non-Scheduled Operation Permit (NSOP) has been raised on the Company.	18.33	18.33
l	In terms of the Show Cause cum Demand Notice issued to subsidiary company by the Office of the Commissioner of Customs Preventive Section dated 27/02/2009, a demand of ₹ 14.67 Crore along with applicable interest and penalty thereon for the differential amount of Customs Duty in respect of import of Aircraft Hawker 850 XP under Non-Scheduled Operation Permit (NSOP) has been raised on the Company.	14.53	14.53
m	National Green Tribunal (Western Zone) Bench, Pune has passed a penalty order in the matter relating to environmental deficiencies observed by the Tribunal in which Subsidiary Company is one of the respondent. As per the order, the Subsidiary Company has deposited ₹ 25.00 crore with the Collector, Surat and has appealed against the order of National Green Tribunal in Supreme Court. However, the Supreme Court has passed the order in favor of the Company on April 23, 2018 and asked the authority to refund the amount along with interest to the Company.	-	25.00
n	Notice received from Superintendent / Commissioner of Service Tax Department and show cause from Directorate General of Central Excise Intelligence for wrong availing of Cenvat Credit /Service tax credit and Education Cess on input services steel and cement on some of the subsidiary companies. The management is of the view that no liability shall arise on the subsidiary companies.	38.98	32.07

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38 Contingent Liabilities not provided for (Contd.)

₹ In Crore

Sr. No	Particulars	March 31, 2018	March 31, 2017
o	Show cause notice received from Directorate General of Central Excise Intelligence for Non-Payment of Service Tax on Domestic Journey and on certain Foreign Service on reverse change mechanism amounting to ₹ 3.03 crore. The subsidiary company had filed appeal with Commissioner of Service Tax & received order for the same. The subsidiary company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal against the order of Commissioner for confirmation of tax liability of ₹ 3.71 crore (including Penalty). The subsidiary company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise. The subsidiary company has paid ₹ 0.35 crore under protest.	3.71	3.71
p	Various matters of subsidiary companies pending with Income Tax Authorities	1.29	1.13
q	Statutory claims not acknowledged as debts	0.46	0.46
r	Interest claims not acknowledged as debts	-	1.50

s) The Company's tax assessments is completed till assessment year 2014-15, pending appeals with Appellate Tribunal for Assessment Year 2009-10 to 2011-12 and CIT (Appeals) for Assessment Year 2012-13 to 2014-15. During the year, the Company has received a favourable order from Appellate Tribunal for assessment year 2008-09. Further, Hon'ble HC has approved the order of Tribunal for allowability of net interest income/expense under section 80-IAB. The management is reasonably confident that no liability will devolve on the Company.

(t) The Company had initiated and recorded the divestment of its entire equity holding in Adani Abbot Point Terminal Holdings Pty Limited ("AAPTHPL") and entire Redeemable Preference Shares holding in Mundra Port Pty Limited ("MPPL") representing Australia Abbot Point Port operations to Abbot Point Port Holdings Pte Limited, Singapore during the year ended March 31, 2013. The sale of securities transaction was recorded as per Share Purchase Agreement ('SPA') entered on March 30, 2013 including subsequent amendments thereto, with a condition to have regulatory and lenders approvals. The Company has all the approvals except in respect of approval from one of the lenders who has given specific line of credit to MPPL. The Company received entire sale consideration except AUD 17.17 Million as on reporting date. The Company expect to receive the said amount in next year. The Company also has outstanding corporate guarantee to a lender of USD 800 million against line of credit to MPPL, which is still outstanding and has also pledged its entire equity holding of 1,000 equity shares of AUD 1 each in MPPL at the reporting date in favour of lender. Outstanding loan against said corporate guarantee as on March 31, 2018 is USD 288.00 million (previous year USD 453.00 million).

Since financial year 2013-14, the Company has received corporate guarantee ('Deed of Indemnity') against above outstanding corporate guarantee from Abbot Point Port Holding Pte Limited, Singapore which is effective till discharge of underlying liability.

39 Interest in a joint Venture entities

The company holds 50% interest in Adani International Container Terminal Private Limited and Adani CMA Mundra Terminal Private Limited, respectively, joint venture entities incorporated in India.

(A) Summarised Balance Sheet and Statement of Profit and Loss of these entities are as below:

₹ In Crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Share Capital and Reserve & Surplus	47.93	45.28	633.63	548.32
Non-current Liabilities	1,466.69	408.60	2,498.96	1,619.98
Current Liabilities	984.18	208.90	1,377.65	214.49
Non-current Assets	1,910.95	647.57	4,315.31	2,228.44
Curren t Assets	587.85	15.21	194.93	154.35
Revenue	228.81	2.71	647.66	512.10
Operating Expenses	(53.66)	-	(154.94)	(106.20)
Terminal Royalty Expenses	(24.51)	-	(109.93)	(87.47)
Employee Benefits Expense	(4.82)	-	(7.85)	(6.50)

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

39 Interest in a joint Venture entities (Contd.)

₹ In Crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Depreciation and Amortisation Expense	(104.88)	(19.84)	(155.76)	(118.27)
Foreign Exchange (loss)/Gain (net)	(7.38)	3.82	11.00	15.01
Finance Cost	(81.98)	(5.10)	(102.88)	(58.64)
Other Expenses	(6.89)	(0.42)	(30.62)	(12.43)
Profit / (Loss) before tax	**(55.31)**	**(18.83)**	**96.68**	**137.60**
Income-tax expense	-	(0.01)	(49.88)	(83.86)
Profit / (Loss) after tax	**(55.31)**	**(18.84)**	**46.80**	**53.74**
Other Comprehensive income	-*	-	0.01	0.14
Total Comprehensive Income	**(55.31)**	**(18.84)**	**46.81**	**53.88**
Capital and Other Commitments	**0.85**	**1,341.27**	**4.83**	**2,202.16**
Contingent liability not accounted for	**-**	**-**	**4.68**	**10.49**

-* Figures being nullified on conversion to ₹ in crore

(B) Reconciliation of carrying amounts of joint ventures

₹ In Crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Net assets of joint venture entities	47.93	45.28	633.63	548.32
Proportion of Group's share	50%	50%	50%	50%
Group's share	23.97	22.64	316.82	274.16
Fair valuation adjustment	-	4.49	-	-
Elimination from intra-group transactions	(23.97)	-	(316.82)	(274.16)
Carrying amount of Group's interest	-	27.13	-	-

(C) Unrecognised share of losses

₹ In Crore

Particulars	Adani CMA Mundra Terminal Private Limited		Adani International Container Terminal Private Limited	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Unrecognised share of loss for the year	27.66	9.42	-	-
Cumulative shares of loss	35.42	7.76	28.66	52.06

40 Business Combinations

(a) Business combination accounting for the acquisition of Abbot Point Bulkcoal Pty Limited;

On September 19, 2016, the Abbot Point Operations Pty Limited("APO") a wholly owned subsidiary in Australia had executed a Share Sale Agreement to acquire 100% of the ordinary share capital of Abbot Point Bulkcoal Pty Limited ("APB") from Glencore Coal Queensland Pty Limited (the "Seller"). APB is an unlisted company based in Australia, engaged in the business of operations of Abbot Point Coal Terminal 1 ("APCT 1"). The purchase price of shares is Australian dollar (AUD)1 plus a completion adjustment.

APO also entered into Abbot Point Coal Terminal Operation and Maintenance Contract Variation Agreement ("Variation Agreement") with Adani Abbot Point Terminal Pty Limited, the owner of APCT 1. Under the Variation Agreement, APO paid AUD 15.4 million as security deposit and AUD 3.5 million (excluding GST) in relation to the Operations and Maintenance Agreement. The payment of AUD 3.5 million represents payment for access rights to enable the company to operate APCT 1. This payment and the associated rights acquired are included in company's business combination accounting.

