

**DHARMESH PARIKH & CO.**  
CHARTERED ACCOUNTANTS

303/304, "Milestone", Nr. Drive-in-Cinema, Opp. T. V Tower, Thaltej,  
Ahmedabad-380 054. Phone: 91-79-27474466 Fax: 91-79-27479955

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of ADANI SHIPPING (INDIA) PRIVATE LIMITED**

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS Financial Statements of Adani Shipping (India) Private Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

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

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

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 Ind AS Financial Statements are free from material misstatement.

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

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



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**Independent Auditor's Report**  
**To the Members of Adani Shipping (India) Private Limited (Continue).....**

**Emphasis of Matter**

We draw attention to Note No. 20 of the Financial Statements wherein the company has a negative net worth and negative net current assets. However, the accompanying financial statements have been prepared under the going concern assumption considering the continuing financial support from the parent company.

Our opinion is not modified in respect of this matter.

**Opinion**

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss, the Statement Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid Ind AS Financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) The going concern matter described in the Emphasis of matter paragraph above, in our opinion, may have an adverse impact on the functioning of the company.
  - f) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";



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**Independent Auditor's Report**

**To the Members of Adani Shipping (India) Private Limited (Continue).....**

- h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The company did not hold or transact in cash during the entire year. Accordingly requisite disclosure as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 in its Ind AS Financial statements is not done.

Place : Ahmedabad  
Date : 20<sup>th</sup> May 2017



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

A handwritten signature in black ink, appearing to read "D.A. Parikh".

**D.A. Parikh**  
Partner  
Membership No.045501

**DHARMESH PARIKH & CO.**  
CHARTERED ACCOUNTANTS

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**RE: ADANI SHIPPING (INDIA) PRIVATE LIMITED**  
**ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Ind AS Financial Statements for the year ended 31<sup>st</sup> March, 2017, we report that:

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. The same are in the process of being updated;
- b) According to the information and explanations given to us, the Company has a program of physically verifying its fixed assets in a phased manner designed to cover all assets, which in our opinion is reasonable having regard to the size of the company and the nature of its business. Accordingly during the year the management had carried out physical verification for some of its assets and no material discrepancies were noticed on such verification.
- c) The company does not have any Immovable Properties. Accordingly, the provisions of paragraph 3 (i) (c) of the Order are not applicable
- (ii) The Company is deal in service industries and does not hold any inventories. Accordingly the provision of paragraph 3 (ii) of the order are not applicable.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly the provisions of paragraph 3 (iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) According to the information and explanation given to us, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the statutory dues payable by company including income tax, provident fund, employees' state insurance fund, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of any duty of excise, custom, sales tax and service tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, provident fund, employees' state insurance fund, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.





# DHARMESH PARIKH & CO.

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**RE: ADANI SHIPPING (INDIA) PRIVATE LIMITED**  
**ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT**

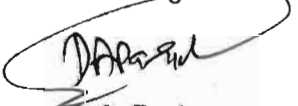
(Referred to in Paragraph 1 of our Report of even date)

- (b) According to the records of the Company and representations made by the Management, there are no statutory dues as mentioned in paragraph 3(vii)(a) which have not been deposited on account of any dispute.
- (viii) The Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures. Accordingly the provisions of paragraph 3 (viii) of the Order are not applicable.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud on or by the company, or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid/provided. Accordingly the provisions of Clauses 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 and all the details have been disclosed in Ind AS Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

Place : Ahmedabad  
Date : 20<sup>th</sup> May 2017



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

  
**D.A. Partner**  
Partner  
Membership No. 045501

**DHARMESH PARIKH & CO.**  
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**RE: ADANI SHIPPING (INDIA) PRIVATE LIMITED**  
**ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT**

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Referred to in paragraph 2(g) of the Independent Auditor's Report of even date to the members of Adani Shipping (INDIA) Private Limited on the financial statement for the year ended March 31, 2017.

Report on the Internal Financial Controls under Clause i of sub-section 3 of section 143 of the Companies Act 2013 (the act).

We have audited the internal financial controls over financial reporting of the Adani Shipping (India) Private Limited (the company) as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the Ind AS Financial Statements of the company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

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



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**RE: ADANI SHIPPING (INDIA) PRIVATE LIMITED**  
**ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in Paragraph 2(g) of our Report of even date)

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2017, 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.

Place : Ahmedabad  
Date : 20<sup>th</sup> May 2017



For, **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

  
**D.A. Parikh**  
Partner  
Membership No. 045501



Particulars	Notes	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>ASSETS</b>				
<b>Non-current Assets</b>				
(a) Property, Plant and Equipment	4	2,68,772	3,16,896	2,16,573
(b) Other Intangible Assets	4	62,245	1,93,127	3,24,061
(c) Deferred Tax Assets (Net)	5	23,11,551	26,15,875	21,76,053
		<b>26,42,568</b>	<b>31,25,898</b>	<b>27,16,687</b>
<b>Current Assets</b>				
(a) Financial Assets				
(i) Trade Receivables	6	7,97,429	10,61,548	3,09,208
(ii) Cash and Cash Equivalents	7	41,89,890	83,33,983	35,17,503
(iii) Loans	8	3,30,831	61,671	-
(b) Other Current Assets	9	46,645	31,701	15,251
		<b>53,64,795</b>	<b>94,88,903</b>	<b>38,41,962</b>
<b>Total Assets</b>		<b>80,07,363</b>	<b>1,26,14,801</b>	<b>65,58,649</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	10	5,00,000	5,00,000	5,00,000
(b) Other Equity	11	(45,99,121)	(48,37,455)	(47,10,957)
<b>Total Equity</b>		<b>(40,99,121)</b>	<b>(43,37,455)</b>	<b>(42,10,957)</b>
<b>Liabilities</b>				
<b>Non-current Liabilities</b>				
(a) Net employee defined benefit liabilities	12	24,27,498	21,68,670	19,10,752
		<b>24,27,498</b>	<b>21,68,670</b>	<b>19,10,752</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Trade Payables	13	69,96,909	1,24,58,040	76,94,855
(b) Net employee defined benefit liabilities	12	18,01,878	13,44,280	6,32,732
(c) Other Current Liabilities	14	8,80,199	9,81,266	5,31,267
		<b>96,78,986</b>	<b>1,47,83,586</b>	<b>88,58,854</b>
<b>Total Equity and Liabilities</b>		<b>80,07,363</b>	<b>1,26,14,801</b>	<b>65,58,649</b>

