Adani Ports and Special Economic Zone Limited

Abridged
14th Annual Report
2012-13

Global business dotting India's coastline

Resources Logistics Energy

adani™

Forward Looking Statement

This annual report contains forward looking information to enable investors to comprehend company's prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties, and even less then accurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

14TH ANNUAL REPORT 2012-2013
(Abridged)

Company Information

Board of Directors
Mr. Gautam S. Adani, Chairman & Managing Director
Mr. Rajesh S. Adani
Dr. Malay Mahadevia, Whole Time Director
Mr. Rajeeva Sinha, Whole Time Director
Mr. Arun Duggal
Mr. D. T. Joseph, IAS (Retd.)
Mr. Pankaj Kumar, IAS (upto April 30, 2013)
Prof. G. Raghuram
Mr. G. K. Pillai, IAS (Retd.)
Mr. Sanjay Lalbhai

Company Secretary
Ms. Dipti Shah

Auditors
M/s. S. R. Batliboi & Associates LLP
Chartered Accountants,
Ahmedabad

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

Bankers and Financial Institutions
Axis Bank Ltd.
Canara Bank
DEG-Deutsche Investitions-Und Entwicklungsgesellschaft MBH
DZ Bank
HDFC Bank Ltd.
HSH Nord Bank AG
ICICI Bank Ltd.
IndusInd Bank Ltd.
ING Vysya Bank Ltd.
Japan Bank of International Cooperation
Kotak Mahindra Bank Ltd.
Life Insurance Corporation of India
Mizuho Corporate Bank, Ltd.
Oesterreichische Entwicklungsbank AG,
State Bank of India
Standard Chartered Bank
The Bank of Tokyo - Mitsubishi UFJ, Ltd.
UCO Bank
Yes Bank

Registrar and Transfer Agent
M/s. Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai-400078.
Phone: +91-22-25946970
Fax: +91-22-2594 6969

Contents

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.

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the Fourteenth Annual Report alongwith the audited accounts for the financial year ended on March 31, 2013.

Financial Results:

The summarized financial highlight is depicted below:

(₹ in Crores)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Income from operations	3,361.05	2,481.90
Other Income	203.24	40.25
Total Income	**3,564.29**	**2,522.15**
Operating & Administrative Expenses	890.82	770.31
Operating Profit before Interest, Depreciation and Tax	2,673.47	1,751.84
Interest and Financial Charges	441.90	208.75
Depreciation / Amortization	342.38	273.50
Profit Before Tax and Prior Period Adjustment	1,889.19	1,269.59
Provision for tax (including deferred tax)	135.01	92.33
Profit after tax	**1,754.18**	**1,177.26**
Surplus brought forward from previous year	2,270.54	1,490.98
Balance available for appropriation	**4,024.72**	**2,668.24**
Appropriations:		
Dividend on Preference Shares	*	*
Tax on Dividend on Preference Shares (including surcharge)	*	*
Interim Dividend on Equity Shares	-	60.10
Tax on Interim Dividend (including surcharge)	-	9.75
Proposed Final Dividend on Equity Shares	200.34	140.24
Tax on Final Dividend (including surcharge)	34.05	22.75
Transfer to Capital Redemption Reserve	0.14	0.14
Transfer to General Reserve	175.42	117.73
Transfer to Debenture Redemption Reserve	69.10	46.99
Balance carried to Balance Sheet	**3,545.67**	**2,270.54**

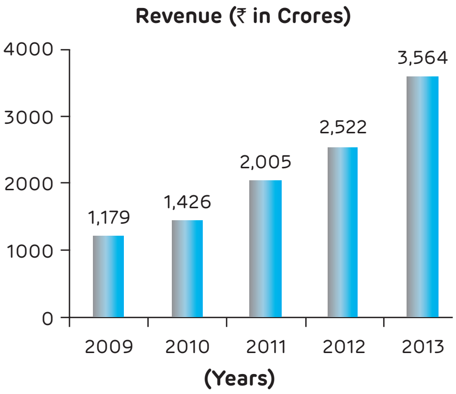
* Figures being nullified on conversion to ₹ in Crores

Operational Highlights:

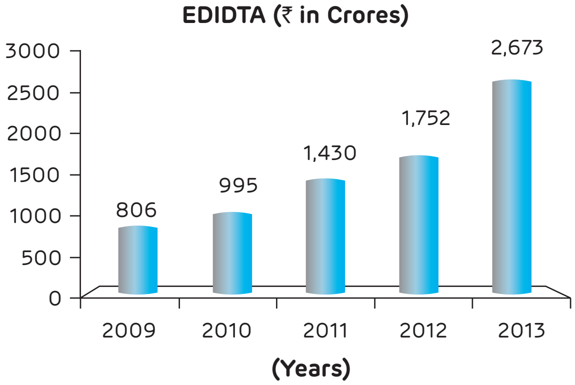
Notwithstanding the general economic climate and slowdown experienced by various industrial sectors, your company continued to maintain its growth momentum.

The year under review has witnessed robust growth and impressive performance of your company. Your Company has successfully steered a steady course and consolidated its position as India's largest Non Major Port. As compared to major as well as non major commercial ports in India, Mundra Port ranks 2nd in terms of handling of total cargo and container cargo during the year under review.

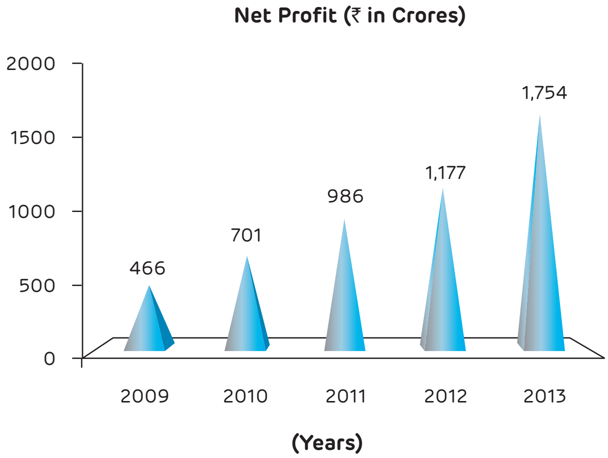
The key aspects of your Company's performance during the financial year 2012-13 are as follows:



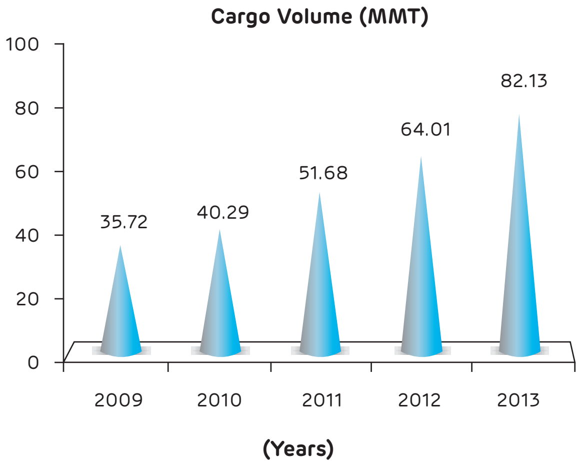
Total revenue increased by 41% from ₹ 2,522 Crores in FY 2011-12 to ₹ 3,564 Crores in FY 2012-13



The earnings before interest, depreciation and tax for the FY 2012-13 stood at ₹ 2,673 Crores as compared to ₹ 1,752 Crores in FY 2011-12 registering growth of 53%.



Net Profit for the FY 2012-13 stood at ₹ 1,754 Crores as compared to ₹ 1,177 Crores in FY 2011-12 registering growth of 49%.



Cargo volume increased by 28% from 64.01 million tonnes in FY 2011-12 to 82.13 million tonnes in FY 2012-13.

The detailed Operational Performance of the Company has been comprehensively discussed in the Management Discussion and Analysis Report which forms part of Directors' Report.

Dividend:

Your Directors are pleased to recommend final Dividend of 50% (₹ 1 per equity share of ₹ 2 each) on the equity shares issued by the company as on book closure date and Dividend on 0.01% Non Cumulative Redeemable Preference Shares of ₹ 10 each for the financial year 2012-13.

Disinvestment of significant stake in Abbot Point Coal Terminal in Queensland, Australia

To focus on the high growth Indian Ports & Logistics Sector, maintain its leadership position in India and for the benefit of stakeholders your company has divested the beneficial ownership in entities controlling the Abbot Point Coal Terminal in Queensland, Australia at a valuation determined by an independent valuer. The legal transfer of the shares would happen in the current year.

Non-Convertible Debentures (NCDs) :

In its effort towards continuous cost reduction and financial re-engineering, during the year under review, 6,750 Secured Redeemable Non Convertible Debentures (NCDs) of face value of ₹ 10 Lacs aggregating to ₹ 675 Crores issued on private placement basis to Banks/Financial Institutions were redeemed.

Further your company has issued 20,640 Secured Redeemable Non Convertible Debentures (NCDs) of face value of ₹ 10 Lacs each at par aggregating to ₹ 2,064 Crores issued on Private Placement basis listed on the Wholesale Debt Market Segment of BSE Limited.

Subsidiaries:

As on March 31, 2013, your Company had thirteen subsidiaries under its belt:

1. Adani Hazira Port Pvt. Ltd.
2. Adani Kandla Bulk Terminal Pvt. Ltd.
3. Adani Logistics Ltd.
4. Adani Murmugao Port Terminal Pvt. Ltd.
5. Adani Petronet (Dahej) Port Pvt. Ltd.
6. Adani Vizag Coal Terminal Pvt. Ltd.
7. Adani Warehousing Services Pvt. Ltd.
8. Hazira Infrastructure Pvt. Ltd.
9. Hazira Road Infrastructure Pvt. Ltd.
10. Karnavati Aviation Pvt. Ltd.
11. MPSEZ Utilities Pvt. Ltd.
12. Mundra International Airport Pvt. Ltd.
13. Mundra SEZ Textile and Apparel Park Pvt. Ltd.

During the year under review Rajasthan SEZ Pvt. Ltd. wholly owned subsidiary of the Company ceased to be subsidiary on striking off the name under Ministry of Corporate Affairs.

The statement pursuant to section 212(1)(e) of the Companies Act, 1956, containing details of subsidiaries of the Company forms part of the Annual Report.

In terms of General Circular issued by Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with Balance Sheet of the Company.

However, as directed by the Ministry of Corporate Affairs, some key information has been disclosed in a brief abstract forming part of this Annual Report. Accordingly, the Annual Report of the Company contains the consolidated audited financial statements prepared pursuant to clause 41 of the listing agreement as prescribed by SEBI and prepared in accordance with the accounting standards prescribed by the Institute of Chartered Accountants of India (ICAI).

The annual accounts of the subsidiary companies and related detailed information shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours. The annual accounts 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. Details of developments of subsidiaries of the Company are covered in Management's Discussion and Analysis Report forming part of the Annual Report.

Fixed Deposits:

During the year under review, your Company has not accepted any deposits from public under Section 58A of Companies Act, 1956.

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

The particulars, as prescribed under clause (e) of sub-section (1) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 as amended from time to time are appended in the Annexure to the Directors' Report.

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 9001:2008, 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.

Further, the company believes in Goal Zero, which is a strong, simple and memorable aim that has helped to achieve significantly enhanced safety performance. Besides, the company has taken following major initiatives to advance the QHSE commitment:

- Development and implementation of SAP – EHS module
- Successful launching and implementation of Near-miss Reporting & Recognition Scheme
- Launching and implementation of Safety Man of the Month Scheme
- Implementation of Behavior Based Safety for workforce
- Installation of Public Announcement system for safety and operational announcements

Corporate Governance and Management Discussion and Analysis Report:

Committed to good Corporate Governance practices, your Company fully confirm to the standards set out by the Securities and Exchange Board of India and other regulatory authorities and has implemented and complied with all the major stipulations. The Report on Corporate Governance along with the Compliance Certificate from the Practicing Company Secretary in line with Clause 49 of the Listing Agreement validating our claim and the Report on Management Discussion and Analysis are annexed and forms part of this Annual Report.

Your Company in compliance with the requirements of the Listing Agreement has also formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company, who have affirmed their compliance thereto.