Post-acquisition, the APO becomes the 100% owner of APB and has the control of Operations and Maintenance Agreement with Adani Abbot Point Terminal Pty Limited for the operations of APCT 1.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

The acquisition of the APB shares was subject to a number of conditions precedent. The condition precedent were satisfied on October 04, 2016 and the APO obtained control of APB on that date. As such, APO has accounted for the business combination as at October 04, 2016.

During the previous year end, APO was yet to finalise the quantum of the completion adjustment with the Seller, accordingly, no impact of the completion adjustment was reflected in the provisional business combination accounting. For the purpose of the provisional business combination accounting, the difference between the provisional purchase consideration and fair value of tangible assets, liabilities and contingent liabilities acquired, had been allocated to goodwill which amounts to ₹ 5.28 crore.

In current year, on May 11, 2017, APO has received the determination of the calculation of the completion adjustment and paid AUD 778,553 to the seller on May 17, 2017. Consequently there is a change in goodwill amount recognised earlier by ₹ 3.26 crore.

The business combination accounting resulted in the following fair values being allocated to the identifiable assets and liabilities of APB at the acquisition date

Particulars	AUD
Assets	
Property, Plant and Equipment	5,63,062
Access rights intangible assets	35,00,000
Inventories	39,34,443
Trade Receivables	71,09,376
Cash and Cash Equivalents	18,03,158
Deferred tax assets	14,24,415
Total Assets	**1,83,34,454**
Liabilities	
Other Non Current Liabilities	32,83,817
Trade Payables	55,91,247
Other Current Liabilities	55,84,294
Total Liabilities	**1,44,59,358**
Total identifiable net assets at fair value	**38,75,096**
Goodwill arising on Acquisition	**4,03,457**
Purchase Consideration Transferred (including payment of AUD 3.5 Million for access rights)	**42,78,553**

(b) During the previous year, goodwill amounting to ₹ 20.53 crore arised on acquisition of 100% stake in The Adani Harbour Services Private Limited (formerly known as TM Harbour Services Private Limited), engaged in port services pursuant to share purchase agreement signed on December 07, 2016.

41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013

₹ In Crore

Name of entity	As on and for the year ended March 31, 2018							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive income	Amount	as % of Consolidated Total Comprehensive income	Amount
Parent Company								
Adani Ports And Special Economic Zone Limited	71.27%	18,283.26	69.33%	2,408.10	84.91%	8.61	69.38%	2,416.71
Subsidiaries Companies								
Indian								
The Adani Harbour Services Private Limited	8.18%	2,098.78	25.03%	869.18	-	-*	24.95%	869.18
Adani Hazira Port Private Limited	6.20%	1,589.27	12.08%	419.69	0.99%	0.10	12.05%	419.79

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd.)

₹ In Crore

Name of entity	As on and for the year ended March 31, 2018							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive income	Amount	as % of Consolidated Total Comprehensive income	Amount
Adani Petronet (Dahej) Port Private Limited	2.54%	652.12	2.08%	72.28	17.26%	1.75	2.13%	74.03
Shanti Sagar International Dredging Private Limited	0.07%	17.65	0.52%	17.94	-	-*	0.52%	17.94
Adani Kandla Bulk Terminal Private Limited	-0.96%	(245.31)	-3.28%	(113.95)	0.10%	0.01	-3.27%	(113.94)
Adani Dhamra LNG Terminal Private Limited	0.00%	0.03	0.00%	(0.01)	-	-	0.00%	(0.01)
Adani Petroleum Terminal Private Limited	0.00%	(0.42)	-0.02%	(0.61)	-	-	-0.02%	(0.61)
Mundra LPG Terminal Private Limited	0.00%	(0.12)	0.00%	(0.01)	-	-	0.00%	(0.01)
Dhamra LPG Terminal Private Limited	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
The Dhamra Port Company Limited	4.22%	1,081.34	-1.30%	(45.24)	0.20%	0.02	-1.30%	(45.22)
Adani Murmugao Port Terminal Private Limited	-0.08%	(20.40)	-1.43%	(49.62)	-	-*	-1.42%	(49.62)
Adani Logistics Limited	1.79%	458.61	0.43%	14.83	0.59%	0.06	0.43%	14.89
Adani Vizag Coal Terminal Private Limited	-0.79%	(203.84)	-5.33%	(185.29)	-	-*	-5.32%	(185.29)
Adani Warehousing Services Private Limited	0.01%	2.15	0.06%	2.17	-	-	0.06%	2.17
Adani Hospitals Mundra Private Limited	0.00%	0.58	-0.03%	(1.17)	0.10%	0.01	-0.03%	(1.16)
Mundra International Airport Private Limited	0.00%	0.42	-0.03%	(0.90)	-	-	-0.03%	(0.90)
Mundra SEZ Textile And Apparel Park Private Limited	-0.08%	(19.37)	-0.16%	(5.73)	-	-*	-0.16%	(5.73)
Adinath Polyfills Private Limited	0.00%	(1.28)	0.00%	(0.10)	-	-	0.00%	(0.10)
MPSEZ Utilities Private Limited	0.31%	78.91	0.38%	13.15	0.10%	0.01	0.38%	13.16
Adani Ennore Container Terminal Private Limited	-0.10%	(26.53)	-0.76%	(26.42)	0.20%	0.02	-0.76%	(26.40)
Adani Vizhinjam Port Private Limited	0.76%	193.75	-0.02%	(0.85)	-	-	-0.02%	(0.85)
Adani Kattupalli Port Private Limited	5.68%	1,458.07	2.53%	87.81	-	-	2.52%	87.81
Karnavati Aviation Private Limited	0.10%	26.54	-0.11%	(3.91)	-	-*	-0.11%	(3.91)
Hazira Infrastructure Private Limited	0.09%	24.19	0.02%	0.77	-	-	0.02%	0.77
Mundra LPG Infrastructure Private Limited	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
Mundra International Gateway Terminal Private Limited	0.00%	0.05	0.00%	-*	-	-	0.00%	-*
Dholera Port And Special Economic Zone Limited	-0.02%	(3.92)	-0.01%	(0.34)	-	-	-0.01%	(0.34)
Dholera Infrastructure Private Limited	-0.02%	(4.51)	-0.01%	(0.38)	-	-	-0.01%	(0.38)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

41 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd.)

₹ In Crore

Name of entity	As on and for the year ended March 31, 2018							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive income	Amount	as % of Consolidated Total Comprehensive income	Amount
Foreign								
Abbot Point Operations Pty Limited	-0.02%	(4.28)	-0.01%	(0.48)	-	-	-0.01%	(0.48)
Abbot Point Bulkcoal Pty Limited	0.11%	27.60	0.68%	23.55	-	-	0.68%	23.55
Adani International Terminals Pte Limited	0.00%	(0.62)	-0.02%	(0.62)	-	-	-0.02%	(0.62)
Non-controlling interest	-0.58%	(149.56)	-0.47%	(16.33)	-4.44%	(0.45)	-0.48%	(16.78)
Joint Venture Entities								
Indian								
Adani International Container Terminal Private Limited	1.23%	316.81	0.67%	23.40	-	-*	0.67%	23.40
Adani CMA Mundra Terminal Private Limited	0.09%	23.96	-0.80%	(27.66)	-	-*	-0.79%	(27.66)
Sub total	**100.00%**	**25,653.91**	**100.00%**	**3,473.23**	**100.00%**	**10.14**	**100.00%**	**3,483.37**
CFS Adjustments and Eliminations		(4,585.08)		200.39		(0.74)		199.65
Total	**100.00%**	**21,068.83**	**100.00%**	**3,673.62**	**100.00%**	**9.40**	**100.00%**	**3,683.02**

-* Figures being nullified on conversion to ₹ in crore.