Summary of Significant Accounting Policies 2.1

The accompanying notes are an integral part of the Financial Statements

As per attached our report of even date

For Dharmesh Parikh & Co.  
Chartered Accountants  
Firm Registration Number : 112054W


D.A. Parikh  
Partner  
Membership No. 045501

Place : Ahmedabad  
Date : 20th May, 2017

For and on behalf of the board of directors of  
Adani Shipping (India) Private Limited



Jatinkumar Jalundhwala  
Director  
DIN 00137888

Kaushal Shah  
Director  
DIN 06898439

Place : Ahmedabad  
Date : 20th May, 2017



Particulars	Notes	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>Revenue</b>			
Revenue from Operations	15	3,36,66,272	3,13,52,640
Other Income	16	-	1,14,554
<b>Total Revenue</b>		<b>3,36,66,272</b>	<b>3,14,67,194</b>
<b>Expenses</b>			
Employee Benefits Expenses	17	2,73,51,735	2,59,18,309
Finance Costs	18	9,872	1,621
Depreciation and Amortisation Expenses	4	2,83,658	2,99,795
Other Expenses	19	54,62,225	56,60,514
<b>Total Expenses</b>		<b>3,31,07,490</b>	<b>3,18,80,239</b>
<b>Profit / (Loss) Before Tax</b>		<b>5,58,782</b>	<b>(4,13,045)</b>
<b>Tax Expense:</b>			
Current Tax		-	-
Deferred Tax		3,08,477	(3,92,459)
		<b>3,08,477</b>	<b>(3,92,459)</b>
<b>Profit /(Loss) for the Year</b>	<b>Total A</b>	<b>2,50,305</b>	<b>(20,586)</b>
<b>Other Comprehensive Income</b>			
Items that will be reclassified to statement of profit or loss		-	-
Items that will not be reclassified to statement of profit or loss			
Remeasurement of the net defined benefit liability/asset		(16,123)	(1,53,273)
Tax Impact on above		4,152	47,361
<b>Other Comprehensive Income / (Loss) (After Tax)</b>	<b>Total B</b>	<b>(11,971)</b>	<b>(1,05,912)</b>
<b>Total Comprehensive Income / (Loss) for the year</b>	<b>Total (A+B)</b>	<b>2,38,334</b>	<b>(1,26,498)</b>
<b>Earnings Per Share (EPS)</b>	22		
<b>(Face Value Rs. 10 Per Share)</b>			
Basic earnings per Share		5.01	(0.41)
Diluted earnings per Share		5.01	(0.41)
<b>Summary of Significant Accounting Policies</b>	2.1		

The accompanying notes are an integral part of the Financial Statements

As per attached our report of even date

For Dharmesh Parikh & Co.  
Chartered Accountants  
Firm Registration Number : 112Q54W

D.A.Parikh  
Partner  
Membership No. 045501



For and on behalf of the board of directors of  
Adani Shipping (India) Private Limited



Jatinkumar Jalundhwala  
Director  
DIN 00137888

Kaushal Shah  
Director  
DIN 06898439

Place : Ahmedabad  
Date : 20th May, 2017

Place : Ahmedabad  
Date : 20th May, 2017

**Adani Shipping (India) Private Limited**  
**Cashflow Statement for the year ended on 31st March, 2017**

**adani**<sup>™</sup>

Sr.	Particulars	For the year ended 31/03/2017		For the year ended 31/03/2016	
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Net Profit / (Loss) before tax		5,58,782		(4,13,045)
	<b>Adjustment for:</b>				
	Depreciation / Amortisation	2,83,658		2,99,795	
	Ind As - Gratuity OCI Impact	(16,123)		(1,53,273)	
	<b>Total Adjustments to Net Profit</b>		2,67,535		1,46,522
	<b>Operating Profit / (Loss) Before Working Capital Changes</b>		<b>8,26,317</b>		<b>(2,66,523)</b>
	<b>Adjustment for:</b>				
	Trade Payables	(54,61,131)		47,63,185	
	Other Current Liabilities	(1,01,067)		4,49,999	
	Net employee defined benefit liabilities	7,16,427		9,69,466	
	Loans - Staff Imprest	(2,69,160)		(61,671)	
	Other current Assets	(14,944)		(16,450)	
	Trade Receivable	2,64,119		(7,52,340)	
	<b>Total Working Capital Changes</b>		<b>(48,65,758)</b>		<b>53,52,188</b>
	<b>Cash Generated from Operations</b>		<b>(40,39,441)</b>		<b>50,85,664</b>
	Direct Tax (Paid) / Refund		-		-
	<b>Net Cash Flow from Operating Activities</b>		<b>(40,39,441)</b>		<b>50,85,664</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Purchase of Fixed Assets (Net of Return)	(1,04,652)		(2,69,184)	
	<b>Net Cash Used In Investing Activities</b>		<b>(1,04,652)</b>		<b>(2,69,184)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	<b>Net Cash Used In Investing Activities</b>		-		-
<b>D</b>	<b>Net Increase / (Decrease) in cash and Cash Equivalents (A+B+C)</b>		<b>(41,44,093)</b>		<b>48,16,480</b>
	Cash and Cash Equivalents at the beginning of the Period		83,33,983		35,17,503
	<b>Cash &amp; Cash Equivalents at the end of the year (Refer note 7)</b>		<b>41,89,890</b>		<b>83,33,983</b>