Corporate Social Responsibility:

Corporate Social Responsibility has been at the heart of any Business Development by Adani Group. Adani Foundation is the Corporate Social Responsibility arm for Adani conglomerate. Foundation plays a pivotal role in building lives through community participation and developmental programs in social sectors. All our efforts are directed in developing and implementing programs for the marginalized communities. Our special focus is in the field of Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development as follows:

a) **Education:** Foundation works towards improving the quality of education in the Government Schools by upgrading the primary infrastructure facilities, adding value to the teaching process, skill building training to the teachers. The other strategy is to start and run our own schools such as Adani Vidya Mandir, Ahmedabad & Bhadreshwar.

b) **Community Health:** The Foundation runs Mobile Health Care Units and rural clinics working successfully at Mundra. Under Community Health Foundation has initiated two innovative projects at Mundra namely Kidney stone – awareness, detection and intervention project and health card to senior citizens.

c) **Sustainable Livelihood Development:** The Foundation through participatory, community based approaches, ensuring optimum management of the existing resource and broadening the scope of economic opportunities.

d) **Rural Infrastructure development:** The Foundation endeavours to bridge the gaps and make the activities more need specific and responsive to the grassroots level requirements, which are sustainable and replicable.

Directors:

During the year under review, Mr. G. K. Pillai, IAS (Retd.) and Mr. Sanjay Lalbhai were appointed as Additional Directors of the Company to hold office upto the date of ensuing Annual General Meeting in terms of section 260 of the Companies Act, 1956. The Company has received a notice in writing from member of the company under section 257 of the Act signifying the intention to propose Mr. G. K. Pillai, IAS (Retd.) and Mr. Sanjay Lalbhai to be appointed as Directors retiring by rotation.

Mr. Pankaj Kumar, IAS representing Gujarat Maritime Board ceased to be Director w.e.f April 30, 2013.

Board welcomes incoming Directors and places on record the deep appreciation for valuable services provided by outgoing Director.

As per Section 256 of the Companies Act, 1956 and Article 152 of the Articles of Association of the Company, Mr. Rajeeva Sinha and Mr. D. T. Joseph, Directors of the Company are liable to retire by rotation and being eligible offer themselves for re-appointment. Board recommends reappointment of the Directors of the Company.

Brief details of Directors proposed to be appointed/re-appointed as required under Clause 49 of the Listing Agreement are provided in the Notice of Annual General Meeting forming part of this Annual Report.

Directors Responsibility Statement:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm:

- The applicable accounting standards have been followed and there are no material departures from the same;
- Accounting Policies selected have been applied consistently and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company as at March 31, 2013 and of the profit of your Company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- The annual accounts have been prepared on a going concern basis.

Insurance:

The Company continues to carry adequate insurance for all assets against foreseeable perils.

Particulars of Employees:

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, a statement showing the names and other particulars of the employees forms part of this report as Annexure. However, as permitted by Section 219(1) (b) (iv) of the Companies Act, 1956, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto and any member interested in obtaining such particulars may write to Company Secretary at the Registered Office of the Company.

Business Responsibility Report:

SEBI, vide its Circular CIR/CFD/DIL/8/2012 dated August 13, 2012, mandated the top 100 listed entities, based on market capitalisation at BSE and NSE, to include Business Responsibility Report as part of the Annual Report describing the initiatives taken by the companies from Environmental, Social and Governance perspective.

Accordingly, the Business Responsibility Report is attached and forms part of the Annual Report.

Auditors:

M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received letter from Statutory Auditors to the effect that re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and are not disqualified for re-appointment within the meaning of Section 226 of the said Act.

Auditors' Report:

Notes to the financial statements, as referred in the Auditors Report, are self-explanatory and therefore do not call for any further comments and explanations under section 217(3) of the Companies Act, 1956.

Information Technology: an enabler for Growth:

Your company continues to pioneer usage of innovative and modern IT solutions to drive the operations in an efficient and effective manner. The company deploys best in class applications and systems which streamline business processes, improve performance and reduce costs. These systems provide seamless integration across modules and functions resulting into strong MIS platform and informed decision-making by the Management.

Awards, Certifications and Accreditations:

During the year under review, your Company had won the following awards:

- The 'Port of the Year - Containerized' Award at the prestigious Gujarat Junction Awards event held in November, 2012 at Ahmedabad.
- Successfully completed reaccreditation audit for ISO 9001, ISO 140001 & OHSAS 18001.
- Successful completion of ISO 28000:2007 Stage I & II audit leading to Certification.

Acknowledgment:

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 shareowners, 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

Place : Ahmedabad
Date : May 15, 2013

Gautam S. Adani
Chairman & Managing Director

Annexure - I to the Directors' Report

Particulars pursuant to Section 217(1)(e) of the Companies Act, 1956.

Information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out as under:

A. CONSERVATION OF ENERGY:

a) The following energy conservation measures have been taken:

- Tugs provided with electric shore supply facility at West Basin which ensures that diesel generator of the tugs were not operated hence making us energy efficient.
- Free running of tugs at the economical round per minute , thus resulting in saving of fuel.
- Installed lighting energy saver to lighting feeders with negligible effect on illumination level.
- Electric-RTGs (E- RTGs), besides at Container Terminal 2 (CT2) also got installed at Container Terminal 3 (CT3).
- Electrification of shores cranes at Terminal 3 (T3).

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

In its quest to sustainable usage of energy and consequent environment conservation, your company puts great emphasis on continuously devising methods of reduction of energy consumption. Some of key areas being explored towards this objective are as below:

- Provision of additional shore supply arrangements at various locations in port so that the tugs can be provided with shore electric supply even if there is no parking space at the tug berth for the tugs.
- Provision for supply of fresh water & diesel to tugs at west basin tug berth to reduce the fuel consumption due to shifting of tugs for receiving water and fuel.
- Making Thermax Boiler and Thermic Fluid Heater more energy efficient.

c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.

- The electricity consumed by a tug is 15 units/hour as compared to a fuel consumption of 8 liters diesel per tug per running hour when tugs generator are used to produce power.
- Fresh water and diesel to tugs now being supplied at tug berth. This results in a fuel saving of nearly 125 liters of diesel for each such supply.
- Lighting energy saver to lighting feeders: 23,661 kWh.

d) Total energy consumption and energy consumption per unit of production as per Form A in respect of industries specified in the schedule thereto:

Not applicable to the Company.

B. TECHNOLOGY ABSORPTION:

- A new generation of ergonomically designed Control Station for Rail Mountain Quay Cranes operators has been introduced at CT3. This is first of its kind in South Asia. Design reduces overall stress, reduction of lower back lumbar load thus enhancing health, working efficiency of operators.
- Muriate of Potash bagging started from fertilizer cargo complex leading to complete elimination of Manual Bagging.
- Implementation of 24 Meters cargo screening net for loading of Agri products.

- Commissioning of Demag and Goliath attachment - telescopic pipe-lifter, telescopic plate attachment and magnetic slab lifter.
- Grab Ship Unloader shifting time from berth 3 to berth 2 reduced from 5 hours to 1.5 hours by modifying the idlers and using new lifting tools.
- Use of camlock coupling during Vessel unloading operation for heated cargo (Bitumen and Wax).
- Adopted and implemented new tank cleaning method using Butterworth which increases storage tank availability.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange earned and used for the year ended March 31, 2013

(₹ in Crores)

Particulars	2012-13	2011-12
Foreign Exchange Earnings	4.93	-
Foreign Exchange outgo	1,021.36	830.59

Management Discussion and Analysis

The discussion hereunder covers the financial results and its subsidiaries developments of Adani Ports and Special Economic Zone Ltd. (APSEZL) for the financial year 2012-13 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. The Company assumes no responsibility to publicly amend, modify or revise any such statement on the basis of subsequent developments, information or events.

Economic Outlook :

Continued grim scenario of global economic outlook put a stress on Indian economy in 2012-13. As a result, economic growth slowed down to 6.2% in 2011-12 and 5.0% in 2012-13, far lower growth rates compared to preceding years. The service sector continues to be the largest contributor to GDP growth with 8.2% and 6.6% growth in 2011-12 and 2012-13 respectively.

Factoring in the inflationary tendencies, policy rates began rising March 2010 onwards. These high rates as well as policy constraints adversely impacted investment and hence the growth of economy.

Taking cues from weakening investments, there have been reforms which should revive the stalled projects as well as induce new projects. Policy rates have also started coming down, which is likely to propel economic activities. Global financial conditions improved towards end of 2012 and the global economy is expected to see recovery in 2013. Indian economy, with recovery in global economy, is likely to move back to high pace of growth. Overall, India remains amongst relatively higher-growth economies in the World.

Industry Structure :

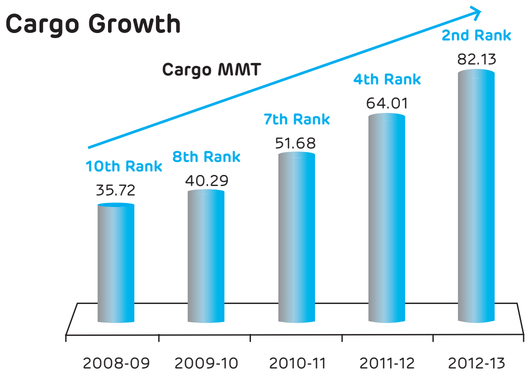
Ports:

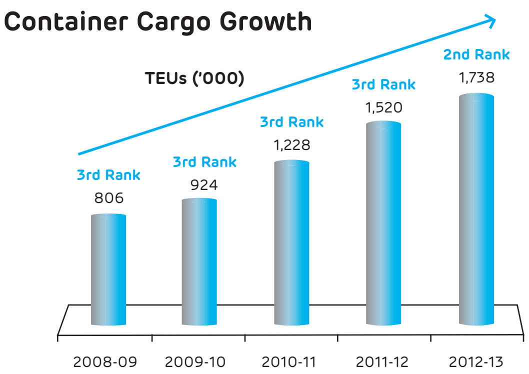
Indian Scenario :

India has an extensive coastline of 7,517 kilometers (excluding the Andaman and Nicobar Islands), with a port industry that has grown dramatically, from five ports with cargo traffic tonnage handled of between 19 and 20 mmt at the time of independence, to 13 Major Ports and 187 Non-major Ports with total cargo traffic tonnage handled of 934.88 mmt for the fiscal year 2013.

Ports handle approximately 95% of India's total trade in terms of volume and 70% in terms of value. Total volumes are expected to increase further as India continues its economic expansion, with real GDP growth in India expected to average 7.3% and 8.0% per year for the 5 and 10 years from the fiscal year 2014, respectively, making India one of the fastest growing economies in the world.

APSEZL at its port of Mundra handled 82.13 million tonnes of cargo in financial year 2013, a growth of 28% year to year. Compared with the major as well as non major ports of India, it ranks 2nd in terms of total cargo and container cargo handled during the year under review amongst all government owned commercial ports.





Special Economic Zone:

The Special Economic Zone Policy was framed in April, 2000 with an objective to increase the exports, attract Foreign Direct Investment and to accelerate the economic growth of the country. Your company's Multi-product SEZ of 6473 Ha. area at Mundra is the largest notified SEZ in the country. Exports from Mundra SEZ upto March, 2013 comes to about ₹ 7,357 Crores (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.

Further, based on approval from Government of India (GoI), your company has set up a Free Trade Warehousing Zone (FTWZ) in an area of 168.41 Ha. at Mundra. The development activities in the FTWZ SEZ have been initiated.

Performance Overview:

During the year under review the performance of your Company is encouraging. The company has been leading across all the fronts and has now become 2nd largest commercial port in India. Your company maintained excellent growth record and registered 28% growth in cargo volume over financial year 2011-12. The company would continue to lead innovative practices, adoption of technology and setting examples of efficient port operations.

Business Transformation Project – Ignite

The port embarked upon a major exercise of transformation for streamlining of processes, enhanced adherence and improved synergies. The transformation project has been aptly titled as Ignite with following key objectives:

1. Make business more customer focused and flexible to meet dynamic customer requirements
2. Improve competitiveness – become one of the most efficient port operators in the industry
3. Leverage technology for benefits wherever possible within projects, operations, decision support
4. Build a learning organization that continuously improves and continues to optimize operations

Project Ignite has been received very well by all the stakeholders with overwhelming support from each function and business unit. The project has already started making difference towards these objectives and is expected to take organization to greater scales.