₹ In Crore

Name of entity	As on and for the year ended March 31, 2017							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive income	Amount	as % of Consolidated Total Comprehensive income	Amount
Parent Company								
Adani Ports And Special Economic Zone Limited	76.36%	16,864.85	79.39%	3,100.61	144.72%	12.33	79.53%	3,112.94
Subsidiaries Companies								
Indian								
Adani Kandla Bulk Terminal Private Limited	-0.59%	(131.38)	-2.34%	(91.34)	0.47%	0.04	-2.33%	(91.30)
Dhamra LNG Terminal Private Limited	0.00%	0.04	0.00%	-*	-	-*	0.00%	-
Adani Petroleum Terminal Private Limited	0.00%	0.19	0.00%	(0.01)	-	-	0.00%	(0.01)
Mundra LPG Terminal Private Limited	0.00%	(0.11)	0.00%	(0.15)	-	-	0.00%	(0.15)
Adani Dhamra LPG Terminal Private Limited	0.00%	-	0.00%	(0.01)	-	-	0.00%	(0.01)
The Dhamra Port Company Limited	4.60%	1,015.17	9.98%	389.96	4.11%	0.35	9.97%	390.31
The Adani Harbour Services Private Limited	0.41%	90.63	0.12%	4.88	-	-	0.12%	4.88
Adani Hazira Port Private Limited	6.56%	1,447.98	12.02%	469.54	3.52%	0.30	12.00%	469.84

Notes to the Consolidated Financial Statements
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₹ In Crore

Name of entity	As on and for the year ended March 31, 2017							
	Net Assets i.e total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	as % of Consolidated net assets	Amount	as % of Consolidated Profit or Loss	Amount	as % of Consolidated Other Comprehensive income	Amount	as % of Consolidated Total Comprehensive income	Amount
Adani Petronet (Dahej) Port Private Limited	2.73%	602.92	1.72%	67.15	-77.00%	(6.56)	1.55%	60.59
Shanti Sagar International Dredging Private Limited	0.00%	(0.29)	0.00%	(0.11)	-	-	0.00%	(0.11)
Adani Murmugao Port Terminal Private Limited	0.13%	29.22	-0.20%	(7.85)	-0.12%	(0.01)	-0.20%	(7.86)
Adani Logistics Limited	1.81%	400.76	0.24%	9.31	1.17%	0.10	0.24%	9.41
Adani Vizag Coal Terminal Private Limited	-0.08%	(18.56)	-1.03%	(40.23)	0.23%	0.02	-1.03%	(40.21)
Adani Warehousing Services Private Limited	0.00%	(0.02)	0.00%	(0.05)	-	-	0.00%	(0.05)
Adani Hospitals Mundra Private Limited	0.01%	1.74	0.01%	0.31	-	-*	0.01%	0.31
Mundra International Airport Private Limited	0.01%	1.30	-0.03%	(1.36)	-	-	-0.03%	(1.36)
Mundra SEZ Textile And Apparel Park Private Limited	-0.06%	(13.64)	-0.10%	(3.92)	-	-*	-0.10%	(3.92)
Adinath Polyfills Private Limited	-0.01%	(1.19)	0.01%	0.54	-	-	0.01%	0.54
MPSEZ Utilities Private Limited	0.30%	65.75	0.03%	1.17	0.35%	0.03	0.03%	1.20
Adani Ennore Container Terminal Private Limited	0.00%	(0.13)	0.00%	(0.14)	-	-	0.00%	(0.14)
Adani Vizhinjam Port Private Limited	0.88%	194.60	-0.05%	(1.94)	-	-	-0.05%	(1.94)
Adani Kattupalli Port Private Limited	6.20%	1,370.27	-0.41%	(16.11)	-	-	-0.41%	(16.11)
Karnavati Aviation Private Limited	-0.03%	(6.00)	-0.07%	(2.83)	1.17%	0.10	-0.07%	(2.73)
Hazira Infrastructure Private Limited	0.11%	23.43	-0.05%	(2.00)	-	-	-0.05%	(2.00)
Mundra LPG Infrastructure Private Limited	0.00%	(0.01)	0.00%	(0.01)	-	-	0.00%	(0.01)
Dholera Port And Special Economic Zone Limited	-0.02%	(3.58)	-0.01%	(0.30)	-	-	-0.01%	(0.30)
Dholera Infrastructure Private Limited	-0.02%	(4.13)	-0.01%	(0.39)	-	-	-0.01%	(0.39)
Foreign								
Abbot Point Operations Pty Limited	-0.02%	(3.77)	-0.10%	(3.96)	-	-	-0.10%	(3.96)
Abbot Point Bulkcoal Pty Limited	0.01%	2.42	0.19%	7.37	-	-	0.19%	7.37
Non-controlling interest	-0.63%	(139.24)	0.26%	10.02	20.54%	1.75	0.30%	11.77
Joint Venture Entities								
Indian								
Adani International Container Terminal Private Limited	1.24%	274.16	0.69%	26.87	0.82%	0.07	0.69%	26.94
Adani CMA Mundra Terminal Private Limited	0.10%	22.64	-0.24%	(9.42)	-	-	-0.24%	(9.42)
Sub total	**100.00%**	**22,086.02**	**100.00%**	**3,905.60**	**100.00%**	**8.52**	**100.00%**	**3,914.12**
CFS Adjustments and Eliminations		(4,560.04)		5.92		(0.10)		5.82
Total	**100.00%**	**17,525.98**	**100.00%**	**3,911.52**	**100.00%**	**8.42**	**100.00%**	**3,919.94**

-* Figures being nullified on conversion to ₹ in crore.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

42 The Company has entered into preliminary agreement with a party for development and maintenance of Liquefied Natural Gas ("LNG") terminal infrastructure facilities at Mundra ("the LNG Project") vide an agreement dated September 30, 2014. Pursuant to the said agreement, the Company had received mobilization advance amounting to ₹ 50 crore. The construction activities by the Company and the other party are currently in progress. The Company had, during the quarter ended September 30, 2014, recognised project service revenue of ₹ 200 crore towards land reclamation pending conclusion of a definitive agreement based on the activities completed. The implementation of the LNG Project is progressing as per the Company's expectations and the Company and the other party have spent substantial amounts on their respective areas as per the agreement on the LNG Project which are within their scope. The Management based on its assessment of ongoing activities, is of the view that a definitive agreement would be concluded shortly and the Company expects to sell / lease the LNG Project facilities once the definitive agreement is concluded. Accordingly, accrued revenue and the value of assets being constructed by the Company with respect of the LNG Project are considered fully recoverable.

43 (a) Adani Vizag Coal Terminal Private Limited - a subsidiary of the Company engaged in Port services under concession from one of the port trust authorities of the Government of India. The port operations have been suspended since January 2016 due to operational bottlenecks, for which the management of the subsidiary company has made representations to the port authorities and Ministry of Shipping for early resolution so as to resume operations expeditiously. The management of the subsidiary company has expressed their inability to operate the terminal on account of various external factors beyond the subsidiary company's control. Under the circumstances, continuance of the terminal in its present form does not appear to be a viable option and the subsidiary company's management has requested the port trust authorities to take further action including terminating the concession agreement. During the year, the Company has assessed the impact of these factors on the appropriateness of the carrying value of the Service Concession Rights in the books of the subsidiary company and has recorded an impairment amounting to ₹ 155.18 crore based on best estimates by the management.