The accompanying notes forming part of the financial statements

As per attached our report of even date

For DHARMESH PARIKH & CO.  
Chartered Accountants  
Firm Reg No : 112054W

**D.A. PARIKH**  
Partner  
(Membership No.045501)  
Place : Ahmedabad  
Date : 20th May, 2017



For and on behalf of the board of directors of  
ADANI SHIPPING (INDIA) PRIVATE LIMITED



**Jatinkumar Jalundhwala**  
Director  
DIN: 00137888

**Kaushal Shah**  
Director

DIN: 06898439  
Place : Ahmedabad  
Date : 20th May, 2017

**A. Equity Share Capital**

Particulars	No. of Shares	Amt in Rupees
Balance as at 1st April, 2015	50,000	5,00,000
Changes in equity share capital during the year :	-	-
Balance as at 31st March, 2016	50,000	5,00,000
Changes in equity share capital during the year :	-	-
Balance as at 31st March, 2017	50,000	5,00,000

**B. Other Equity**

Particulars	(Amt in Rupees.) Retained Earnings
Balance as at 1st April, 2015	(47,10,957)
Profit for the year	(20,586)
Other Comprehensive Income	(1,05,912)
Balance as at 31st March, 2016	(48,37,455)
Profit for the year	2,50,305
Other Comprehensive Income	(11,971)
Balance as at 31st March, 2017	(45,99,121)

As per attached our report of even date

For Dharmesh Parikh & Co.  
Chartered Accountants  
Firm Registration Number : 112054W



**D.A. Parikh**  
Partner  
Membership No. 045501

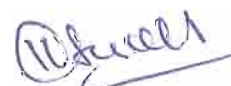


For and on behalf of the board of directors of  
Adani Shipping (India) Private Limited



**Jatinkumar Jalundhwala**  
Director  
DIN 00137888

*R. Salundhwala*



**Kaushal Shah**  
Director  
DIN: 06898439

Place : Ahmedabad  
Date : 20th May, 2017

Place : Ahmedabad  
Date : 20th May, 2017



**1 Corporate information**

Adani Shipping (India) Private Limited (ASIPL) is a private company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having its registered office at 601, 6th Floor, Hallmark Business Plaza, Opp. Guru Nanak Hospital, Bandra (East), Mumbai - 400051, Maharashtra. The Company is incorporated on 27/08/2010 vide registration no. U63090MH2010PTC207152.

The main objects of the company to be pursued on its incorporation are to carry on the business to provide services such as ship management services, container vessel management, vessel management, bulk carrier and crew management services, crew support services, ship repair and ship inspections services

**2 Basis of preparation**

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

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

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

**2.1 Summary of significant accounting policies**

**a) Current versus non-current classification**

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period  
All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current

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

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

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

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses, if any. The cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Depreciation on fixed assets, is provided using the straight-line method. Estimated useful lives of assets are determined based on technical parameters/assessment. The aforesaid estimated useful lives for Computing depreciation is as per Schedule II to the Companies Act, 2013

Depreciation on Assets acquired or disposed off during the year is provided on pro-rata basis with reference to the date of acquisition or disposal.

**c) Intangible Fixed assets**

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses if any. Intangible assets are amortised over their estimated useful economic life. Computer Software cost is amortised over a period of three years using straight-line method

**d) 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.

**e) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Income from services is recognised based on the terms of agreements as and when the services are rendered.

**f) Foreign Currency Translation**

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

**i) Transactions and balances**

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

**ii) Conversion**

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

**iii) Exchange Differences**

Gains and losses arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities are recognised in the statement of profit and loss account.



**g) Employees Retirement Benefits**

**i) Defined contribution plan :** 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.

**ii) Defined benefit plan :** 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

**iii) Compensated absences :** 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.

**iv) Short term employee benefits:** They are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are received.

**h) Segment Reporting**

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

**i) Earnings per share**

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

The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

**j) Taxes**

**i) Current income tax**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date. Provision for current year tax has not been made in absence of taxable profit.

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

**ii) Deferred tax**

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

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

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

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

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

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

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

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



**k) Provisions**

**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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

**l) Expenditure**

Expenditures are accounted net of taxes recoverable, wherever applicable.

**m) Applicability of other Indian Accounting Standards**

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





**3.1 First-time adoption of Ind-AS**

The Company has adopted Ind AS from 1st April, 2016 and the date of transition to Ind AS is 1st April, 2015. This being the first financial statements in compliance with Ind AS, the impact of transition has been accounted for in opening reserves and comparable periods have been restated in accordance with Ind AS 101 – "First-time Adoption of Indian Accounting Standards". The Company has presented a reconciliation of its equity under Previous GAAP to its equity under Ind AS as at 1st April, 2015 and 31st March, 2016 and of the total comprehensive income for the year ended 31st March, 2016 as required by Ind AS 101.

**3.2 Following are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.****a) Exemption Availed**

Deemed cost of property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all its property, plant and equipments and intangible assets recognised as of 1st April, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost on transition date.

**b) Estimates**

The estimates at 31st March, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (After adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation

> Impairment of Financial assets based on risk exposure and application of ECL model.

The estimates used by the company to present this amounts in accordance with IndAS reflect conditions as of 31st March, 2016.