Performance Highlights:

Your Company has developed and operates six bulk terminals, four container terminals, automobile handling and coal handling facilities and two single-point mooring facilities across the Mundra Port, the Dahej Port and the Hazira Port on the western coast of India.

Your company’s three operational facilities on the west coast of India are capable of handling capesize bulk cargo vessels and more than 8500 TEUs container vessels. The Company also provides other services, including infrastructure, leasing and logistics services at the Mundra Port and 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.

Three broad categories of cargo handled at our ports are bulk container and crude oil cargo. Your Company’s port services include marine, intra-port transport, storage and handling, 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. In addition to port services, the company provides value-added, evacuation and other logistics services to its customers. The ability to maintain a diverse mix of cargo handled and other services performed allows your company to diversify its income sources, reduce financial risk and compete more effectively. Consequently, your company’s cargo and service mix has a significant effect on its results of operations.

Our key performance highlights for the year under review are as under:

Bulk Cargo - Dry:

- Dry Cargo handled during 2012-13 was 37.38 million tonnes as against 29.25 million tonnes during 2011-12, a growth of 28% year on year.
- Coal Cargo handled during the 2012-13 was 26.76 million tonnes as against 18.75 million tonnes during 2011-12, a growth of 43% year on year.
- Sorghum cargo handled for the first time.

Bulk Cargo - Liquid:

- Highest no. of import vessel movement 22 in a Month of October, 2012.
- Highest number of Import-Export vessels (26 nos.) during the month of October,2012
- Highest number of Export vessels (7 nos.) in a single month.

Container Cargo:

- Mundra Port handled 1.74 million TEUs against 1.52 million TEUs in 2011-12 marking 14.4% growth over last year. This also makes Mundra Port second largest in the country in terms of container throughput
- Adani Mundra Container Terminal (AMCT) (including South Basin) registered a 46% growth in Inland Container Depot (ICD) throughput over the previous financial year.

Marine:

- On 13th August 2012, with the berthing of M.V. MSC Ukraine at berth SB-6, commercial operation was commenced for South Basin Terminal.
- Highest SPM Throughput: Mundra Port handled the highest ever Crude Oil throughput of 1.45 MMT for February, 2013 at the SPMs.

Railway:

- Total number of rakes handled in 2012-13 are 9505.
- In FY 2012-13 more than 400 double stack trains have been handled from Mundra.
- Commercial train operation at West Port has commissioned during the year under review.

Our Expansion Plans:

Your Company has recently completed and is in the process of implementing, expansion plans. It has commenced operations at the Hazira Port and at Container Terminal 3 and a fourth berth at the Coal and Bulk Terminal at the Mundra Port. Your Company is also in the process of developing facilities at the Murmugao Port, the Vizag Port and the Kandla Port (Tuna). Although your company believes that the majority of our capital expenditure at our operational facilities and the Murmugao Port have been completed. Our future expansion plans may require a significant amount of expenditure and once operational, are expected to provide us with additional capacity to handle cargo in new and existing geographies and in turn, revenue from cargo handled and related services. With various capital expenditure programmes in the past, the company has emerged as only port on western cost of India, handled capsize/super capsize vessels for bulk and container vessel with more than 8500 TEU capacity.

Special Economic Zone:

Your Company has been focusing on development of robust infrastructure for supporting the industrial development within the Special Economic Zone (SEZ). Construction of road over bridge within the Zone has been completed enabling seamless connectivity to the Port and SEZ development. Elaborate arterial road network has been completed for SEZ users. Execution of utility infrastructures like common effluent treatment plant (CETP), water desalination plant has also been completed. Work for doubling of Mundra-Adipur rail line is completed.

The Co-developers of the SEZ have provided various social infrastructure facilities such as Housing, Hospital and School in the SEZ. MPSEZ Utilities Pvt. Ltd. (MUPL), a 100% subsidiary of your Company and approved Co-developer, had developed electricity distribution network and is distributing electricity at competitive rate in the SEZ. MUPL has also been approved as co-developer of the FTWZ SEZ to provide infrastructure facilities/utilities. Total investment by these units is expected to be more than ₹ 3855 Crores of which they have already invested over ₹ 1479 Crores. Some of the approved Units have already started export activities in the Zone.

Port Related Developments:

- APSEZL has developed Green Zones at Mundra area aggregating to 235.83 ha land. A total of more than 4.45 Lacs trees have been planted besides development of shrubs and lawns.
- A very successful project execution and start of CT3 operations. South basin has been developed with a capacity of 1.5 Mn TEUs annually. The terminal has sufficient draft to handle direct berthing of largest size container vessel (about 14000 TEUs). The terminal has 6 RMQC and 14 RTGs.
- In order to facilitate the container terminals, an EXIM yard has been developed at Mundra. The total area of EXIM yard is around 69,000 sq. meters. The EXIM yard consists of 5000 sq. Meter of warehouse, paved area for loaded container stacking and GSB surface area for empty container storage.

Other Group Developments:

- During the financial year 2012-13, Adani Logistics Ltd (ALL) showed remarkable performance on the development of strategic infrastructure and opening up of rail route between Mundra & NCR region for double stack trains. Further, Kishangarh in Rajasthan commissioned its train examination facility (TXR) providing a new thrust to trains.
- Adani Petronet (Dahej) Port Pvt. Ltd. (APPPL) a JV company with Petronet LNG Ltd., is the developer of Solid Cargo Port Terminal at Dahej in Gujarat. APPPL's Dahej port is one of best in class port for handling dry cargo with ample storage facilities. The cargo handling operations at the port is highly mechanized. The port is well connected with road and railway.
- Adani Hazira Port Pvt. Ltd., (AHPPL) is being developed in Hazira, Dist. Surat, Gujarat under sub-concession route with Shell, Hazira for non-LNG facilities. The construction for total 5 berths with back up area has been completed and port has commenced commercial operations on May 21, 2012. The port has 2 container berths and 3 multipurpose berths for containers, liquid, dry & breaks bulk cargo. The master plan provides for 13 berths to be developed in a phased manner.
- Adani Murmugao Port Terminal Pvt. Ltd., (AMPTPL), has signed concession agreement with Mormugao Port Trust (MPT) to develop and operate a coal import terminal in Mormugao Port, Goa on Design, Build, Finance, Operate and Transfer (DBFOT) basis. The construction of coal handling terminal is under progress.
- Adani Vizag Coal Terminal Pvt. Ltd. (AVCTPL) signed the Concession Agreement with the Board of Trustee for Visakhapatnam Port Trust giving AVCTPL the right to develop coal berth on DBFOT basis and operate the same for a period of 30 years. The construction of the coal berth is in full swing.
- Adani Kandla Bulk Terminal Pvt. Ltd. (AKBTPL) has entered into Concession Agreement with Kandla Port Trust on 27.06.2012 for development of dry bulk terminal on build, operate and transfer basis at Tekra off Tuna, outside Kandla Creek under Public Private Partnership (PPP) mode. The scheduled date of completion of this project is 19.12.2014, wherein the work is in full progress and it is expected to complete on schedule. This terminal will have a capacity of 14.112 MMT with 4 berths length admeasuring 600 mtrs x 60 mtrs on both sides and a backup area of 80 hectares allotted by Kandla Port Trust.

- MPSEZ Utilities Pvt. Ltd. (MUPL) has commenced power supply to units in SEZ, Gujarat Electricity Regulatory Commission (GERC) has issued 'Multi-Year Tariff Order' to the Company.

Competition:

APSEZL faces competition from multiple ports which cater to the northern and north-western hinterland. In case of dry bulk, break bulk and liquid cargo, APSEZL faces competition mainly from Kandla Port and other non-major GMB ports. In case of containers, the competitors include JNPT, Mumbai Port, Pipavav Port and Kandla Port. Although, with APSEZL handling more than 8500 TEU vessels and special long haul rails connecting Mundra to the northern and central India, APSEZL has emerged the torch bearer in the container cargo handling in India.

APSEZL is able to compete against state-run as well as private ports because of factors such as state-of-art port infrastructure facilities including the deep draft direct berthing facilities, domain expertise in the port services industry, established customer relationships, available land resources and ability to facilitate port based development, consistent high-quality service and our ability to flexibly meet our customers' requirements including flexibility in tariffs. Despite common hinterland in northwest India which is shared with these ports, APSEZL has been successful in attracting substantial cargo increase year after year and the trend is expected to continue in the future as well.

Risk, Opportunity and Threats:

ASPEZL 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 quarterly reviews the report on risk management and recommends the corrective actions for implementation. The risk assessment developed at APSEZ as per OHSAS 18001 standards are reviewed on regular basis i.e. yearly basis or as and when any change in system/ process takes place or any incident takes place.

The Port Sector in India offers immense growth potential based on the anticipated growth in international trade and costal shipping in India. With increased vessel sizes, lines prefer ports with deep draft, longer quay, lengths, high mechanization and developed evacuation infrastructure. For an integrated ports development and operation like APSEZ, there are ample opportunities to grow organically as well as inorganically.

Management control, internal control and internal audit system and their adequacy:

The company has in place an adequate system of internal control. It has documented procedures covering all financial and operating functions. Internal audit programme of the company is designed based on complexity of Port / SEZ operation and nature of business activities covering major risk factors related to business process and port operations. The internal audit programme is duly approved by the Audit Committee. A well established multidisciplinary Management Audit & Assurance Services 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 operation and key process risk.

Audit Committee of the Board of Directors regularly reviews the adequacy and effectiveness of Internal audit environment and monitor implementation of internal audit recommendations including those relating to strengthening of company's risk management policies and systems.

Human Resource Development:

APSEZL being the largest private port developer and operator is a premier workplace that attracts talent from all over the country. The company provides a conducive work environment which motivates employees to put in their best efforts to achieve our ambitious targets and growth plans. Their talent and commitment fuel our vision to handle 200MMT of volumes by the year 2020.

Human Resource Department is instrumental in building employees capabilities through structured talent acquisition and its development through technical and need based training.

APSEZL enjoys harmonious employee relations which have been built over the years by taking various HR initiatives to enhance the employee morale.

Standalone Financial Performance with respect to operation performance:

Your Company has recorded total income to the tune of ₹ 3564.29 Crores during the financial year 2012-13 compared to ₹ 2522.15 Crores in the corresponding previous financial year, an increase of 41%.

Net Block of fixed assets of the Company as on March 31, 2013 is ₹ 7,768.42 Crores as compared to ₹ 5,805.07 Crores as on March 31, 2012 an increase of 34% in the corresponding period in the previous year. During the year, your Company generated earnings before interest, depreciation and tax (EBIDTA) of ₹ 2,673.47 Crores as compared to Rs. 1,751.84 Crores in the previous year, showing growth of 53%.

Net profit after tax is ₹ 1,754.18 Crores in the financial year 2012-13 as compared to ₹ 1,177.26 Crores in the previous financial year, an increase of 49%.

Earnings per share increased by 49% to ₹ 8.76 on face value of ₹ 2 each.

Consolidated Financial Performance of the Company:

Your Company has recorded total income to the tune of ₹ 3,841.07 Crores during the financial year 2012-13 compared to ₹ 2,748.76 Crores in the corresponding previous financial year, an increase of 40%.

During the year, your Company generated earnings before interest, depreciation and tax (EBIDTA) of ₹ 2,640.42 Crores compared to ₹ 1,798.11 Crores in the previous year, an annualized growth of 47%.

Net profit after tax is ₹ 1,623.22 Crores in the financial year 2012-13, as compared to ₹ 1,102.07 Crores in the previous financial year, an increase of 47%.

Earnings per share increased by 47% to ₹ 8.10 on face value of ₹ 2 each.

Cautionary Statement:

Statements made in the report describing the Company's plan, projections and expectations may constitute “forward looking statement” within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

Corporate Governance Report

1. Company's philosophy on code of governance

Adani **P**orts and **S**pecial **E**conomic **Z**one **L**imited **(APSEZL)** is committed to good corporate governance practices at different levels and to achieve its objectives. The Company believes in adopting and adhering to the best recognized corporate governance practice and continuously benchmarking itself against each such practice. Transparency, fairness, disclosure and accountability are the main thrust to the working of Adani Group. Given the Company's size and complexity in operations, APSEZL's Corporate Governance framework is based on the following core values and culture of the Adani Group:

Values

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 standards of business.