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

44 The National Company Law Tribunal, Ahmedabad Bench vide its order dated July 31, 2017 (for Adani Hazira Port Private Limited ("AHPPL") and Adani Petronet (Dahej) Port Private Limited ("APDPPL")) and order dated August 18, 2017 (for Adani Ports and Special Economic Zone Limited ("APSEZL")) has approved the scheme of arrangement for demerger of Marine business undertaking with The Adani Harbour Services Private Limited ("TAHSPL") with effect from April 1, 2016 (the appointed date). The Scheme becomes effective from August 14, 2017 (for AHPPL and APDPPL) and August 23, 2017 (for APSEZL) upon filing of the order with the Registrar of Companies. Pursuant to the Scheme, all the assets, liabilities, income and expenses of the marine business undertaking stand transferred to TAHSPL with the appointed date. Accordingly, the necessary effect has been given in the financials for the year ended on March 31, 2018.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

45 Impairment testing of Goodwill

Goodwill acquired through business combination pertains to following Cash Generating Units (CGUs) which are part of "Port and SEZ Activities" Segment:

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
The Dhamra Port Company Limited	2,559.31	2,559.31
Adani Kandla Bulk Terminal Private Limited	0.06	0.06
Abbot Point Bulkcoal Pty Limited	2.02	5.28
The Adani Harbour Services Private Limited	20.53	20.53
Adani Petronet (Dahej) Port Private Limited	0.22	0.22
Adani Logistics Limited	2.71	2.71
Adinath Polyfills Private Limited	37.42	37.42
Goodwill relating to Merger of Adani Port Limited	44.86	44.86
Total	**2,667.13**	**2,670.39**

The goodwill is tested for impairment annually and as at March 31, 2018, the goodwill was not impaired.

The recoverable amounts of the CGUs are determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to direct costs during the year. Management estimates discount rates 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 Group prepares its forecasts based on the most recent financial budgets approved by management with projected revenue growth rates ranging from 6% to 20%.

The rates used to discount the forecasts is 7.5%.p.a.

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

46 During the year, the Company has transferred Container Terminal Infrastructure Assets to Adani CMA Mundra Terminal Private Limited ("ACMTPL") and Adani International Container Terminal Private Limited ("AICTPL"), a (50:50) joint venture entity, w.e.f. May 15, 2017 and November 1, 2017 respectively. The income from sale /sub-lease of core port assets aggregating to ₹ 2202.17 crore are included in revenue from operations (refer note 20) and corresponding related costs are shown under head Operating Expenses (refer note 22).

47 Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

Act, 2006 (MSMED Act) and Schedule III the Companies Act, 2013 for the year ended March 31, 2018. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

₹ in Crore

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
a	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	0.09	0.56
	Interest	Nil	Nil
b	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
c	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
d	The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
e	The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	Nil	Nil

48 Standards issued but not effective:

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

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

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

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

Ind AS 115 Revenue from Contract with Customers

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

The standard permits two possible methods of transition:

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

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

The Group is evaluating the requirements of the new accounting standard and the possible transition

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

adjustments for disclosure of comparatives for the year ended March 31, 2018.

Ind AS 112 Disclosure of Interests in Other Entities

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

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

Ind AS 12 Income Taxes

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

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

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

Ind AS 40 Investment Property

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

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

Ind AS 28 Investment in Associates and Joint Ventures

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

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

49 Events occurred after the Balance Sheet Date

i) The Board of Directors has recommended Equity dividend of ₹ 2 per share for the financial year 2017-18 (previous year ₹ 1.30 per share).

ii) The Group has entered into share purchase agreement on April 26, 2018 with Microgate Trading Company Private Limited for acquisition of 100% equity stake (69,10,880 equity shares of ₹ 10 each) of Blue Star Realtors Private Limited at a consideration of ₹ 24.14 crore.

For and on behalf of the Board of Directors

Gautam S. Adani
[Chairman and Managing Director]
DIN : 00006273

Rajesh S. Adani
[Director]
DIN : 00006322

Karan Adani
[Wholetime Director and CEO]
DIN: 03088095

Dipti Shah
[Company Secretary]

Place : Ahmedabad
Date : May 03, 2018

FORM - AOC - 1

Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

PART "A" - Subsidiaries

₹ in Crore, Foreign Currencies in Million

Sr No.	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
1	The Adani Harbour Services Private Limited	2017-18	INR	57.69	2,041.09	2,176.29	77.51	-	1,038.77	871.26	869.18	-*	869.18	403.85	100%
2	Adani Hazira Port Private Limited	2017-18	INR	715.47	873.80	3,786.91	2,197.63	-	962.23	465.57	419.69	0.10	419.79	-	100%
3	Adani Petronet Dahej Port Private Limited	2017-18	INR	346.15	305.97	1,450.76	798.64	26.00	335.03	89.61	72.28	1.75	74.03	17.31	74%
4	Shanti Sagar International Dredging Private Limited	2017-18	INR	0.05	17.60	1,036.00	1,018.35	-	109.53	17.97	17.94	-*	17.94	-	100%
5	Adani Kandla Bulk Terminal Private Limited	2017-18	INR	120.05	(365.36)	1,026.24	1,271.56	-	107.54	(104.61)	(113.95)	0.01	(113.94)	-	100%
6	Dhamra LNG Terminal Private Limited	2017-18	INR	0.05	(0.02)	215.67	215.64	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
7	Adani Petroleum Terminal Private Limited	2017-18	INR	0.20	(0.62)	408.08	408.50	-	46.39	(0.61)	(0.61)	-	(0.61)	-	100%
8	Mundra LPG Terminal Private Limited	2017-18	INR	0.05	(0.17)	281.26	281.38	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
9	Adani Dhamra LPG Terminal Private Limited	2017-18	INR	0.05	(0.06)	1.63	1.65	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
10	The Dhamra Port Company Limited	2017-18	INR	1,148.00	(66.66)	6,053.92	4,972.58	-	930.84	(4.42)	(45.24)	0.02	(45.22)	-	100%
11	Adani Murmugao Port Terminal Private Limited	2017-18	INR	115.89	(136.29)	425.40	445.80	-	34.12	(49.63)	(49.62)	-*	(49.62)	-	100%
12	Adani Logistics Limited	2017-18	INR	325.00	133.61	999.94	541.33	5.47	826.70	29.08	14.83	0.06	14.89	-	100%
13	Adani Vizag Coal Terminal Private Limited	2017-18	INR	101.28	(305.12)	220.95	424.79	-	-	(193.96)	(185.29)	-*	(185.29)	-	100%
14	Adani Warehousing Services Private Limited	2017-18	INR	0.05	2.10	3.96	1.82	-	4.51	2.96	2.17	-	2.17	-	100%
15	Adani Hospitals Mundra Private Limited	2017-18	INR	0.30	0.28	6.25	5.67	-	7.13	(1.03)	(1.17)	0.01	(1.16)	-	100%
16	Mundra International Airport Private Limited	2017-18	INR	3.50	(3.08)	6.80	6.38	-*	1.00	(0.90)	(0.90)	-	(0.90)	-	100%
17	Mundra Sez Textile And Apparel Park Private Limited	2017-18	INR	4.77	(24.14)	52.30	71.68	-	4.28	(5.73)	(5.73)	-*	(5.73)	-	56.98%
18	Adinath Polyfills Private Limited	2017-18	INR	0.12	(1.40)	2.91	4.19	-	1.73	(0.15)	(0.10)	-	(0.10)	-	100%
19	MPSEZ Utilities Private Limited	2017-18	INR	13.14	65.78	119.93	41.02	0.58	155.36	12.74	13.15	0.01	13.16	-	100%
20	Adani Ennore Container Terminal Private Limited	2017-18	INR	0.05	(26.58)	861.03	887.56	-	0.13	(26.42)	(26.42)	0.02	(26.40)	-	100%