**i) Derecognition of financial assets and financial liabilities**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

**ii) Classification and measurement of financial assets**

The Company has assessed classification and measurement of financial assets on the basis of facts and circumstances that exist as on transition date.

**iii) Impairment of financial assets**

The Company has applied impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

**(c) Reconciliation of Equity as at 1st April 2015 and 31st March 2016:**

Particulars	(Amt in Rupees)	
	As at	
	31-03-2016	01-04-2015
Equity Share Capital as per previous GAAP	5,00,000	5,00,000
Other Equity as per previous GAAP	(48,37,454)	(47,10,957)
Adjustments	-	-
Total Adjustment to the Equity	-	-
Equity as reported under Ind AS	(43,37,454)	(42,10,957)

**Reconciliation of Total Comprehensive Income for the year ended 31st March 2016:**

Particulars	(Amt in Rupees)
	For the year ended 31/03/2016
Previous GAAP	(1,26,498)
Ind AS: Adjustments increase (decrease):	(1,05,912)
Total adjustment to profit or loss	(1,05,912)
Profit or loss under Ind AS	(20,586)
Other comprehensive income	(1,05,912)
Total comprehensive income under Ind AS	(1,26,498)



## 3.3 Effects of Ind AS adoption on the balance sheet as at 31st March, 2016 and 1st April, 2015

(Amt in Rupees)

Particulars	As on 31/3/2016 (End of last period presented under previous GAAP)			As on 01/04/2015 (Date of Transition)		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS Balance Sheet	Previous GAAP	Effect of Transition to Ind AS	Ind AS Balance Sheet
<b>ASSETS</b>						
<b>(1) Non-current Assets</b>						
(a) Property, Plant and Equipment	3,16,896	-	3,16,896	2,16,573	-	2,16,573
(b) Other Intangible Assets	1,93,127	-	1,93,127	3,24,061	-	3,24,061
(c) Deferred Tax Assets (Net)	26,15,875	-	26,15,875	21,76,053	-	21,76,053
	<b>31,25,898</b>	<b>-</b>	<b>31,25,898</b>	<b>27,16,687</b>	<b>-</b>	<b>27,16,687</b>
<b>(2) Current Assets</b>						
(a) Financial Assets		-			-	
(i) Trade Receivables	10,61,548	-	10,61,548	3,09,208	-	3,09,208
(ii) Cash and Cash Equivalents	83,33,983	-	83,33,983	35,17,503	-	35,17,503
(iii) Loans	61,671	-	61,671		-	
(b) Other Current Assets	31,701	-	31,701	15,251	-	15,251
	<b>94,88,903</b>	<b>-</b>	<b>94,88,903</b>	<b>38,41,962</b>	<b>-</b>	<b>38,41,962</b>
<b>TOTAL Assets</b>	<b>1,26,14,801</b>	<b>-</b>	<b>1,26,14,801</b>	<b>65,58,649</b>	<b>-</b>	<b>65,58,649</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
(a) Equity Share Capital	5,00,000	-	5,00,000	5,00,000	-	5,00,000
(b) Other Equity	(48,37,455)	-	(48,37,455)	(47,10,957)	-	(47,10,957)
	<b>(43,37,455)</b>	<b>-</b>	<b>(43,37,455)</b>	<b>(42,10,957)</b>	<b>-</b>	<b>(42,10,957)</b>
<b>Liabilities</b>						
<b>(1) Non-current Liabilities</b>						
(a) Net employee defined benefit liabilities	21,68,670	-	21,68,670	19,10,752	-	19,10,752
	<b>21,68,670</b>	<b>-</b>	<b>21,68,670</b>	<b>19,10,752</b>	<b>-</b>	<b>19,10,752</b>
<b>(2) Current Liabilities</b>						
(a) Financial Liabilities						
(i) Trade Payables	1,24,58,040	-	1,24,58,040	76,94,855	-	76,94,855
(b) Net employee defined benefit liabilities	13,44,280	-	13,44,280	6,32,732	-	6,32,732
(c) Other Current Liabilities	9,81,266	-	9,81,266	5,31,267	-	5,31,267
	<b>1,47,83,586</b>	<b>-</b>	<b>1,47,83,586</b>	<b>88,58,854</b>	<b>-</b>	<b>88,58,854</b>
<b>TOTAL Liabilities</b>	<b>1,26,14,801</b>	<b>-</b>	<b>1,26,14,801</b>	<b>65,58,649</b>	<b>-</b>	<b>65,58,649</b>

## 3.4 Effects of Ind AS adoption on the Statement of Profit and loss for the year ended 31st March, 2016

(Amt in Rupees)

Particulars	As on 31/3/2016 (End of last period presented under previous GAAP)		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS
<b>Revenue</b>			
Revenue from Operations	3,13,52,640	-	3,13,52,640
Other Income	1,14,554	-	1,14,554
<b>Total Revenue</b>	<b>3,14,67,194</b>		<b>3,14,67,194</b>
<b>Employee Benefits Expenses</b>	2,60,71,582	(1,53,273)	2,59,18,309
Finance Costs	1,621	-	1,621
Depreciation and Amortisation Expenses	2,99,795	-	2,99,795
Other Expenses	56,60,514	-	56,60,514
<b>Total Expenses</b>	<b>3,20,33,512</b>	<b>(1,53,273)</b>	<b>3,18,80,239</b>
<b>Profit/ (Loss) before exceptional items and tax</b>	<b>(5,66,318)</b>	<b>1,53,273</b>	<b>(4,13,045)</b>
<b>Tax Expense:</b>			
Current Tax	-	-	-
Deferred Tax	(439,820)	47,361	(392,459)
	<b>(439,820)</b>	<b>47,361</b>	<b>(392,459)</b>
<b>Profit / (Loss) after tax</b>	<b>(126,498)</b>	<b>105,912</b>	<b>(20,586)</b>
Other Comprehensive Income (Remeasurement of the defined benefit plans)	-	(105,912)	(105,912)
<b>Other Comprehensive Income (After Tax)</b>	<b>-</b>	<b>(105,912)</b>	<b>(105,912)</b>
<b>Loss from total operations for the year</b>	<b>(126,498)</b>	<b>-</b>	<b>(126,498)</b>

## 3.5 Effects of Ind AS adoption on the financial statement of comparative periods:

As there is no material reconciliation item between Cash flow statement prepared under Indian GAAP and those prepared under Ind AS, reconciliation for the same is not presented.