Culture

P = Passion

R = Results

I = Integration

D = Dedication

E = Entrepreneurship

We keep our Corporate Governance practices under continuous review and benchmark ourselves to the best practices across the globe. The Company is fully compliant with all the mandatory provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchange(s).

2. Board of Directors

a) Composition of the Board:

The Board of Directors of your Company as on March 31, 2013 comprises of ten Directors out of which seven Directors are Non-Executive Directors. Non-Executive Independent Directors consist of professionals drawn from diverse fields that bring in a wide range of skills and experience to the Board.

The following composition of the Board of Directors is as on May, 15, 2013 and number of other Directorship & Memberships / Chairmanships of Committees as on March 31, 2013:

Name of Director	Category of Directorship	Directorship in other Companies	Details of Committee	
			Chairman	Member
Mr. Gautam S. Adani (Chairman & Managing Director)	Promoter & Executive Director	2	-	-
Mr. Rajesh S. Adani	Promoter & Non-Independent Director	6	2	3
Dr. Malay Mahadevia	Executive Director	12	-	1
Mr. Rajeeva Sinha	Executive Director	9	1	-
Mr. Arun Duggal	Independent & Non Executive Director	6	2	1
Mr. D. T. Joseph	Independent & Non Executive Director	6	1	3
Prof. G. Raghuram	Independent & Non Executive Director	6	1	-
Mr. G.K. Pillai [1]	Independent & Non Executive Director	2	-	-
Mr. Sanjay Lalbhai [2]	Independent & Non Executive Director	6	-	-
Mr. Pankaj Kumar, IAS [3]	GMB Nominee	9	-	-

[1] Appointed as an Additional Director w.e.f October 19, 2012. [2] Appointed as an Additional Director w.e.f December 24, 2012.
[3] Ceased to be a Director w.e.f. April 30, 2013

Other directorships do not include alternate directorship, directorship of Private Limited Companies, Section 25 Companies of the Companies Act, 1956 and of Companies incorporated outside India. Chairmanship/Membership of Board Committees include membership of Audit and Shareholders/ Investors Grievance Committees in other Public Limited Companies.

b) Board Procedure:

Board met five times during the year under review on May 14, 2012, June 25, 2012, August 1, 2012, October 19, 2012 and January 28, 2013. The criteria of maximum time gap between any two consecutive meetings shall not exceed four months has been followed by the Company.

The information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. 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. As required under Clause 49 of Listing Agreement, the Board periodically reviews compliances of various laws applicable to the Company.

The attendance of each Director at the Board Meetings and last Annual General Meeting held during the year under review are as under:

Name of Director	Meetings		Attendance at last AGM held on August 9, 2012
	Held	Attended	
Mr. Gautam S. Adani	5	5	Yes
Mr. Rajesh S. Adani	5	4	Yes
Dr. Malay Mahadevia	5	5	Yes
Mr. Rajeeva Sinha	5	5	Yes
Mr. Arun Duggal	5	3	No
Mr. D. T. Joseph	5	5	Yes
Prof. G. Raghuram	5	4	No
Mr. G. K. Pillai [1]	2*	-	-
Mr. Sanjay Lalbhai [2]	1*	1	-
Mr. Pankaj Kumar, IAS [3]	5	1	No
Mr. K. N. Venkatasubramanian[4]	2#	2	-
Mr. S. Venkiteswaran[5]	2#	1	-
Dr. Ravindra Dholakia [6]	1#	1	-

[1] Appointed as an Additional Director w.e.f October 19, 2012.
[2] Appointed as an Additional Director w.e.f December 24, 2012.
[3] Ceased to be a Director w.e.f. April 30, 2013
[4] Ceased to be a Director w.e.f. June 26, 2012
[5] Ceased to be a Director w.e.f. June 30, 2012
[6] Ceased to be a Director w.e.f. May 19, 2012
* Details provided from the date of appointment
# Details provided till the date of retirement/cessation

c) Code of Conduct:

Company's Board has laid down a Code of Conduct 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 Chairman and Managing Director to this effect is attached at the end of this report.

d) Disclosures regarding appointment/re-appointment of Directors:

Mr. Rajeeva Sinha and Mr. D. T. Joseph are Directors retiring at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

Mr. G.K. Pillai and Mr. Sanjay Lalbhai were appointed as Additional Directors w.e.f October 19, 2012 and December 24, 2012 respectively. They will retire pursuant to Section 260 of the Companies Act, 1956 at the ensuing Annual General Meeting. As required under Section 257 of the Act, the Company has received notice from the member of the company signifying his intention to propose their appointment as Directors of the Company.

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

3. Committees of the Board

A) Audit Committee:

a) Constitution & Composition of 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 in line with the provisions of Clause 49 of the Listing Agreement of the stock exchange read with Section 292A of the Companies Act, 1956.

During the year under review Audit Committee Meetings were held four times on May 14, 2012, August 1, 2012, October 19, 2012 and January 28, 2013. Composition of the Audit Committee and details of attendance of the members at the committee meetings during the year are given below:

Name	Category	No. of Meetings during the year	
		Held	Attended
Mr. D. T. Joseph, Chairman	Non-Executive & Independent Director	4	4
Mr. Rajesh S. Adani	Non-Executive & Non-Independent Director	4	3
Mr. Arun Duggal[1]	Non-Executive & Independent Director	3*	1
Prof. G. Raghuram[2]	Non-Executive & Independent Director	2*	1
Mr. K. N. Venkatasubramanian[3]	Non-Executive & Independent Director	1#	1
Mr. S. Venkiteswaran[4]	Non-Executive & Independent Director	1#	-

[1] Appointed as Member w.e.f July 18, 2012.
[2] Appointed as Member w.e.f October 16, 2012.
[3] Ceased to be a Director w.e.f. June 26, 2012
[4] Ceased to be a Director w.e.f June 30, 2012
* Details provided from the date of appointment
# Details provided till the date of retirement/cessation

The Chief Financial Officer, representatives of statutory auditors, internal audit and finance & accounts department are invited to the meetings of the Audit Committee.

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

The Chairman of the Committee was present at the last Annual General Meeting held on August 9, 2012.

The Committee discharges such duties and functions generally indicated in Clause 49 of the Listing Agreement with the stock exchanges and such other functions as may be specifically delegated to the Committee by the Board from time to time.

b) Broad Terms of reference:

The Terms of Reference of Audit Committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956. The role of Audit Committee is as prescribed under Clause 49(II)(D) of the Listing Agreement.

B) Remuneration Committee:

a) Constitution & Composition of Remuneration Committee:

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

During the year under review Remuneration Committee Meetings were held on May 14, 2012 and June 25, 2012.

The composition of the Remuneration Committee and details of meetings attended by the members of the Remuneration Committee are given below:

Name	Category	No. of Meetings during the year	
		Held	Attended
Mr. D. T. Joseph, Chairman	Non-Executive & Independent Director	2	2
Mr. Rajesh S. Adani	Non-Executive & Non-Independent Director	2	2
Mr. Arun Duggal[1]	Non-Executive & Independent Director	*-	-
Mr. K. N Venkatasubramanian[2]	Non-Executive & Independent Director	2#	2
Mr. S. Venkiteswaran[3]	Non-Executive & Independent Director	2#	1

[1] Appointed as Member w.e.f July 18, 2012.
[2] Ceased to be a Director w.e.f June 26, 2012.
[3] Ceased to be a Director w.e.f June 30, 2012.
* Details provided from the date of appointment
# Details provided till the date of retirement/cessation

b) Brief Terms of reference:

The Remuneration Committee is responsible for determining and reviewing all matters in respect of managerial remuneration.

c) Remuneration Policy:

i. Remuneration to Non-Executive Directors

Pursuant to Section 309 and all other applicable provisions of the Companies Act, 1956; Directors who are neither in the whole time employment of the Company nor Managing Director, may be paid remuneration by way of Commission, if the Company by special resolution authorizes such payment. Accordingly, the Non-Executive Independent Directors of the Company are paid/payable commission of ₹ 3 Lacs per quarter for a period of five years commencing from April 1, 2012, as approved by the members at the Annual General Meeting held on August 9, 2012 within the overall limit of 1% of the Net Profit of the Company. In addition to commission, Non-Executive Directors are paid ₹ 20,000 as sitting fees and reimbursement of expenses for attending each meeting of the Board and Committee.

ii. Remuneration to Executive Directors

The Board in consultation with the Remuneration Committee decides the remuneration structure for Executive Directors. On the recommendation of the 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.

d) Details of Remuneration:

i) Non-Executive Directors:

The details of sitting fees and commission paid to Non-Executive Directors during the financial year 2012-2013 is as under:

(₹ in Lacs)

Name	Commission	Sitting Fees
Mr. Rajesh S. Adani	-	5.60
Mr. Arun Duggal	12.00	1.00
Mr. D. T. Joseph	12.00	3.00
Prof. G. Raghuram	10.58	1.40
Mr. G.K. Pillai [1]	5.42	-
Mr. Sanjay Lalbhai [2]	-	0.20
Mr. K. N. Venkatasubramanian[3]	2.87	1.20
Mr. S. Venkiteswaran[4]	3.00	0.60
Dr. Ravindra Dholakia[5]	1.61	0.20
Mr. Pankaj Kumar, IAS [6] (Nominee of Gujarat Maritime Board)	-	0.20

[1] Appointed as an Additional Director w.e.f October 19, 2012.
[2] Appointed as an Additional Director w.e.f December 24, 2012.
[3] Ceased to be a Director w.e.f June 26, 2012.
[4] Ceased to be a Director w.e.f June 30, 2012.
[5] Ceased to be a Director w.e.f. May 19, 2012.
[6] Ceased to be a Director w.e.f. April 30, 2013.

There was no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company.

ii) Executive Directors:

Details of remuneration paid/payable to Chairman & Managing Director and Whole Time Directors during the financial year 2012-2013 is as under:

(₹ in Lacs)

Name	Salary	Perquisites, Allowances & other Benefits	Commission*	Total
Mr. Gautam S. Adani	165.00	-	100.00	265.00
Mr. Rajeeva Sinha	77.04	116.74	-	193.78
Dr. Malay Mahadevia	108.00	157.44	-	265.44**

* Payable in financial year 2013-14   ** Variable components are not included

iii) Details of shares of the Company held by Directors as on March 31, 2013 are as under:

Name	No. of shares held
Mr. Rajeeva Sinha	4,325
Dr. Malay Mahadevia	14,47,765

The Company does not have any Employees' Stock Option Scheme and there is no separate provision for payment of Severance Fees.

C) Shareholders/Investors Grievance Committee:

a) Constitution & Composition of Shareholders/Investors Grievance Committee:

The Shareholders/Investors Grievance Committee of Directors was constituted on January 30, 2007 and subsequently reconstituted from time to time to comply with statutory requirement.

During the year under review, Shareholders/Investors Grievance Committee Meeting were held four times on May 14, 2012, August 1, 2012, October 19, 2012 and January 27, 2013.

The composition of the Shareholders/Investors Grievance Committee and details of meetings attended by the members of Shareholders/ Investors Grievance Committee are given below:

Name	Category	No. of Meetings	
		Held	Attended
Mr. D. T. Joseph, Chairman	Non-Executive & Independent Director	4	4
Mr. Rajesh S. Adani	Non-Executive & Non-Independent Director	4	4
Prof. G. Raghuram [1]	Non-Executive & Independent Director	3*	2
Mr. K. N. Venkatasubramanian [2]	Non-Executive & Independent Director	1#	1

[1] Appointed as Member w.e.f July 18, 2012.
[2] Ceased to be a Director w.e.f. June 26, 2012
* Details provided from the date of appointment
# Details provided till the date of retirement/cessation

Ms. Dipti Shah, Company Secretary and Compliance officer acts as Secretary of the Committee.

b) Brief terms of reference:

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

c) Details of complaints received and redressed during the year:

Opening Balance	During the year		Pending Complaints
	Received	Resolved	
3	136	139	Nil

D) Transfer Committee:

a) Constitution & Composition of 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.