FORM - AOC - 1

Salient features of the financial statement of Subsidiaries / Joint Ventures Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of The Companies (Accounts) Rules, 2014

PART "A" - Subsidiaries

₹ in Crore, Foreign Currencies in Million

Sr No.	Name of Subsidiaries	Reporting Period	Reporting Currency	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments Other than Subsidiaries	Turnover	Profit/(loss) before taxation	Profit/(loss) after taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed Dividend	% of Shareholding
21	Adani Vizhinjam Port Private Limited	2017-18	INR	199.96	(6.21)	1,403.77	1,210.02	-	-	(0.37)	(0.85)	-	(0.85)	-	100%
22	Adani Kattupalli Port Private Limited	2017-18	INR	0.05	1,458.02	1,919.60	461.52	-	164.97	90.96	87.81	-	87.81	-	100%
23	Karnavati Aviation Private Limited	2017-18	INR	45.00	(18.46)	427.34	400.80	-	55.11	(3.90)	(3.91)	-*	(3.91)	-	100%
24	Hazira Infrastructure Private Limited	2017-18	INR	24.20	(0.01)	24.21	0.02	-	-	1.01	0.77	-	0.77	-	100%
25	Mundra LPG Infrastructure Private Limited	2017-18	INR	0.05	(0.06)	0.01	0.02	-	-	(0.01)	(0.01)	-	(0.01)	-	100%
26	Mundra International Gateway Terminal Private Limited	May 17,2017 to March 31, 2018	INR	0.05	-*	0.05	-*	-	-	-*	-*	-	-*	-	100%
27	Dholera Port And Special Economic Zone Limited	2017-18	INR	1.61	(5.53)	0.08	4.01	-	-	(0.34)	(0.34)	-	(0.34)	-	100%
28	Dholera Infrastructure Private Limited	2017-18	INR	0.01	(4.52)	-*	4.51	-	-	(0.38)	(0.38)	-	(0.38)	-	49%
29	Abbot Point Operations Pty Limited	2017-18	INR	0.51	(4.79)	168.72	173.00	-	427.97	(0.48)	(0.48)	-	(0.48)		100%
			AUD	0.10	(0.96)	33.71	34.57	-	85.78	(0.10)	(0.10)	-	(0.10)	-	
30	Abbot Point Bulkcoal Pty Limited	2017-18	INR	-*	27.60	127.96	100.36	-	378.98	23.55	23.55	-	23.55		100%
			AUD	-*	5.52	25.57	20.05	-	75.96	4.70	4.70	-	4.70	-	
31	Adani International Terminals Pte Limited	June 30, 2017 to March 31,2018	INR	-*	(0.62)	2.78	3.40	-		(0.62)	(0.62)	-	(0.62)		100%
			USD	-*	(0.10)	0.42	0.52	-	-	(0.10)	(0.10)	-	(0.10)	-	

* Figures being nullified on conversion to ₹ in crore and foreign currency in million

Names of subsidiaries which are yet to commence operations

Sr No.	Name of Subsidiary
1	Hazira Infrastructure Private Limited
2	Mundra LPG Infrastructure Private Limited
3	Dhamra LNG Terminal Private Limited
4	Mundra LPG Terminal Private Limited
5	Adani Dhamra LPG Terminal Private Limited
6	Adani Vizhinjam Port Private Limited
7	Dholera Infrastructure Private Limited
8	Dholera Port and Special Economic Zone Limited
9	Adani International Terminals Pte Limited
10	Mundra International Gateway Terminal Private Limited

PART "B" :- Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint Ventures

₹ in Crore

SR No	Name of Joint Venture	Latest Audited Balance Sheet Date	Shares of Joint Ventures held by the company on the year end		Extent of holding	Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit /(Loss) for the year	
			No of Shares	Amount of Investment in Joint Venture					Amount considered in Consolidation	Amount not considered in Consolidation
1	Adani International Container Terminal Private Limited	March 31, 2018	32,22,31,817	322.23	50%	Note - A	NA	316.81	-	23.40
2	Adani CMA Mundra Terminal Private Limited	March 31, 2018	5,93,78,278	59.38	50%	Note - A	NA	23.96	-	(27.66)

Note:- A

There is significant influence/joint control due to percentage (%) of Share holding.

For and on behalf of the Board of Directors

Gautam S. Adani
[Chairman and Managing Director]
DIN : 00006273

Rajesh S. Adani
[Director]
DIN : 00006322

Karan Adani
[Wholetime Director and CEO]
DIN : 03088095

Dipti Shah
[Company Secretary]

Place : Ahmedabad
Date : May 03, 2018

Notice

NOTICE is hereby given that the 19th Annual General Meeting of Adani Ports and Special Economic Zone Limited will be held on Monday, August 6, 2018 at 9:30 a.m. at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015 to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended on March 31, 2018 and the Reports of the Board of Directors and Auditors thereon.

2. To declare divided on Equity Shares.

3. To declare dividend on Preference Shares.

4. To appoint a Director in place of Dr. Malay Mahadevia (DIN: 00064110), who retires by rotation and being eligible, offers himself for re-appointment.

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/ W-100018) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting ("AGM") till the conclusion of the next AGM of the Company to be held in the calendar year 2019 at such remuneration (including fees for certification) and reimbursement of out of pocket expenses for the purpose of audit as may be approved by the Board of Directors of the Company on the recommendation of the Audit Committee."

Special Business:

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Foreign Exchange Management Act, 1999, as amended or restated ("FEMA"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or restated (the "ICDR Regulations"), the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended or restated, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000, as amended or restated, and subject to all other applicable laws, statutes, rules, circulars, notifications, regulations and guidelines of the Government of India, the Securities and Exchange Board of India (the "SEBI"), the Reserve Bank of India (the "RBI"), the relevant stock exchanges where the equity shares of the Company are listed (the "Stock Exchanges") and all other appropriate statutory and regulatory authorities, as may be applicable or relevant, whether in India or overseas (hereinafter collectively referred to as the "Appropriate Authorities"), the enabling provisions of the Memorandum and Articles of Association of the Company, as amended, and the listing agreements entered into by the Company with the Stock Exchanges and subject to requisite approvals, consents, permissions and sanctions, if any, of the Appropriate Authorities and subject to such conditions and modifications as may be prescribed by any of them in granting any such approvals, consents, permissions, and sanctions (hereinafter referred as the "Requisite Approvals") which may be agreed to by the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any committee constituted or to be constituted by the Board to exercise its powers including the powers conferred by this resolution, or any person(s) authorised by the Board or its committee for such purposes), consent of the Company be and is hereby accorded to the Board in its absolute discretion, to create, offer, issue and allot, from time to time in either one or more international offerings, in one or more foreign markets, in one or more tranches and/or in the course of one or more domestic offering(s) in India, such number of equity shares and/or any securities linked to, convertible into or exchangeable for equity shares including without limitation through Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or Convertible Preference Shares and/or Convertible Debentures (compulsorily and/ or optionally, fully and/or partly) and/or Commercial Papers and/or Warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of Non-Convertible Debentures and/or Foreign Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other permitted fully and/or partly paid securities/ instruments/ warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency, to such investors who are eligible to acquire such Securities in accordance with all applicable laws, rules, regulations, guidelines and approvals, through public issue(s), rights issue(s), preferential issue(s), private placement(s) and/ or qualified institutional placement in terms of Chapter VIII of the SEBI (ICDR) Regulations or any combinations thereof, through any prospectus, offer document, offer letter, offer circular, placement document or otherwise, at such time or times and at such price or prices subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, at a discount or premium to market price or prices in such manner and on such terms and conditions including as regards security, rate of interest, etc., as may be deemed appropriate by the Board in its absolute discretion, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, for an aggregate amount, not exceeding ₹ 5,000 crores (Rupees Five Thousand Crores Only) or foreign currency equivalent thereof, at such premium as may from time to time be decided by the Board and the Board shall have the discretion to determine the categories of eligible investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors and where necessary in consultation with advisor(s), lead manager(s), and underwriter(s) appointed by the Company."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue(s) of Securities may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, have all or any terms, or combination of terms, in accordance with domestic and/or international practice, including, but not limited to, conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever and all other such terms as are provided in offerings of such nature including terms for issue of additional equity shares or variation of the conversion price of the Securities during the duration of the Securities."