4 Property, Plant and Equipment and Intangible Assets

Description of Assets	Tangible Assets				(Amount in Rupees) Intangible Assets	
	Computer	Office Equipments	Furniture and Fixtures	Total	Computer Software	Total
<b>I. Cost or Deemed Cost</b>						
Balance as at 1st April, 2015	2,05,539	6,363	4,671	2,16,573	3,24,061	3,24,061
Additions	2,69,184	-	-	2,69,184	-	-
disposals	-	-	-	-	-	-
Balance as at 31st March,2016	4,74,723	6,363	4,671	4,85,757	3,24,061	3,24,061
Additions	1,40,220	9,296	-	1,49,516	-	-
disposals	44,864	-	-	44,864	-	-
Balance as at 31st March,2017	5,70,079	15,659	4,671	5,90,409	3,24,061	3,24,061
<b>II. Accumulated depreciation and impairment</b>						
Balance as at 1st April, 2015	-	-	-	-	-	-
Depreciation expense	1,65,534	2,584	743	1,68,861	1,30,934	1,30,934
Eliminated on disposal of assets	-	-	-	-	-	-
Balance as at 31st March,2016	1,65,534	2,584	743	1,68,861	1,30,934	1,30,934
Depreciation expense	1,48,278	3,755	743	1,52,776	1,30,882	1,30,882
Eliminated on disposal of assets	-	-	-	-	-	-
Balance as at 31st March,2017	3,13,812	6,339	1,486	3,21,637	2,61,816	2,61,816

Description of Assets	Computer	Office Equipments	Furniture and Fixtures	Total	Computer Software	Total
<b>Carrying Amount :</b>						
As at 1st April,2015	2,05,539	6,363	4,671	2,16,573	3,24,061	3,24,061
As at 31st March,2016	3,09,189	3,779	3,928	3,16,896	1,93,127	1,93,127
As at 31st March,2017	2,56,267	9,320	3,185	2,68,772	62,245	62,245





	As at 31st March, 2017	As at 31st March, 2016	(Amt in Rupee As at 1st April, 2015)
<b>5 Deferred Tax Assets (Net)</b>			
Deferred tax liability			
Depreciation	29,631	50,136	57,781
<b>Gross deferred tax liability</b>	<b>29,631</b>	<b>50,136</b>	<b>57,781</b>
Deferred tax assets			
Business Loss and Unabsorbed Depreciation	9,32,153	12,60,544	11,26,581
Preliminary Expenses	-	-	1,351
Gratuity	5,37,196	5,08,602	3,64,451
Leave Encashment	5,51,869	5,76,901	4,21,481
<b>Gross deferred tax assets</b>	<b>20,21,218</b>	<b>23,46,047</b>	<b>19,13,871</b>
<b>Net deferred tax assets</b>	<b>19,91,587</b>	<b>22,95,911</b>	<b>18,56,085</b>
MAT Credit Entitlement	3,19,964	3,19,964	3,19,964
<b>Net deferred tax assets after MAT Credit Entitlement</b>	<b>23,11,551</b>	<b>26,15,875</b>	<b>21,76,051</b>
<b>Total</b>	<b>23,11,551</b>	<b>26,15,875</b>	<b>21,76,051</b>
<b>6 Trade Receivables</b>			
i) Considered good	7,97,429	10,61,548	3,09,201
ii) Considered doubtful	-	-	-
	<b>7,97,429</b>	<b>10,61,548</b>	<b>3,09,201</b>
Less : Provision for doubtful receivables	-	-	-
<b>Total</b>	<b>7,97,429</b>	<b>10,61,548</b>	<b>3,09,201</b>
<b>7 Cash and Cash equivalents</b>			
Balances with banks			
In current accounts	41,89,890	83,33,983	35,17,503
<b>Total</b>	<b>41,89,890</b>	<b>83,33,983</b>	<b>35,17,503</b>
<b>8 Loans to Employees</b>			
(Unsecured, considered good)			
Staff Interest	3,30,831	61,671	-
<b>Total</b>	<b>3,30,831</b>	<b>61,671</b>	<b>-</b>
<b>9 Other Current Assets</b>			
(Unsecured, considered good)			
Advance against Expenses	30,009	13,041	15,251
Prepaid Expenses	16,636	18,660	-
<b>Total</b>	<b>46,645</b>	<b>31,701</b>	<b>15,251</b>



10 Share Capital	As at 31st March, 2017	As at 31st March, 2016	(Amt in Rupee As at 1st April, 2015
Authorised Share Capital 50,000 (As at 31st March 2016 - 50,000, 1st April 2015 - 50,000) equity shares of Rs. 10 each	5,00,000	5,00,000	5,00,000
<b>Total</b>	<b>5,00,000</b>	<b>5,00,000</b>	<b>5,00,000</b>
Issued, Subscribed and Fully paid-up equity shares 50,000 (As at 31st March 2016 - 50,000, 1st April 2015 - 50,000) fully paid up equity shares of Rs. 10 each	5,00,000	5,00,000	5,00,000
<b>Total</b>	<b>5,00,000</b>	<b>5,00,000</b>	<b>5,00,000</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