The composition of the Transfer Committee and details of meetings attended by the members of the Transfer Committee are given below:

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

During the year under review Transfer Committee Meeting was held two times on October 19, 2012 and January 31, 2013.

b) Brief 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.

4. Subsidiary Companies:

None of the subsidiaries of the Company come under the purview of the material non-listed subsidiary as per criteria given in Clause 49 of Listing Agreement. The Audit Committee of the Company reviews the financial statements and investments made by unlisted subsidiary Companies and the minutes of the unlisted subsidiary Companies are placed at the Board Meeting of the Company.

5. 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
2009-2010	21-08-2010	J. B. Auditorium Hall, AMA Complex, Atira, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	9:30 a.m.	1
2010-2011	10-08-2011	J. B. Auditorium Hall, AMA Complex, Atira, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	9:30 a.m.	2
2011-2012	09-08-2012	J. B. Auditorium Hall, AMA Complex, Atira, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015.	10.00 a.m.	2

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

No

c) 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.

d) Procedure for postal ballot:

Prescribed procedure for postal Ballot as per the provisions contained in this behalf in the Companies Act, 1956 and the rules made there under namely Companies (Passing of resolution by Postal Ballot) Rules, 2011 as amended from time to time shall be complied with whenever necessary.

6. 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.

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 implementation of the risk assessment and minimization procedure containing the project/potential risk areas, its intensity, its effects, causes and measures taken by the Company are reviewed by the committee periodically.

d) Management Discussion and Analysis Report is set out in a separate Section included in this Annual Report and forms part of this Report.

e) There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority.

f) The Chief Executive Officer and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on March 31, 2013 in compliance with Clause 49 of Listing Agreement.

g) A qualified Practicing Company Secretary carried out a reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit confirms that the total issued/paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

h) 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.

7. Means of Communication:

The quarterly, half-yearly and annual results are published in widely circulating national and local dailies such as 'The Indian Express' in English and 'Financial Express' in Gujarati. 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

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) Date, time and venue of the 14th Annual General Meeting:

Thursday, the August 8, 2013 at 9.30 a.m. at J. B. Auditorium, AMA Complex, Atira, Dr. Vikaram Sarabhai Marg, Ahmedabad - 380 015.

b) Financial Year:

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, 2013	:	On or before August 14, 2013
Quarter ending on September 30, 2013	:	On or before November 14, 2013
Quarter ending on December 31, 2013	:	On or before February 14, 2014
Annual Result of 2013-14	:	Within 60 days from March 31, 2014

c) Book closure date

The Register of Members and Share Transfer Books of the Company will be closed from Thursday, August 1, 2013 to Thursday, August 8, 2013 (both days inclusive) for the purpose of 14th Annual General Meeting and entitlement of dividend.

d) Unclaimed Shares Lying in the Escrow Account:

The Company entered the Capital Market with initial public offer through 100% book building process for 4,02,50,000 equity shares of ₹ 10/- each at a premium of ₹ 430/- per share. In light of SEBI's notification No. SEBI/CFD/DIL /LA/2009/24/04 on April 24, 2009, the Company has opened separate demat account in the name of "Adani Ports and Special Economic Zone Limited – IPO Escrow Account" in order to credit the unclaimed shares which could not be allotted to the rightful shareholder due to insufficient/ incorrect information or any other reason. The voting rights in respect of the said shares are frozen till the time rightful owner claims such shares. Details of shares in Adani Ports and Special Economic Zone Limited - IPO Escrow Account are as under:

Sr. No.	Particulars	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares in the suspense account lying in IPO Escrow Account as on April 1, 2012	375	28125
(ii)	Number of shareholders who approached issuer for transfer of shares from suspense account during the year	2	150
(iii)	Number of shareholders to whom shares were transferred from suspense account during the year	2	150
(iv)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year the year	373	27975

e) Listing on Stock Exchanges:

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

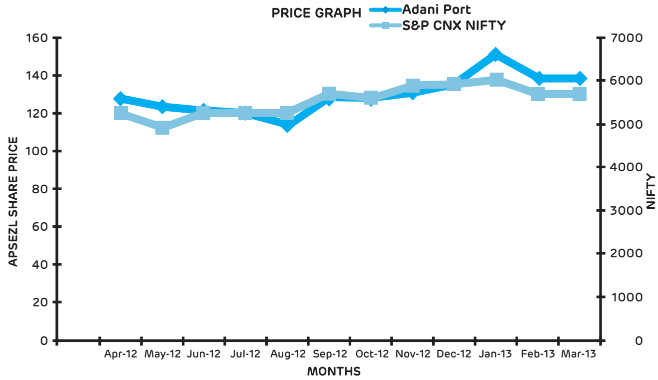
Name of Stock Exchange	Address	Code
BSE Limited	Floor 25, P. J Towers, Dala Street, Mumbai - 400 001	532921
National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	ADANI PORTS

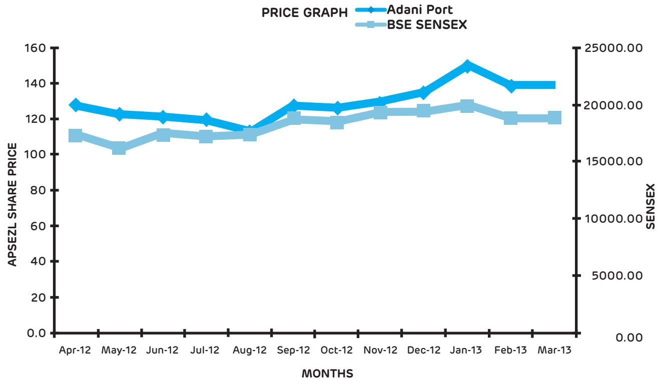
Annual listing fees for the year 2013-14 have been paid by the Company to BSE and NSE.

f) Market Price Data:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2012	137.20	123.00	137.20	124.05
May,2012	129.90	109.80	129.00	109.10
June, 2012	127.30	112.25	127.45	112.45
July, 2012	126.80	110.00	126.90	110.00
August, 2012	130.30	105.15	130.40	105.65
September, 2012	128.45	110.10	128.50	109.80
October, 2012	135.00	117.80	132.90	118.00
November, 2012	136.45	121.60	136.70	121.55
December, 2012	147.00	129.15	146.40	129.00
January, 2013	155.80	126.35	156.25	126.05
February, 2013	162.40	132.15	162.65	131.90
March, 2013	147.75	119.45	148.25	119.10

g) Performance of the share price of the Company in comparison to BSE Sensex and S&P CNX





h) Registrar & Transfer Agents:

Name & Address	:	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078
Tel.	:	+91-22-2594 6970
Fax.	:	+91-22-2594 6969
E-mail	:	rnt.helpdesk@linkintime.co.in
Contact Person	:	Ms. Chaitali Jadhav
Website	:	www.linkintime.co.in

i) Transfer to Investor Education and Protection Fund (IEPF)

In terms of the Section 205C of the Companies Act, 1956, the amount of dividend 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 2004-05 was transferred to the IEPF established by the Central Government under section 205C of the Companies Act, 1956. The unclaimed dividend for the year 2005-06 will be transferred to the IEPF.

j) Share Transfer Procedure:

All the transfers are processed by the Registrar and Share Transfer Agents and are approved by the Transfer Committee.

Pursuant to Clause 47(c) of the Listing Agreement with the stock exchanges, the Company obtains a Certificate from a Practicing Company Secretary on half yearly basis, for due compliance of share transfer formalities. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, a certificate have also been obtained from a Practicing Company Secretary for timely dematerialization of the shares of the Company and for conducting secretarial audit on a quarterly basis for reconciliation of the share capital of the Company. The Company files copy of these certificates with the stock exchange as required.

k) Shareholding as on March 31, 2013:

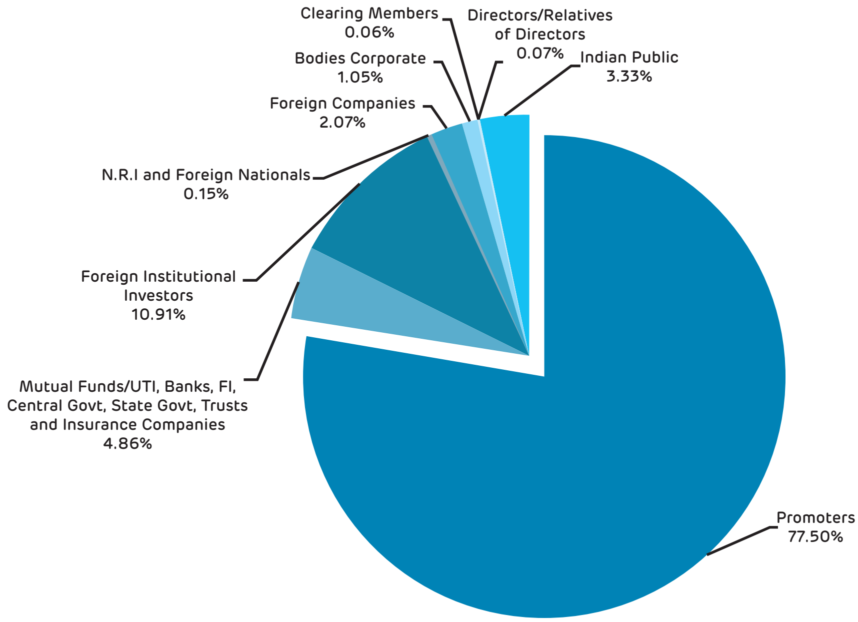
(a) Distribution of Shareholding as on March 31, 2013:

No. of shares	No. of shares	% to Shares	Total no. of accounts	% to toal accounts
1-500	2,88,56,091	1.44	3,13,106	96.62
501-1000	45,81,932	0.23	6,022	1.86
1001-2000	33,88,539	0.17	2,337	0.72
2001-3000	20,19,954	0.10	805	0.25
3001-4000	11,62,248	0.06	334	0.10
4001-5000	16,80,969	0.08	352	0.11
5001-10000	32,02,133	0.16	451	0.14
10001 & above	1,95,85,02,234	97.76	661	0.20
Total	**2,00,33,94,100**	**100.00**	**3,24,068**	**100.00**

(b) Shareholding Pattern as on March 31, 2013:

Category	No. of shares held		Total No. of Shares	% of Holding
	Physical	Electronic		
Promoter Holding	-	1,55,25,38,715	1,55,25,38,715	77.50
Mutual Funds/UTI	-	3,88,84,983	3,88,84,983	1.94
Banks/FI/Central Govt./State Govt./Trusts & Insurance Companies	-	5,84,85,810	5,84,85,810	2.92
Foreign Institutional Investors	-	21,85,97,591	21,85,97,591	10.91
NRI/Foreign Nationals	-	30,73,301	30,73,301	0.15
Foreign Companies	-	4,15,14,154	4,15,14,154	2.07
Other Corporate Bodies	-	2,09,44,962	2,09,44,962	1.05
Clearing Member	-	11,08,256	11,08,256	0.06
Directors/Relatives of Director	-	14,64,890	14,64,890	0.07
Indian Public	4,295	6,67,77,143	6,67,81,438	3.33
Total	**4,295**	**2,00,33,89,805**	**2,00,33,94,100**	**100.00**

Categories of Shareholders as on March 31, 2013



l) Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form. Equity shares of the Company representing 99.99% of the Company's share capital are dematerialized as on March 31, 2013.

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

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE742F01042.

m) 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 (BSE).

n) Debenture Trustees (for privately placed debentures)

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001

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

p) Site location:
"Adani House", Navinal Island,
Mundra - 370 421, Kutch, Gujarat.

q) Address for Correspondence:

i) Ms. Dipti Shah,
Company Secretary & Compliance Officer
"Adani House", Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad -380 009
Tel.: +91-79-2656 5555, Fax: +91-79-2656 5500
E-mail: dipti.shah@adani.com, kamlesh.bhagia@adani.com

ii) For transfer/dematerialization of shares, change of address of members and other queries.
Ms. Chaitali Jadhav
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai – 400 078
Tel. : 91 22 2594 6970
Fax. : 91 22 2594 6969
E-mail : rnt.helpdesk@linkintime.co.in

r) **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 requirements does not arise.

2. **Remuneration Committee:**

   Your Company has a Remuneration Committee to recommend appointment/ re-appointment and to recommend/review the remuneration of the Executive Chairman/Managing /Executive Directors.