"RESOLVED FURTHER THAT in case of any offering of Securities, including without limitation any GDRs/ADRs/ FCCBs/FCEBs/other securities convertible into equity shares, consent of the shareholders be and is hereby given to the Board to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities referred to above in accordance with the terms of issue/offering in respect of such Securities and such equity shares shall rank pari passu with the existing equity shares of the Company in all respects, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and /or listing particulars."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to engage, appoint and to enter into and execute all such agreement(s)/ arrangement(s)/ MoU(s)/ placement agreement(s)/ underwriting agreement(s)/ deposit agreement(s)/ trust deed(s)/ subscription agreement/ payment and conversion agency agreement/ any other agreements or documents with any consultants, lead manager(s), co-lead manager(s), manager(s), advisor(s), underwriter(s), guarantor(s), depository(ies), custodian(s), registrar(s), agent(s) for service of process, authorised representatives, legal advisors / counsels, trustee(s), banker(s), merchant banker(s) and all such advisor(s), professional(s), intermediaries and agencies as may be required or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees and such other expenses as it deems fit, listing of Securities in one or more Indian/ International Stock Exchanges, authorizing any director(s) or any officer(s) of the Company, severally, to sign for and on behalf of the Company offer document(s), arrangement(s), application(s), authority letter(s), or any other related paper(s)/document(s), give any undertaking(s), affidavit(s), certification(s), declaration(s) including without limitation the authority to amend or modify such document(s)."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, consent of the members of the Company be and is hereby accorded to the Board to do all such acts, deeds, matters and/or things, in its absolute discretion and including, but not limited to finalization and approval of the preliminary as well as final document(s), determining the form, terms, manner of issue, the number of the Securities to be allotted, timing of the issue(s)/ offering(s) including the investors to whom the Securities are to be allotted, issue price, face value, number of equity shares or other securities upon conversion or redemption or cancellation of the Securities, premium or discount on issue /conversion/ exchange of Securities, if any, rate of interest, period of conversion or redemption, listing on one or more stock exchanges in India and / or abroad and any other terms and conditions of the issue, including any amendments or modifications to the terms of the Securities and any agreement or document (including without limitation, any amendment or modification, after the issuance of the Securities), the execution of various transaction documents, creation of mortgage/charge in accordance with the provisions of the Act and any other applicable laws or regulations in respect of any Securities, either on a pari passu basis or otherwise, fixing of record date or book closure and related or incidental matters as the Board in its absolute discretion deems fit and to settle all questions, difficulties or doubts that may arise in relation to the issue, offer or allotment of the Securities, accept any modifications in the proposal as may be required by the Appropriate Authorities in such issues in India and/or abroad and subject to applicable law, for the utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent and that the members shall be deemed to have given their approval thereto for all such acts, deeds, matters and/or things, expressly by the authority of this resolution."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board is authorised on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Company and/or any agency or body authorised by the Company may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, issue certificates and/or depository receipts including global certificates representing the Securities with such features and attributes as are prevalent in international and/or domestic capital markets for instruments of such nature and to provide for the tradability or transferability thereof as per the international and/or domestic practices and regulations, and under the forms and practices prevalent in such international and/or domestic capital markets."

"RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body for the issue, upon conversion of the Securities, of equity shares of the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and/or domestic practices and regulations and under the forms and practices prevalent in international and/or domestic capital markets."

"RESOLVED FURTHER THAT the Securities may be redeemed and/or converted into and/or exchanged for the equity shares of the Company (or exchanged for equity shares of another company as permitted under applicable law), subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, in a manner as may be provided in the terms of their issue."

"RESOLVED FURTHER THAT in case of a Qualified Institutional Placement (QIP) pursuant to Chapter VIII of the SEBI (ICDR) Regulations, the allotment of eligible securities within the meaning of Chapter VIII of the SEBI (ICDR) Regulations shall only be made to Qualified Institutional Buyers (QIBs) within the meaning of Chapter VIII of the SEBI (ICDR) Regulations, such securities shall be fully paid-up and the allotment of such securities shall be completed within 12 months from the date of the resolution approving the proposed issue by the members of the Company or such other time as may be allowed by SEBI (ICDR) Regulations from time to time and that the securities be applied to the National Securities Depository Limited and/or Central Depository Services (India) Limited for admission of the eligible securities to be allotted as per Chapter VIII of the SEBI (ICDR) Regulations."

"RESOLVED FURTHER THAT the relevant date for the purpose of pricing of the Securities by way of QIP/GDRs/ ADRs/FCCBs/FCEBs or by way of any other issue(s) shall be the date as specified under the applicable law or regulation or it shall be the date of the meeting in which the Board decides to open the issue."

"RESOLVED FURTHER THAT the Board and other designated officers of the Company be and are hereby severally authorised to make all filings including as regards the requisite listing application/ prospectus/ offer document/registration statement, or any draft(s) thereof, or any amendments or supplements thereof, and of any other relevant documents with the Stock Exchanges (in India or abroad), the RBI, the SEBI, the Registrar of Companies and such other authorities or institutions in India and/or abroad for this purpose and to do all such acts, deeds and things as may be necessary or incidental to give effect to the resolutions above and the Common Seal of the Company be affixed wherever necessary."

"RESOLVED FURTHER THAT such of these Securities as are not subscribed may be disposed off by the Board in its absolute discretion in such manner, as the Board may deem fit and as permissible by law."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers conferred by this resolution on it, to any Committee of directors or the Managing Director or Directors or any other officer of the Company, in order to give effect to the above resolutions."

"RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time and other applicable SEBI regulations and guidelines, the provisions of the Memorandum and Articles of Association of the Company and subject to such other applicable laws, rules and regulations and guidelines, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) for making offer(s) or invitation(s) to subscribe redeemable secured/ unsecured Non-Convertible Debentures (NCDs) but not limited to subordinated debentures, bonds, and/or other debt securities, etc., on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Special Resolution by the members, within the overall borrowing limits of the Company, as may be approved by the members from time to time."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to determine the terms of issue including the class of investors to whom NCDs are to be issued, time, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium/ discount, listing and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/ writings as may be required in this regard."

By order of the Board of Directors

Dipti Shah
Company Secretary

Place: Ahmedabad
Date: May 3, 2018

Registered Office:
"Adani House",
Nr. Mithakhali Six Roads,
Navrangpura,
Ahmedabad - 380009,
Gujarat, India
CIN: L63090GJ1998PLC034182

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER.**

   A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. **THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

3. Information regarding re-appointment of Director and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India is annexed hereto.