**Equity Shares**

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. Shares	Rupees	No. Shares	Rupees	No. Shares	Rupees
At the beginning of the Year	50000	5,00,000	50000	5,00,000	50000	5,00,000
Add: Issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	<b>50000</b>	<b>5,00,000</b>	<b>50000</b>	<b>5,00,000</b>	<b>50000</b>	<b>5,00,000</b>

**b. Terms/rights attached to equity shares**

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

**c. Details of shareholders holding more than 5% shares in the Company**

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. Shares	% holding in the class	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of Rs. 10 each fully paid Adani Enterprises Ltd. - a Holding Company and its nominee	50000	100.00%	50000	100.00%	50000	100.00%
	<b>50,000</b>	<b>100.00%</b>	<b>50,000</b>	<b>100.00%</b>	<b>50,000</b>	<b>100.00%</b>

11 Other Equity	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>a. Surplus / (Deficit) in the Statement of Profit and Loss</b>			
Opening Balance	(47,31,543)	(47,10,957)	(20,26,107)
Add : Profit/(Loss) for the year	2,50,305	(20,586)	(26,84,850)
Total Retained Earning	<b>(44,81,238)</b>	<b>(47,31,543)</b>	<b>(47,10,957)</b>
Opening Balance of Other Comprehensive Income	(1,05,912)	-	-
Add : Remeasurement of defined employee benefit plans transferred to Other Comprehensive Income	(11,971)	(1,05,912)	-
Total Other Comprehensive Income	<b>(1,17,883)</b>	<b>(1,05,912)</b>	<b>-</b>
<b>Closing Balance</b>	<b>Total</b>	<b>(45,99,121)</b>	<b>(47,10,957)</b>

12 Net employee defined benefit liabilities	Non-Current			Current		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
<b>Net employee defined benefit liabilities</b>						
Provision for Employee Benefits						
- Gratuity	13,41,078	10,73,674	11,69,906	7,45,118	5,72,284	9,548
- Leave Encashment	10,86,420	10,94,996	7,40,846	10,56,760	7,71,996	6,23,184
	<b>24,27,498</b>	<b>21,68,670</b>	<b>19,10,752</b>	<b>18,01,878</b>	<b>13,44,280</b>	<b>6,32,732</b>

13 Trade Payables	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Trade Payables			
- Micro Small and Medium Enterprises	-	-	-
- Acceptances	-	-	-
- Other Than Acceptances	69,96,909	1,24,58,040	76,94,855
<b>Total</b>	<b>69,96,909</b>	<b>1,24,58,040</b>	<b>76,94,855</b>

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



14 Other Current Liabilities	(Amt in Rupees)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Statutory liabilities (TDS, PF, PT Etc.)	8,74,982	8,93,899	4,04,131
Advance from Customers	5,217	87,367	1,27,131
<b>Total</b>	<b>8,80,199</b>	<b>9,81,266</b>	<b>5,31,261</b>
15 Revenue from Operations	(Amt in Rupees)		
	For the year ended 31st March, 2017	For the year ended 31st March, 2016	For the year ended 31st March, 2016
Revenue from Operations			
Vessel Management Services	3,36,66,272	3,13,52,640	3,13,52,640
<b>Total</b>	<b>3,36,66,272</b>	<b>3,13,52,640</b>	<b>3,13,52,640</b>
16 Other Income	(Amt in Rupees)		
	For the year ended 31st March, 2017	For the year ended 31st March, 2016	For the year ended 31st March, 2016
Foreign Exchange Fluctuation Gain (net)	-	1,14,554	1,14,554
<b>Total</b>	<b>-</b>	<b>1,14,554</b>	<b>1,14,554</b>
17 Employee Benefits Expenses	(Amt in Rupees)		
	For the year ended 31st March, 2017	For the year ended 31st March, 2016	For the year ended 31st March, 2016
Salaries, Wages and Allowances	2,52,98,089	2,40,57,071	2,40,57,071
Contribution to Provident and Other Funds	18,49,264	16,38,445	16,38,445
Employee Welfare Expenses	2,04,382	2,22,790	2,22,790
<b>Total</b>	<b>2,73,51,735</b>	<b>2,59,18,309</b>	<b>2,59,18,309</b>
18 Finance costs	(Amt in Rupees)		
	For the year ended 31st March, 2017	For the year ended 31st March, 2016	For the year ended 31st March, 2016
(a) Interest Expenses on :			
Trade Credits	-	1,621	1,621
(b) Other borrowing costs :			
Bank Charges & Other Borrowing Costs	9,872	-	-
<b>Total</b>	<b>9,872</b>	<b>-</b>	<b>-</b>
19 Other Expenses	(Amt in Rupees)		
	For the year ended 31st March, 2017	For the year ended 31st March, 2016	For the year ended 31st March, 2016
Repairs and Maintenance			
- Others	-	1,76,270	1,76,270
Rent	35,12,326	38,93,403	38,93,403
Rates and Taxes	8,708	2,812	2,812
Books and Periodicals	-	45,000	45,000
Legal & Professional Expenses	4,82,932	3,51,089	3,51,089
Printing and Stationery	87,040	51,915	51,915
Payment to Auditors (Refered note below)	1,16,770	1,09,140	1,09,140
Communication Expenses	2,00,688	2,01,777	2,01,777
Travelling & Conveyance Expenses	2,55,235	2,06,331	2,06,331
Insurance Expenses	1,572	-	-
Office Expenses	1,37,669	2,61,460	2,61,460
Bank charges	115	16,761	16,761
Foreign Exchange Fluctuation Loss	3,00,124	-	-
Electricity Expenses	3,59,046	3,43,880	3,43,880
Miscellaneous Expenses	-	675	675
<b>Total</b>	<b>54,62,225</b>	<b>56,60,514</b>	<b>56,60,514</b>
Payment to auditors	(Amt in Rupees)		
	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2016
As auditor:			
Statutory Audit Fees	57,250	57,250	57,250
Tax Audit Fees	17,175	17,175	17,175
Transfer Pricing Audit fees	11,450	11,450	11,450
Certification fees	19,445	17,565	17,565
Others Matters	11,450	5,700	5,700
<b>Total</b>	<b>1,16,770</b>	<b>1,09,140</b>	<b>1,09,140</b>