3. **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.

4. **Audit Qualifications:**

   There are no qualifications in the Auditor's Report on the financial statements to the shareholders of the Company

5. **Training of Board Members:**

   There is no formal policy introduced for the training of Board members of the Company as the members of Board are eminent and experienced professional persons.

6. **Whistle Blower Policy:**

   The employees of the Company have access to senior management for any counselling or consultation in case they notice any fraud or misdoing by other employee.

DECLARATION

I, Gautam S. Adani, Chairman and Managing Director of Adani Ports and Special Economic Zone Limited hereby declare that as of March 31, 2013, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for Directors and Senior Management Personnel laid down by the Company.

For Adani Ports and Special Economic Zone Limited

Date : April 26, 2013
Place : Ahmedabad

Gautam S. Adani
Chairman & Managing Director

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 March 31, 2013 as stipulated in Clause 49 of the Listing Agreement 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 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 Clause 49 of the above mentioned Listing Agreement.

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.

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

Place: Ahmedabad
Date: May 15, 2013

Certificate of Chief Executive Officer and Chief Financial Officer

We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2013 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. 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.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2013 which are fraudulent, illegal or violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit Committee:
   a) There have been no significant changes in internal control system during the year;
   b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   c) There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

Place : Ahmedabad
Date: May 15, 2013

Gautam S. Adani
Chief Executive Officer

B. Ravi
Chief Financial Officer

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 380 009, Gujarat, India
4.	**Website**	:	www.adaniports.com
5.	**Email id**	:	dipti.shah@adani.com
6.	**Financial Year reported**	:	April 1, 2012 to March 31, 2013

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, multi product Special Economic Zone (SEZ) and related infrastructure.

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

   The Company's business activity is undertaken at Mundra Port (in Kutch, Gujarat). The Adani Group companies have presence in a total of 32 locations in India and 7 international locations (including offices).

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

Section B: Financial Details of the Company

1.	**Paid up capital (INR)**	:	₹ 403.49 Crores
2.	**Total turnover (INR)**	:	₹ 3,564.29 Crores
3.	**Total profit after taxes (INR)**	:	₹ 1,754.18 Crores

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

   The Company has spent ₹ 25.73 Crores on CSR activities. This amounts to 1.47 % of Profit After Tax (PAT) of the Financial Year 2012-13.

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

   The major activities in which Corporate Social Responsibility was undertaken are Education Initiatives, Community Health Initiatives, Water Resource Development, Sustainable Livelihood Development Projects, Rural Infrastructure Development and Community Environment Projects.

Section C: Other Details

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

   Yes, the Company has 13 subsidiary companies (including step-down subsidiaries).

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) : N.A.
Name : Mr. Gudena Rao
Designation : Designated Director (Ports)
Telephone Number : 079- 255558509
Email Id : Gudena.Rao@adani.com

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

Sr. No.	Questions	Business Ethics	Product Life Responsibility	Employee Wellbeing	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for....	Y	Y*	Y	-	-	Y	-	-	-
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	-	-	Y	-	-	-
3	Does the policy conform to any national /international standards? If yes, specify? (The policies are based on the NVG-guidelines in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000)	Y	Y	Y	-	-	Y	-	-	-
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	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	-	-	-
6	Indicate the link for the policy to be viewed online?	#	-	@	-	-	-	-	-	-
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	-	-	Y	-	-	-
8	Does the company have in-house structure to implement the policy/policies.	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	-	-	-
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	-	-	-

* While the Company does not manufacture any products, the policy addresses the aspects of health, safety and environmental protection in the Company's operations and services.

http://www.adaniports.com/investor%20relations

@ Policies pertaining to our human resources are available on the Company's internal web portal.

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	-	-	-	-	-	-	-	-	-
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)	-	-	-	1*	2*	-	3*	4*	5*

1* The Adani Foundation undertakes several programs for marginalized and vulnerable sections of local communities, as identified in the needs assessment exercises.

2* The Company strictly adheres to all applicable labour laws and other statutory requirement in order to uphold human rights within its organizational boundary.

3* As a relatively young business, the Company undertakes need-based advocacy on certain industry specific issues. The Company currently does not have a stated policy; However it will continue to assess the evolving business and regulatory environment in future in this regard.

4* The Company is committed to the development of its local communities. This is reflected in the activities undertaken by the Adani Foundation, which is guided by a Group level mandate. The Company is currently in the process of developing a formal CSR Policy.

5* The Company has processes in place for customer engagement and grievance redressal. Further, the Company gives the highest priority to responsibility towards its customers.

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 Board of Directors assesses the Company's Business Responsibility performance on a quarterly basis.

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

This report comprises the Company's first Business Responsibility Report as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG). The Company currently does not publish a separate Sustainability Report.

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 a Code of Conduct for its Directors and Senior Management. Additionally, the Policy on Code of Conduct for Employees applies to all employees of Adani Group companies. It does not extend to other entities.

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.

No stakeholder complaints pertaining to the above Codes were received in the past financial year.

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 does not manufacture any product. However several of our port operations have incorporated energy efficiency and conservation activities which are described under Principle 6 in this section of the Business Responsibility Report. The Company has received various awards and recognition, including:

   i) Gold and Silver team medals at 23rd Gujarat Level Convention on Quality Circles (September, 2012)
   ii) Par Excellence, Excellence, Distinguished and Meritorious team awards at 26th National Convention on Quality Concepts (theme of 'Inclusive Growth Through Quality Concepts', December, 2012)

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 does not manufacture any product, hence this is not applicable.

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

   The Company does not manufacture any product, hence this is not applicable.

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

   The Company does not have any manufacturing operations; hence procurement is not a material aspect to its business.

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 locally based vendors, thereby creating 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.

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.**

   There are no specific initiatives to recycle waste, however the Company complies with all applicable regulatory requirements pertaining to waste disposal as prescribed by the regulatory agencies.

Principle 3: Business should promote the wellbeing of all employees

1. **Please indicate total number of employees:**

   The Company has a total of 1181 employees as of March 31, 2013.

2. **Please indicate total number of employees hired on temporary/contractual/casual basis:**

   The Company has a total of 1945 employees hired on contractual basis as of March 31, 2013.

3. **Please indicate the number of permanent women employees:**

   The Company has 8 women employees as of March 31, 2013.

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

   The Company has one permanent employee with disabilities as of March 31, 2013.

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 calender 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's key stakeholders include employees, suppliers, customers, business partners, regulatory agencies and local communities around its sites of operations.

2. **Out of the above, has the company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   Yes, the Company has identified the disadvantaged, vulnerable and the marginalized sections within the local communities around its sites of operations.

3. **Special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders:**

   The Company, through the Adani Foundation, has undertaken several initiatives to engage with and ensure sustainable development of the marginalized groups in the local communities. Key initiatives include:

   (i) Adani Vidyamandir, Ahmedabad and Bhadreshwar for the students who come from economically challenged background which provides excellent educational and extracurricular opportunities in the state of art facility absolutely free of cost

   (ii) Health Cards and cashless treatment for senior citizens in Mundra (Gujarat);

   (iii) Support to malnourished kids, adolescent girls and women in terms of additional nutritional food, awareness and medical care is provided at Mundra, Hazira and Dahej

   (iv) Diagnosis, Treatment and Awareness building for kidney stone problem in the highly saline coastal areas of Mundra (Gujarat);

   (v) Infrastructure Development for basic amenities for, Education, Health Care, Potable water, Solar Lights as well as Sustainable Livelihood Development support to improve the Quality of Life for fishing communities in the coastal zones of Mundra, Dahej and Hazira (Gujarat).

   (vi) Education grants and medical support to the needy

   (vii) Support to government schools to improve the quality of education

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?**

   The Company currently does not have a policy on human rights, however the Company strictly adheres to all applicable labour laws and other statutory requirements in order to uphold the human rights within its organizational boundary.

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 were received during the last financial year.

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 committed to addressing global environmental issues such as climate change and global warming through adoption of energy and resource efficient practices in its port operations. Some of the key energy conservation initiatives undertaken by the Company during the reporting year are as follows:

   (i) At the recently commissioned tug berth at West Basin, tugs are operated using electric shore supply instead of DG sets, leading to energy efficiency;

   (ii) Provision has been made at MMPT tug berths to provide automated diesel supply to tug thus minimizing unproductive movements of the tugs and saving fuel;

   (iii) The free running of tugs is now always done at the economical RPM thus resulting in saving of fuel;

   (iv) The percentage loading of identified transformers were found to be low and hence shifted load to avoid no load and full load losses of transformers;

   (v) The reciprocating compressor at SS3 was replaced with new energy efficient screw Compressor along with change of cut in cut off pressure setting for efficient utilization;

   (vi) Installation of lighting energy saver to lighting feeders with negligible effect on illumination level.

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.

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.**

   Yes, some of the key energy and resource conservation initiatives adopted by the Company include conversion of several cranes from diesel to electric, non-mechanized coal handling as well as use of electric yo-bikes and golf cars. Additionally, the Company has decreased natural resource consumption and diesel usage through the use of dredge material instead of transporting river sand for reclamation.

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 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, either directly or through its parent company (Adani Enterprises Limited):

   (i) Confederation of Indian Industry (CII)

   (ii) Independent Power Producers Association of India

   (iii) Gujarat Chamber of Commerce and Industry (GCCI)

   (iv) Ahmedabad Management Association (AMA)

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 energy security and electricity pricing, food security with respect to edible oil and pulses, increasing the productivity of coal mining, and improving the logistics and rail connectivity of 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.**

   Adani Foundation, the Corporate Social Responsibility (CSR) wing of Adani Group, is devoted to undertake various activities for the sustainable development of communities around the sites of operations of the Group companies. The Foundation works in four core areas i.e. Education with special focus on quality education and girl child education, Community Health, Sustainable Livelihood 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 reaches to 6 States, more than 175 villages/towns and over 165000 families touching their lives to make a positive difference. Though the Company has not adopted a formal CSR Policy yet, it has a mandate to work for and with communities around its physical presence through a set of guiding principles defined by the promoters and senior management of the Company.

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 CSR programs are carried out internally as well as in partnership with several government agencies, government supported organizations, non-governmental organizations, community service organizations and the CSR network of other corporate houses.

3. **Have you done any impact assessment of your initiative?**

   Yes, impact assessments and SROI (Social Returns on Investment) analysis of the ongoing CSR programs 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 FY 2012-13 was ₹ 25.73 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.**

   Community participation is encouraged at all stages of our community development / CSR initiatives, including program planning, monitoring, implementation and assessment / evaluation. 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

1. **What Percentage of customer complaints / consumer cases are pending as on the end of financial year 2012-13?**

   There are no customer complaints / consumer cases pending as of end of financial year 2012-13.

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 2013?**

   There are no such pending cases against the Company in a court of law.

4. **Did your company carry out any consumer survey / consumer satisfaction trends?**

   The Company conducted a Customer Satisfaction Survey in August - September 2012, covering a total of 95 customers in the dry cargo, liquid cargo and containers categories. The key objectives of this survey were to assess customer satisfaction and expectations towards the port services provided by the Company as well as to identify critical process improvement areas. The survey output will help the Company identify competitive strengths and weaknesses, thereby providing a strategic tool for developing an action plan to effectively grow and strengthen its current market position.

REPORT OF THE INDEPENDENT AUDITOR ON THE ABRIDGED FINANCIAL STATEMENTS

To
The Board of Directors of
Adani Ports and Special Economic Zone Limited

The accompanying abridged financial statements, which comprise the abridged balance sheet as at March 31, 2013, the abridged statement of profit & loss and abridged cash flow statement for the year then ended, and related notes, are derived from the audited financial statements of Adani Ports and Special Economic Zone Limited ('the Company') as at and for the year ended March 31, 2013. We expressed an unqualified audit opinion on those financial statements in our report dated May 15, 2013 but had included an Emphasis of Matter therein.

The abridged financial statements do not contain all the disclosures required by the accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). Reading the abridged financial statements, therefore, is not a substitute for reading the audited financial statements of the Company.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") and accounting principles generally accepted in India.