4. The Register of members and share transfer books of the Company will remain closed from Monday, July 30, 2018 to Monday, August 6, 2018 (both days inclusive) to determine entitlement of the shareholders to receive dividend for the year 2017-18.

5. Shareholders seeking any information with regard to accounts are requested to write to the Company atleast 10 days before the meeting so as to enable the management to keep the information ready.

6. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting (AGM).

7. Members are requested to bring their copy of Annual Report at the meeting.

8. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

9. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders, who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.

10. The balance lying in the unpaid dividend account of the Company in respect of interim dividend declared for the financial year 2011-12 will be transferred to the Investor Education and Protection Fund of the Central Government by April, 2019. Members who have not encashed their dividend warrants pertaining to the said year may approach the Company or to the R&T Agent for obtaining payments thereof by March, 2019.

11. The route map showing directions to reach the venue of the 19th AGM is annexed.

12. Process and manner for members opting for voting through Electronic means:

    i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited ("remote e-voting").

    ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Monday, July 30, 2018, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

    iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Monday, July 30, 2018, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.

    iv. The remote e-voting will commence on Thursday, August 2, 2018 at 9.00 a.m. and will end on Sunday, August 5, 2018 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. Monday, July 30, 2018, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

vi. The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.

vii. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Monday, July 30, 2018.

viii. The Company has appointed CS Chirag Shah, Practising Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.

ix. The procedure and instructions for remote e-voting are, as follows:

Step 1 : Open your web browser during the voting period and log on to the e-voting website: www.evotingindia.com.

Step 2 : Now click on "Shareholders" to cast your votes.

Step 3 : Now, fill up the following details in the appropriate boxes:

User-ID	a. For CDSL: 16 digits beneficiary ID
	b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
	c. Members holding shares in physical form should enter the Folio Number registered with the Company.

Step 4 : Next, enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to then your existing password is to be used.

Step 5 : If you are a first time user follow the steps given below:

For members holding shares in demat form and physical form:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in Step 3.

Step 6 : After entering these details appropriately, click on "SUBMIT" tab.

Step 7 : Members holding shares in physical form will then directly reach the Company selection screen. However, first time user holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that the Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

If Demat account holder has forgotten the changed password then Enter the user ID and the image verification code and click on Forgot Password and enter the details as prompted by the System.

Step 8 : For members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.

Step 9 : Click on EVSN of the Company.

Step 10 : On the voting page, you will see Resolution Description and against the same, the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Step 11 : Click on the resolution file link if you wish to view the entire Notice.

Step 12 : After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

Step 13 : You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.

Step 14 : Instructions for Non – Individual Members and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

x. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.adaniports.com and on the website of CDSL i.e www.cdslindia.com within three days of the passing of the Resolutions at the 19th AGM of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

xii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Contact Details:

Company	:	Adani Ports and Special Economic Zone Limited Regd. Office: "Adani House", Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India CIN: L63090GJ1998PLC034182 E-mail ID: investor.apsezl@adani.com
Registrar and Transfer Agent	:	Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400083, Maharashtra, India Phone: +91-22-49186270 | Fax: +91-22-49186060
e-Voting Agency	:	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com Phone : +91-22-22723333/8588
Scrutinizer	:	CS Chirag Shah Practising Company Secretary E-mail ID: pcschirag@gmail.com

Annexure to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

For Item No. 6

The Company proposes to have flexibility to infuse additional capital, to tap capital markets and to raise additional long term resources, if necessary in order to sustain rapid growth in the business, for business expansion and to improve the financial leveraging strength of the Company. The proposed resolution seeks the enabling authorization of the members to the Board of Directors to raise funds to the extent of ₹ 5,000 crores (Rupees Five Thousand Crores Only) or its equivalent in any one or more currencies, in one or more tranches, in such form, on such terms, in such manner, at such price and at such time as may be considered appropriate by the Board (inclusive at such premium as may be determined) by way of issuance of equity shares of the Company ("Equity Shares") and/or any instruments or securities including Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares and/or convertible debentures (compulsorily and/ or optionally, fully and/or partly) and/or non-convertible debentures (or other securities) with warrants, and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of Foreign Currency Convertible Bonds ("FCCBs") and/ or Foreign Currency Exchangeable Bonds ("FCEBs") and/ or any other permitted fully and/or partly paid securities/ instruments/warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency by way of private placement or otherwise.

The Special Resolution also seeks to empower the Board of Directors to undertake a Qualified Institutional Placement (QIP) with Qualified Institutional Buyers (QIBs) as defined by SEBI under Issue of Capital and Disclosure Requirements Regulations, 2009. The Board of Directors may in their discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Further in case the Company decides to issue eligible securities within the meaning of Chapter VIII of the SEBI Regulations to Qualified Institutional Investors, it will be subject to the provisions of Chapter VIII of the SEBI Regulations as amended from time to time. The aforesaid securities can be issued at a price after taking into consideration the pricing formula prescribed in Chapter VIII of the SEBI (ICDR) Regulations. Allotment of securities issued pursuant to Chapter VIII of SEBI Regulations shall be completed within twelve months from the date of passing of the resolution under Section 42 and 62 of the Companies Act, 2013 ("Act"). This Special Resolution gives (a) adequate flexibility and discretion to the Board to finalise the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and experts or such other authority or authorities as need to be consulted including in relation to the pricing of the Issue which will be a free market pricing and may be at premium or discount to the market price in accordance with the normal practice and (b) powers to issue and market any securities issued including the power to issue such Securities in such tranche or tranches with/without voting rights or with differential voting rights.

The detailed terms and conditions for the issue of Securities will be determined in consultation with the advisors and such Authority/Authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The consent of the shareholders is being sought pursuant to the provisions of Section 42, 62 and other applicable provisions of the Act and in terms of the provisions of the listing agreement executed by the Company with Stock Exchanges where the Equity Shares of the Company are listed. Since the resolution involves issue of Equity Shares to persons other than existing shareholders, special resolution in terms of Section 42 and 62 of the Act is proposed for your approval. The amount proposed to be raised by the Company shall not exceed ₹ 5,000 crores (Rupees Five Thousand Crores Only).

The Equity shares, which would be allotted, shall rank in all respects pari passu with the existing Equity Shares of the Company, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and/or listing particulars.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

For Item No. 7

As per the provisions of Section 42 of the Companies Act, 2013 ("Act") read with rules made thereunder, a Company offering or making an invitation to subscribe to redeemable secured/ unsecured Non-Convertible Debentures (NCDs) on a private placement basis is required to obtain the prior approval of the members by way of a Special Resolution. Such approval by a Special Resolution can be obtained once a year for all the offers and an invitation for such debt securities to be made during the year.