- 20 The Company has accumulated losses at March 31, 2017, and the net worth is negative. The Holding company has provided assurance that it intends to provide sufficient financial support to finance the operation of the company for foreseeable future if necessary. Based on above discussion, the management is of the opinion that it is appropriate to prepare these financial statement on the basis of going concern.

21 **Contingent Liabilities and commitments (to the extent not provided for)**

Sr. No.	Particulars	As at 31-03-2017	As at 31-03-2016
a.	Contingent Liabilities	NIL	NIL
b.	Commitment	NIL	NIL

22 **Earnings per share (EPS)**

	For the year ended 31st March, 2017 Amount in Rs.	For the year ended 31st March, 2016 Amount in Rs.
<b>Total operations for the year</b>		
Profit / (Loss) after tax (For calculation of Basic and Diluted EPS)	2,50,305	(20,586)
No of equity shares at the beginning of the year	50,000	50,000
Add : Weighted average no of equity shares issued during the year	-	-
Weighted average no of equity shares in calculating Basic and Diluted EPS	50,000	50,000
Nominal value per share (in Rupees)	10	10
Basic and diluted earnings (loss) per share (in Rupees)	<b>5.01</b>	<b>(0.41)</b>

- 23 The Company has made provision in the Accounts for Gratuity based on Actuarial valuation. The particulars under the Ind AS 19 'Employee Benefit' furnished below are those which are relevant and available to company for this year.

(a) Contributions to Defined Contribution Plan, recognised as expense for the year are as under:

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Employer's Contribution to Provident Fund	11,67,602	10,48,826

(b) Contributions to Defined Benefit Plans are as under:

(i) **Gratuity**

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
<b>i. Reconciliation of Opening and Closing Balances of defined benefit obligation</b>		
Present Value of Defined Benefit Obligations at the beginning of the Year	16,45,958	11,79,454
Service cost	4,58,985	3,71,583
Interest cost	1,29,938	92,194
Actuarial loss/(gain)	16,123	1,53,272
Benefits paid	(1,64,808)	(1,50,545)
Present Value of Defined Benefit Obligations at the end of the Year	<b>20,86,196</b>	<b>16,45,958</b>
<b>ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets</b>		
Fair Value of Plan assets at the beginning of the Year	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Fair Value of Plan assets at the end of the Year	-	-
<b>iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets</b>		
Present Value of Defined Benefit Obligations at the end of the year	20,86,196	16,45,958
Fair Value of Plan assets at the end of the Year	-	-
Net Asset / (Liability) recognised in balance sheet as at the end of the year	20,86,196	16,45,958
<b>iv. Gratuity Cost for the Year</b>		
Current service cost	4,58,985	3,71,583
Past Service Cost	-	-
Interest cost	1,29,938	92,194
Expected return on plan assets	-	-
Actuarial Gain / (Loss)	16,123	1,53,272
Net Gratuity cost recognised in the statement of Profit and Loss	<b>6,05,046</b>	<b>6,17,049</b>
<b>v. Other Comprehensive Income</b>		
Actuarial (gains) / losses		
change in demographic assumptions	-	7,518
change in financial assumptions	44,179	86,407
experience variance (i.e. Actual experience vs assumptions)	(28,056)	59,347
Components of defined benefit costs recognised in other comprehensive income	<b>16,123</b>	<b>1,53,272</b>
<b>vi. Actuarial Assumptions</b>		
Discount Rate	7.60%	7.90 %
Expected rate of return on Plan Assets	8.00%	8.00%
Rate of increase in Compensation Levels (Refer Note (c) below)	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition rate	1.00%	1.00%



**vii. Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. 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. The results of sensitivity analysis is given below:

Particulars	As at 31st March 2017		As at 31st March 2016	
Defined benefit obligations (Base)	20,86,196		16,45,958	
Particulars	As at 31st March 2017		As at 31st March 2016	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	2244946	1947438	1763197	1543105
(% change compared to base due to sensitivity)	7.6%	-6.7%	7.1%	-6.2%
Salary Growth Rate (- / + 1%)	1946710	2242765	1542295	1761933
(% change compared to base due to sensitivity)	-6.7%	7.5%	-6.3%	7.0%
Attrition Rate (- / + 50%)	2091090	2081408	1648241	1643686
(% change compared to base due to sensitivity)	0.2%	-0.2%	0.1%	-0.1%
Mortality Rate (- / + 10%)	2086243	2086149	1645934	1645981
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

**ix. Asset Liability Matching Strategies**

The Scheme is managed on unfunded basis

**x. Effect of Plan on Entity's Future Cash Flows**

**a) Funding arrangements and Funding Policy**

The Scheme is managed on unfunded basis

**b) Expected Contribution during the next annual reporting period**

The Company's best estimate of Contribution during the next year is Nil

**c) Maturity Profile of Defined Benefit Obligation**

Weighted average duration (based on discounted cashflows) - 7 Years

Expected cash flows over the next (valued on undiscounted basis):	(Amount in Rupees)
1 year	7,45,118
2 to 5 years	96,492
6 to 10 years	11,66,769
More than 10 years	21,08,994