Auditor's Responsibility

Our responsibility is to express an opinion on the abridged financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the abridged financial statements derived from the audited financial statements of the Company as at and for the year ended March 31, 2013 are a fair summary of those financial statements, in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") and accounting principles generally accepted in India.

Emphasis of Matter

We draw attention to Note 20 to the abridged financial statements recording sale of investments in Australia subsidiaries, on the basis indicated in the note, whereby profit of ₹ 70.01 crores have been recognized in the books. Our opinion is not qualified in respect of this matter.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership Number: 34032

Place : Ahmedabad
Date: May 15, 2013

INDEPENDENT AUDITORS' REPORT

To
The Members of
Adani Ports and Special Economic Zone Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Adani Ports and Special Economic Zone Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

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

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 40 to the financial statements recording sale of investments in Australia subsidiaries, on the basis indicated in the note, whereby profit of ₹ 70.01 crores have been recognized in the books. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
   (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership Number: 34032

Place : Ahmedabad
Date: May 15, 2013

Annexure referred to in paragraph 1 on other legal and regulatory requirement of our report of even date

Re: Adani Ports &Special Economic Zone Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets through which all the fixed assets are verified in a phased manner, over a period of three years. In our opinion physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) As referred in note 33, the Company is holding assets of the value of ₹ 1,013.38 crores as held for sale as at year end. Based on the information and explanations given by the management and on the basis of audit procedures performed by us, we are of the opinion that fixed assets held for sale has not affected the going concern status of the Company.

(ii) (a) The inventory of stores and spares, fuel and lubricants has been physically verified by the management during the year. In our opinion, the frequency of such physical verification is reasonable.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (a) to (d) of the Companies (Auditors Report) Order, 2003 (as amended), are not applicable to the Company and hence not commented upon.

(e) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (e) to (g) of the Companies (Auditors Report) Order, 2003 (as amended), are not applicable to the Company and hence not commented upon.

(iv) Part of the Company's purchases of fixed assets and sale of services are stated to be of unique and specialized nature, and hence, in such cases, the comparison of prices with the market rates or with purchases from/sales to other parties cannot be made. Read with the above, in our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of services. The activities of the Company do not involve sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct major weakness in internal control system of the company in respect of these areas.

(v) (a) According to the information and explanations provided by the management, we are of the opinion that there are no particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (v)(b) of the Companies (Auditors Report) Order, 2003 (as amended), are not applicable to the Company and hence not commented upon.

(vi) The Company has not accepted any deposits from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, related to the processing activity pertaining to harboring, berthing, docking, elevating, towing, handling and warehousing products, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delay in deposit of service tax in few cases and wealth-tax.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, the dues outstanding of service tax, customs duty and excise duty on account of any dispute, are as follows:

Name of the statue	**Nature of dues**	**Amount (₹ in Crores)**	**Period to which the amount relates**	**Forum where dispute is pending**
Customs Act, 1962	Show cause notice from the Custom Authorities for recovery of custom duty in relation to import of Crude Petroleum Oil	0.27	November, 2004	Customs, Excise and Service tax, Appellate Tribunal, Mumbai
Customs Act, 1962	Show cause notice from the Custom Authorities for recovery of custom duty in relation to import of Acrylonitrile	0.14	July, 2003	Assistant Commissioner of Customs, Mundra
Customs Act, 1962	Demand Notice from Deputy Commissioner of Customs directing to pay duty by holding that Company wrongly availed duty benefit under DFCEC Scheme on import of equipment	0.25	August, 2007	Deputy Commissioner of Customs, Mundra
Finance Act, 1994	Show Cause Notice from Commissioner of Customs and Central Excise disallowing and recovering duty, interest and penalty holding that Company wrongly availed Service Tax Credit/ Cenvat Credit and Education Cess on steel and cement etc. (Net of deposit ₹4.50 crores)	6.72	December, 2004 to March, 2006	High Court of Gujarat
Finance Act, 1994	Show Cause Notice from Commissioner of Customs and Central Excise disallowing and recovering duty, interest and penalty holding that Company wrongly availed Service Tax Credit/ Cenvat Credit and Education Cess on steel and cement etc.	46.09	April, 2006 to March, 2009	Commissioner of Customs and Central Excise, Rajkot
		7.98	April, 2009 to March, 2010	Commissioner of Service Tax, Ahmedabad
		0.81	October, 2009 to March, 2010	Commissioner of Service Tax, Ahmedabad
		1.14	April, 2010 to September, 2010	Commissioner of Service Tax, Ahmedabad
		1.95	October, 2010 to September, 2011	Commissioner of Service Tax, Ahmedabad
Finance Act, 1994	Show cause notices received from Commissioner of Customs and Central Excise, Rajkot and Commissioner of Service Tax, Ahmedabad in respect of levy of service tax on various services provided by the Company and wrong availment of CENVAT credit by the Company.	6.73	April, 2004 to August, 2009	High Court of Gujarat
		0.15	April, 2009 to March, 2010	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad
		0.02	2010-11	Commissioner of Service Tax, Ahmedabad
Customs Act, 1962	Demand Notice from Commissioner of Customs for recovery of penalty in connection with import of aircraft, owned by Karnavati Aviation Private Limited – Subsidiary of the Company.	2.00	June, 2008	Commissioner of Customs & Central Excise, Ahmedabad

Name of the statue	Nature of dues	Amount (₹in Crores)	Period to which the amount	Forum where dispute is pending relates
Income Tax, Act 1961	Demand under section 156 of the Income tax Act, 1961 pursuant to order passed u/s 143(3) of the act by the Addl. Commissioner of Income Tax, Ahmedabad	6.48	AY 2010-11	Commissioner of Income Tax Appeals, Ahmedabad

(x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks or debenture holders. The Company has not borrowed funds from financial institutions.

(xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from financial institutions.

(xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained, though idle/surplus funds which were not required for immediate utilization have been invested in fixed deposits and given as Inter-Corporate deposits.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) According to information and explanation given to us and based on records, the Company has created security in respect of debentures issued in earlier and current year except for debentures aggregating to Rs. 989 crores issued during the year. We are informed by the management that the Company is taking steps to create security for the debentures.

(xx) The Company has not raised any money through a public issue during the year.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership Number: 34032

Place : Ahmedabad
Date: May 15, 2013

Abridged Balance Sheet as at March 31, 2013

(Statement containing salient features of Balance Sheet as per section 219(1)(b)(iv) of the Companies Act, 1956)

PARTICULARS		As at March 31, 2013 ₹ in Crores	As at 31 March 2012 ₹ in Crores
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
PAID-UP SHARE CAPITAL			
Equity		400.68	400.68
Preference		2.81	2.81
	Sub Total	**403.49**	**403.49**
RESERVES AND SURPLUS			
Capital Reserves		126.49	112.44
Securities Premium Account		1,820.42	1,834.33
Debenture Redemption Reserve		65.35	117.83
Revenue Reserves		796.87	499.87
Foreign Currency Monetary Item Translation Difference Account		(54.32)	(17.06)
Net Surplus in the Statement of profit and loss		3,545.67	2,270.54
	Sub Total	**6,300.48**	**4,817.95**
NON-CURRENT LIABILITIES			
Long-Term Borrowings		7,404.61	4,132.81
Deferred Tax Liabilities (Net)		552.97	429.75
Other Long term liabilities		569.95	603.51
Long-Term Provisions		46.58	-
	Sub Total	**8,574.11**	**5,166.07**
CURRENT LIABILITIES			
Short Term Borrowings		394.70	1,004.89
Trade Payables		134.62	182.33
Other Current Liabilities		2,149.05	1,343.84
Short Term Provisions		298.84	257.99
	Sub Total	**2,977.21**	**2,789.05**
	Total	**18,255.29**	**13,176.56**
ASSETS			
NON CURRENT ASSETS			
Fixed assets			
Tangible Assets (Original cost less Depreciation)		7,709.37	5,742.89
Intangible Assets (Original cost less Depreciation / Amortisation)		59.05	62.18
Capital Work-In-Progress		1,131.69	2,189.84
Fixed asset held for sale		1,013.38	257.13
		9,913.49	**8,252.04**
Non-Current Investments		1,207.29	1,837.55
Loans and Advances		2,067.38	1,770.78
Trade Receivables		73.99	91.78
Other Non-Current Assets		286.23	188.52
	Sub Total	**13,548.38**	**12,140.67**
CURRENT ASSETS			
Current Investments		120.01	-
Inventories		87.29	62.52
Trade Receivables		729.43	242.73
Cash & Bank Balances		593.59	535.99
Loans and Advances		1,645.35	156.89
Other Current Assets		1,531.24	37.76
	Sub Total	**4,706.91**	**1,035.89**
	Total	**18,255.29**	**13,176.56**

Refer Notes forming part of the Abridged Financial Statements

Note: Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Revised Schedule VI to the Companies Act, 1956 are available at the Company's website at link : www.adaniports.com

Compiled from the Audited Financial Statements of the Company referred to in our Report dated May 15, 2013.

For S.R. BATLIBOI & ASSOCIATES LLP
Firm Registration No.: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership No. 34032
Place : Ahmedabad
Date : May 15, 2013

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman and Managing Director

Rajesh S. Adani
Director

Dr. Malay R. Mahadevia
Wholetime Director

B Ravi
Chief Financial Officer

Dipti Shah
Company Secretary

Place : Ahmedabad
Date : May 15, 2013

Abridged Statement Of Profit and Loss for the year ended March 31, 2013

(Statement containing salient features of statement of profit and loss as per section 219(1)(b)(iv) of the Companies Act, 1956)

PARTICULARS	For the Year ended March 31, 2013 ₹ in Crores	For the Year ended March 31, 2012 ₹ in Crores
Income		
Revenue from Services Provided	2,729.38	2,195.20
Other Operational Revenue	631.67	286.70
Revenue from Operations	**3,361.05**	**2,481.90**
Other Income	203.24	40.25
Total Income	**3,564.29**	**2,522.15**
Expenditure		
Operating Expenses	648.78	536.81
Employee Benefits Expenses	104.38	89.42
Other Expenses	137.66	144.08
Finance Costs	441.90	208.75
Depreciation and Amortization Expense	342.38	273.50
Total Expenditure	**1,675.10**	**1,252.56**
Profit before tax	**1,889.19**	**1,269.59**
Tax Expense:		
- Current Tax (MAT)	377.36	254.33
- MAT Credit Entitlement	(365.58)	(242.17)
- Deferred Tax Charge	123.23	80.17
Profit for the year	**1,754.18**	**1,177.26**
Basic and Diluted Earnings per Equity Share (in ₹) Face Value of ₹ 2 each	8.76	5.88

Refer Notes forming part of the Abridged Financial Statements

Compiled from the Audited Financial Statements of the Company referred to in our Report dated May 15, 2013.

For S.R. BATLIBOI & ASSOCIATES LLP
Firm Registration No.: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership No. 34032
Place : Ahmedabad
Date : May 15, 2013

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman and Managing Director

Rajesh S. Adani
Director

Dr. Malay R. Mahadevia
Wholetime Director

B Ravi
Chief Financial Officer

Dipti Shah
Company Secretary

Place : Ahmedabad
Date : May 15, 2013

Abridged Cash Flow Statement for the year ended March 31, 2013

PARTICULARS	For the Year ended March 31, 2013 ₹ in Crores	For the Year ended March 31, 2012 ₹ in Crores
A. Cash Flow from Operating Activities	**1,369.84**	**1,287.44**
B. Cash Flow from / (used in) Investing Activities	**(2,445.86)**	**(3,819.17)**
C. Cash Flow from / (used in) Financing Activities	**1,416.89**	**2,680.58**
D. Net Increase in Cash and Cash Equivalents (A+B+C)	**340.87**	**148.85**
E. Cash and Cash Equivalents at Beginning of the year	**213.62**	**64.77**
F. Cash and Cash Equivalents at End of the year	**554.49**	**213.62**
G. Components of Cash & Cash Equivalents		
Cash and Cheques on Hand	0.60	0.04
Balances with Scheduled Banks		
- On Current Accounts	107.60	212.34
- On Current Accounts Earmarked for unpaid dividend and share application refund money	1.29	1.24
- On Fixed Deposit Accounts	445.00	-
H. Cash and Cash Equivalents at close of the year	**554.49**	**213.62**
Fixed Deposits pledged (restricted Cash)	39.10	30.41
Fixed Deposits with original maturity of more than 90 days	-	291.96
	593.59	**535.99**

Compiled from the Audited Financial Statements of the Company referred to in our Report dated May 15, 2013.