It is proposed to offer or invite subscriptions for redeemable secured/ unsecured non-convertible debentures including subordinated debentures, bonds, and/ or other debt securities, etc., on private placement basis, in one or more tranches, during the period of one year from the date of passing of the Special Resolution by the members, within the overall borrowing limits of the Company, as may be approved by the members from time to time, with authority to the Board to determine the terms and conditions, including the issue price of the debt securities, interest, repayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the Resolution. Accordingly, the approval of the members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any, of the Act read with rules made thereunder.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

By order of the Board of Directors

Dipti Shah
Company Secretary

Place: Ahmedabad
Date: May 3, 2018

Registered Office:
"Adani House",
Nr. Mithakhali Six Roads,
Navrangpura,
Ahmedabad - 380009,
Gujarat, India
CIN: L63090GJ1998PLC034182

Annexure to Notice

Details of Director seeking re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he holds directorship as on 31.03.2018	Name of committees in which he holds membership/ chairmanship as on 31.03.2018
Dr. Malay Mahadevia	55 years, May 3, 1963, (Nil)	B.D.S. & M.D.S. from Nair Hospital Dental College, Ph.D. in Marine Ecology	Dr. Malay Mahadevia is a whole-time Director of the Company. He holds a master's degree in dental surgery from University of Bombay. He was conferred with a doctorate of philosophy in coastal ecology around Mundra area, Kutch District, Gujarat by Gujarat University. He has been working with our Company since 1992 and has worked on the development of Mundra Port since its conceptualisation. He is vice president of Ahmedabad Management Association.	• Adani Ports and Special Economic Zone Ltd.^^ • Vadilal Industries Ltd.^^ • GSPC LNG Ltd. • Adani Gas Holdings Ltd. • Adani Vizhinjam Port Pvt. Ltd. • Adani Infrastructure Pvt. Ltd. • Mahadevia Dental Hospital Pvt. Ltd. • People's Response for India's Development & Empowerment Confederation • Adani Institute for Education and Research • Adani Skill Development Centre	**Vadilal Industries Ltd.^^** • Audit Committee (Member) • Nomination & Remuneration Committee (Chairman) **Adani Ports and Special Economic Zone Ltd.^^** • Sustainability and Corporate Social Responsibility Committee (Member) • Risk Management Committee (Member)

^^Listed Companies

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above director please refer to the Corporate Governance Report.

Adani Ports and Special Economic Zone Ltd
Regd. Office: "Adani House" Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad-380 009, Gujarat, India
Website: www.adaniports.com
E-mail : investor.apsezl@adani.com
CIN: L63090GJ1998PLC034182

Form No. MGT-11
Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	L63090GJ1998PLC034182
Name of the company	:	Adani Ports and Special Economic Zone Limited
Registered office	:	"Adani House" Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India

Name of the member	:	
Registered Address	:	
Email ID	:	
Folio No/Client ID	:	
DP ID	:	

I/We, being the member(s) holding ....shares of the above named Company hereby appoint:

1. Name :____________________

   Address :____________________

   E-mail ID :____________________

   Signature:____________________, or failing him

2. Name :____________________

   Address :____________________

   E-mail ID :____________________

   Signature:____________________, or failing him

3. Name :____________________

   Address :____________________

   E-mail ID :____________________

   Signature:____________________, or failing him as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 19th Annual General Meeting of the Company, to be held on Monday, the 6th day of August, 2018 at 9:30 a.m. at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of audited financial statements (including consolidated financial statements) for the financial year ended March 31, 2018 (Ordinary Resolution)

2. Declaration of Dividend on Equity Shares (Ordinary Resolution)

3. Declaration of Dividend on Preferences Shares (Ordinary Resolution)

4. Re-appointment of Dr. Malay Mahadevia (DIN: 00064110), as a Director of the Company who retires by rotation (Ordinary Resolution)

5. Ratification of appointment of M/s. Deloitte Haskins & Sells LLP, Statutory Auditors and fixing their remuneration (Ordinary Resolution)

Special Business:

6. Approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹ 5,000 crores (Special Resolution)

7. Approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement basis (Special Resolution)

Signed this .... day of .... 2018.

Signature of Shareholder: ....

Affix ₹ 1 Revenue Stamp

Signature of Proxy holder(s): ....

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

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CIN: L63090GJ1998PLC034182

Attendance Slip

Full name of the member attending____

Full name of the joint-holder____
(To be filled in if first named Joint – holder does not attend meeting)

Name of Proxy____
(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 19th Annual General Meeting held at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380015 on Monday, 6th August, 2018 at 9:30 a.m.

Folio No ____________________ DP ID No.* ____________________________ Client ID No.* ________________

*Applicable for members holding shares in electronic form.

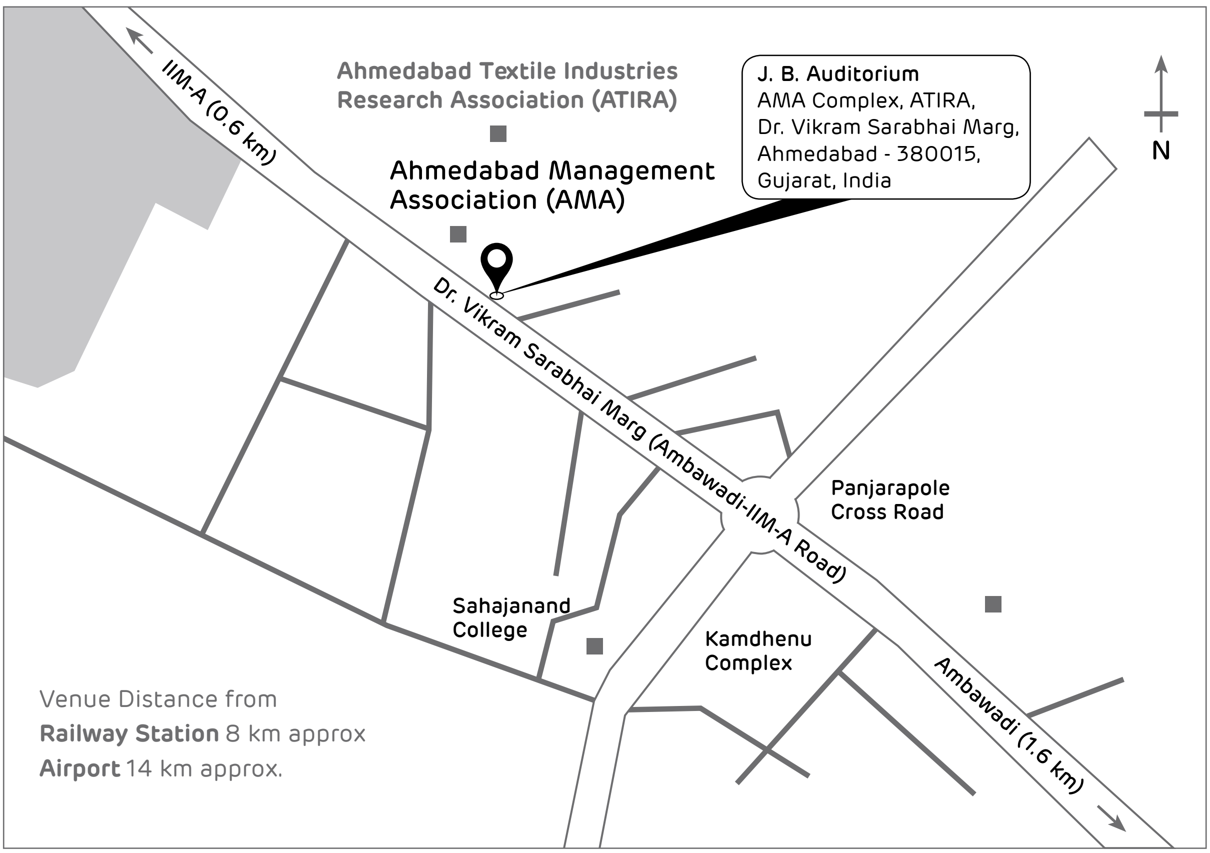
No. of Share(s) held ____________________________

____
Member's / Proxy's Signature

Route map to the venue of the 19th AGM to be held on Monday, 6th August, 2018

Venue : J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015

Landmark: Opposite Indian Institute of Management, Ahmedabad

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MAERSK
MAERSK SEALAND
CMA CGM
P&O
Safmarine
msc

Adani Ports and
Special Economic Zone Limited
Adani House, Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad – 380009,
Gujarat

P: +91 79 2656 5555
F: +91 79 2656 5500

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