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2016-17

The actuarial liability for leave encashment and compensated absences (including Sick Leave) as at the year ended 31st March 2017 is Rs.21,43,180/-



## 24 Related party disclosure (As identified by the Management)

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

### A Name of related parties & description of relationship

Sr. No	Relationship	Names
1	Holding Company	Adani Enterprises Ltd.(controlled by S.B. Adani Family Trust, a private discretionary trust)
2	Subsidiary Companies (including step down subsidiaries)	NIL
3	Fellow Subsidiary Companies (with whom transactions done during the year)	1. Rahi Shipping Pte. Ltd., Singapore 2. Vanshi Shipping Pte. Ltd., Singapore 3. Aanya Maritime Inc., Panama 4. Aashna Maritime Inc., Panama 5. Urja Maritime Inc., Panama
4	Associates (with whom transactions done during the year)	Adani Infrastructure and Development Private Limited
5	Key Management Personnel	(i) Mr. Jatinkumar Jalundhwala, Director (ii) Mr. Pranav S. Vora, Director (iii) Capt. Sandeep Mehta, Director (iv) Mr. Kaushal G. Shah, Director

### B Nature & Volume of Transaction with Related Parties

(Amt in Rupees)

Category	Name of Related Party	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Technical & Management Fees Income	Rahi Shipping Pte Ltd	80,66,206	78,38,160
	Vanshi Shipping Pte Ltd	80,65,987	78,38,160
	Aanya Maritime Inc	80,66,206	78,38,160
	Aashna Maritime Inc	80,66,206	78,38,160
	Urja Maritime Inc	14,01,667	-
Reimbursement of Expense	Rahi Shipping Pte Ltd	1,07,725	3,58,144
	Vanshi Shipping Pte Ltd	1,24,706	4,69,195
	Aanya Maritime Inc	5,32,323	8,04,860
	Aashna Maritime Inc	1,31,590	15,34,371
	Urja Maritime Inc	2,45,295	-
	Adani Infrastructure and Developers Pvt Ltd	40,06,792	46,70,423
<b>Balance</b>			
Balance Payable at the end of period - Net	Rahi Shipping Pte Ltd	5,217	12,942
	Adani Infrastructure and Developers Pvt Ltd	55,49,637	1,12,11,698
Balance Receivable at the end of period - Net	Vanshi Shipping Pte Ltd	1,80,454	1,55,748
	Aanya Maritime Inc	3,62,061	6,01,157
	Aashna Maritime Inc	9,619	3,04,644
	Urja Maritime Inc	2,45,295	-

## 25 Disclosure on specified bank note

As per the amendment to Schedule III of the Companies Act, 2013 by MCA notification dated 30th March 2017, every company shall disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016. Since the company did not hold or transact in any cash during the entire year, the said disclosure is not applicable



## 26 The carrying value of financial instruments by categories as on 31st March 2017:

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	41,89,890	41,89,890
Trade Receivables	-	-	7,97,429	7,97,429
Loans	-	-	3,30,831	3,30,831
<b>Total</b>	-	-	<b>53,18,149</b>	<b>53,18,149</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	-	-
Trade Payables	-	-	69,96,909	69,96,909
Other Financial Liabilities	-	-	-	-
<b>Total</b>	-	-	<b>69,96,909</b>	<b>69,96,909</b>

## The carrying value of financial instruments by categories as on 31st March 2016:

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	83,33,983	83,33,983
Trade Receivables	-	-	10,61,548	10,61,548
Loans	-	-	61,671	61,671
<b>Total</b>	-	-	<b>94,57,202</b>	<b>94,57,202</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	-	-
Trade Payables	-	-	1,24,58,040	1,24,58,040
Other Financial Liabilities	-	-	-	-
<b>Total</b>	-	-	<b>1,24,58,040</b>	<b>1,24,58,040</b>

## The carrying value of financial instruments by categories as on 31st March 2015:

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	35,17,503	35,17,503
Trade Receivables	-	-	3,09,208	3,09,208
Loans	-	-	-	-
<b>Total</b>	-	-	<b>38,26,711</b>	<b>38,26,711</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	-	-
Trade Payables	-	-	76,94,855	76,94,855
Other Financial Liabilities	-	-	-	-
<b>Total</b>	-	-	<b>76,94,855</b>	<b>76,94,855</b>





**27. Financial Risk objective and policies**

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

**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. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, credit risk and other market changes. The company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

**(a) Foreign currency exchange rate risk**

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the company.

Considering the countries and economic environment in which the company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar against the functional currency of the company.

**(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.

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 Group'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.



**28 Capital management**

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

**29 Approval of financial statements**

The financial statements were approved for issue by the board of directors on 20th May, 2017.

**30 Standard issued but not effective:**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the company from April 1, 2017.

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The company will incorporate the disclosure in Financial statements for the year ended 31st March 2018.

**31 Previous Year Comparatives**

Figures for the previous year have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

The accompanying notes are an integral part of the Financial Statements

As per attached our report of even date

For DHARMESH PARIKH & CO.  
Chartered Accountants  
Firm Reg No : 112054W

For and on behalf of the board of directors of  
ADANI SHIPPING (INDIA) PRIVATE LIMITED



D.A. PARIKH  
Partner  
(Membership No.045501)  
Place : Ahmedabad  
Date :



Jatinder Jalundhwala  
Director  
DIN: 00137888



Kaushal Shah  
Director  
DIN: 06898439  
Place : Ahmedabad  
Date :