For S.R. BATLIBOI & ASSOCIATES LLP
Firm Registration No.: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership No. 34032
Place : Ahmedabad
Date : May 15, 2013

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman and Managing Director

Rajesh S. Adani
Director

Dr. Malay R. Mahadevia
Wholetime Director

B Ravi
Chief Financial Officer

Dipti Shah
Company Secretary

Place : Ahmedabad
Date : May 15, 2013

Notes to Abridged Financial Statements for the year ended March 31, 2013

1. Corporate information

Adani Ports and Special Economic Zone Limited ('the Company', 'APSEZL') (formerly known as Mundra Port and Special Economic Zone Ltd.) is in the business of development, operations and maintenance of port infrastructure and linked multi product SEZ and related infrastructure contiguous to Mundra port. The initial port infrastructure facilities at Mundra including expansion thereof through development of additional terminals and south port infrastructure facilities are developed pursuant to the concession agreement with the Government of Gujarat (GoG) and Gujarat Maritime Board (GMB) for 30 years effective from February 17, 2001. The Company has expanded port infrastructure facilities through proposed supplementary concession agreement, which will be effective till 2040, for coal terminal at Wandh, Mundra with the right and authority to develop, design, finance, construct, operate and maintain the port and related infrastructure. The said agreement is in the process of getting signed with GoG and GMB as at the year end although the part of the Coal terminal at Wandh is recognised as commercially operational w.e.f. February 1, 2011.

The Container terminal facilities (CT-1) initially developed by the Company was transferred under sub-concession agreement between Mundra International Container Terminal Limited (MICTL) (erstwhile Adani Container Terminal Limited) and APSEZL entered into, on January 7, 2003 wherein APSEZL has given rights to MICTL to handle the container cargo for a period of 28 years i.e. up to February 17, 2031. For the new container facilities developed as South Port (CT-3) has been agreed to be transferred to Adani International Container Terminal Private Limited (AICTPL).

The Multi Product Special Economic Zone at Mundra and surrounding areas is developed by the Company as per approval of the Government of India vide their letter no. F-2/11/2003/EPZ dated April 12, 2006 as amended from time to time till date. The Company has also taken approval of Ministry of Commerce and Industry to set up Free Trade and Warehousing Zone vide letter no. F.1/16/2011-SEZ dated March 26, 2012.

2. The abridged financial statements have been prepared pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 as per notification F. NO. 17/51/2012-CL-V, dated May 31, 2012 and are based on the annual accounts for the year ended March 31, 2013 approved by the Board of Directors at the meeting held on May 15, 2013.

3. (Note No. 2 of Notes to Financial Statements)

Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies have been consistently applied by the Company.

Summary of Significant Accounting Policies

a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Tangible Fixed Assets

i) Fixed assets are stated at cost net of accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing costs and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

ii) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

iii) From accounting periods commencing on or after August 9, 2012, the company adjusts exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining useful life of the asset.

iv) Gains or losses arising from derecognition / sale proceeds of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

v) Insurance spares are capitalised as part of mother assets.

c) Expenditure on new projects and substantial expansion

Expenditure directly relating to construction / development activity (net of income, if any) is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto, is charged to the statement of profit and loss.

d) Depreciation on tangible fixed assets

i) Depreciation on fixed asset is calculated on Straight Line Method (SLM) using the rates arrived at based on the useful lives estimated by the management or those prescribed under Schedule XIV to the Companies Act, 1956, whichever is higher. For assets stated in para (ii) to (iv) below, higher depreciation rate has been used based on the useful life estimated by the management.

ii)

Assets	**Estimated Useful Life**
Leasehold Land Development, Marine Structure and Dredged Channel	Over the balance period of Concession Agreement and proposed Supplementary Concession Agreement with Gujarat Maritime Board.
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	5 Years
Fender, Buoy, Capstan installed at Jetty - Marine Structures	5 - 15 Years

iii) Depreciation on individual assets costing up to ₹ 5,000 and mobile phones, included under office equipments are provided at the rate of 100% in the month of purchase.

iv) Insurance spares, whose use is expected to be irregular, are depreciated prospectively over the remaining useful lives of the respective mother assets.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on straight line basis over their estimated useful lives as follows:

Intangible Assets	Estimated Useful Life
Leasehold Land – Right to Use	Over the balance period of Concession Agreement and proposed Supplementary Concession Agreement with Gujarat Maritime Board.
Goodwill arising on the amalgamation of Adani Port Limited	Over the balance period of Concession Agreement computed from the Appointed Date of the Scheme of Amalgamation i.e. 28 Years.
Softwares	3 Years

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 recognized in the statement of profit and loss when the asset is derecognized

f) Impairment of tangible and intangible assets

i) The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the company estimates the asset’s recoverable amount. The asset's recoverable amount is the higher of the asset’s or cash generating unit's (CGU), net selling price and value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is consider 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 assessment of the time value of money and risks specific to the asset.

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

g) Borrowing Costs

Borrowing cost includes interest & amortization of ancillary costs incurred in connection with the arrangement of borrowings over the loan period.

Borrowing costs directly attributable to the acquisition or construction of an assets that takes substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are charged to the statement of profit and loss.

h) Leases

Where the Company is the lessee

Finance leases includes rights of use in leased land, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liabilities. Finance charges are charged as expense in the statement of profit and loss.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term the capitalized leased assets is depreciated on a straight line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, wherein the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

Where the Company is the lessor

Leases includes rights to use in leased / sub-leased land in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, lease rentals are apportioned between principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The principal amount received reduces the net investment in the lease and interest is recognized as revenue. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

i) Investments

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Investments, which are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long - term investments. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long - term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

j) Inventories

Stores and Spares: Valued at lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost of stores and spares lying in bonded warehouse includes custom duty accounted for on an accrual basis.

Net Realizable Value is the estimated current procurement price in the ordinary course of the business.

k) 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. The following specific recognition criteria must also be met before revenue is recognised:

i) Port Operation Services

Revenue from port operation services including cargo handling, storage and rail infrastructure are recognized on proportionate completion method basis based on service performed. 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 recognised as a revenue is exclusive of service tax and education cess where applicable.

Income in the nature of license fees / royalty is recognised as and when the right to receive such income is performed as per terms and conditions of relevant agreement.

ii) 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. 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 apart from other criteria to classify the transaction between the operating lease or finance lease. The Company recognises the income based on the principles of leases as per Accounting Standard –19, 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 recognised 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 recognised on an accrual basis. In cases where land lease / sub-lease transaction are non-cancellable in nature, the income is recognised 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 recognised 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.

iii) 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.

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 recognised based on milestones reached under the contract.

iv) Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate. Interest income on land leases is included under the head "Revenue from operations" and other interest income is included under the head "Other income".

v) Dividends

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

l) Foreign Currency Translation

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

The Company accounts for exchange difference arising on translation / settlement of foreign currency monetary as below:

a) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

b) Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.

c) All other exchange differences are recognized as income or as expenses in the period in which they arise.

For the purpose of (a) and (b) above, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 09, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

iv) Forward Exchange Contracts entered into to hedge foreign currency risk of an existing asset / liability

The premium or discount arising at the inception of forward exchange contracts is amortized as an expense / income over the life of the contract. Exchange differences on such contracts, except the contracts which are long term foreign currency monetary items, are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the period. Any gain / loss arising on forward contracts which are long term foreign currency monetary items is recognized in accordance with paragraph (iii) above.

v) Derivative instruments

The Company uses derivative financial instrument, such as principal only swap i.e. INR to foreign currency to take advantage of lower interest rate of foreign currency loan. In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

m) **Retirement and Other Employee Benefits**

i) **Provident fund and superannuation fund**

Retirement benefits in the form of Provident Fund and Superannuation Fund Schemes are defined contribution schemes and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds. 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.

ii) **Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has taken an insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees and amount paid / payable in respect of the present value of liability for past services is charged to the statement of profit and loss every year.

iii) **Leave Benefits**

Short term compensated absences are provided for based on estimates. Long term compensated absences 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 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 month after the reporting date.

iv) **Actuarial Gains / Losses**

Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

n) **Income Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rate and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. The Company is eligible and claims tax deductions available under section 80IAB of the Income Tax Act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. In view of Company availing tax deduction under Section 80IAB of the Income Tax Act, 1961, deferred tax has been recognized in respect of timing difference, which originates during the tax holiday period but reverse after the tax holiday period. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has carry forward unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date, unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference share dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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

p) Provisions

A provision is recognized when the company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on best management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates.

q) Segment Reporting Policies

The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services, the risk and return profile of individual business unit, the organisational structure and internal reporting system of the Company. The analysis of geographical segments is not required as the Company's operations are within single geographical segment i.e. India.

r) Cash and Cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

s) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liabilities but discloses it's existence in the financial statement.

4. **(Note No. 8 of Notes to Financial Statements)**
Provisions

(₹ In Crores)

	Long Term		Short Term	
	March 31, 2013	**March 31, 2012**	**March 31, 2013**	**March 31, 2012**
Provision for employee benefits				
Provision for gratuity	-	-	1.39	0.90
Provision for compensated absences	-	-	6.64	5.17
	-	**-**	**8.03**	**6.07**
Other provisions				
Proposed equity dividend	-	-	200.34	140.24
Provision for tax on proposed equity dividend	-	-	34.05	22.75
Proposed preference dividend	-	-	*-	*-
Provision for tax on proposed preference dividend	-	-	*-	*-
Provision for Income Tax (Net of advance tax)	-	-	43.71	21.58
Provision for Derivative losses (Mark to market)	46.58	-	0.92	54.48
Provision for Operational Claims (Refer note below)	-	-	11.79	12.87
	46.58	**-**	**290.81**	**251.92**
	46.58	**-**	**298.84**	**257.99**

* Figures being nullified on conversion to ₹ in crores.

(₹ in Crores)

Description	**Opening Balance**	**Additions during the year**	**Utilization during the year**	**Closing Balance**
Operational Claims	**12.87**	**6.36**	**7.44**	**11.79**
	(11.68)	(1.74)	(0.55)	(12.87)

Previous year figures are in bracket

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.

5. **(Note No. 20 of Notes to Financial Statements)**
Revenue from operations (net)

(₹ In Crores)

	March 31, 2013	**March 31, 2012**
a) Income from Port Operations (including related infrastructure)	2,729.38	2,195.20
b) Land Lease, Upfront Premium and Deferred Infrastructure Income (includes Annual Discounting Income of ₹ 14.97 crores (Previous Year ₹ 7.27 crores in respect of land lease))	381.76	175.20
c) Other operating income including construction, Infrastructure development support services and related income	249.91	111.50
	3,361.05	**2,481.90**

6. (Note No. 21 of Notes to Financial Statements)

Other Income

(₹ In Crores)

	March 31, 2013	March 31, 2012
Interest income on		
Bank Deposits, Inter Corporate Deposits etc.	99.57	26.64
Customers	14.95	2.30
Dividend income on		
Current investments	1.95	-
Long-term investments	5.00	2.00
Scrap sales	1.20	1.75
Profit on sale of long term investments (net) (Refer note no. 20)	70.03	-
Profit on Sale of Fixed Asset (net)	-	0.95
Unclaimed Liabilities / Excess Provision written back	1.25	1.12
Miscellaneous Income	9.29	5.49
	203.24	**40.25**

7. Operating Expenses includes Handling Expenses to contractors of ₹ 188.34 Crores (Previous Year ₹ 175.90 Crores).

8. (Note No. 27 of Notes to Financial Statements)

Details of employee benefits

1. The company has recognised, in the statement of profit and loss for the current year, an amount of ₹ 3.81 crores (Previous Year ₹ 3.56 crores) as expenses under the following defined contribution plan.

(₹ In Crores)

Contribution to	2012-13	2011-12
Provident Fund	3.55	3.29
Superannuation Fund	0.26	0.27
Total	**3.81**	**3.56**

2. The Company has a defined gratuity plan. Every employee gets a gratuity on departure at 15 days salary (last drawn basic salary) for each completed year of service. The scheme is funded with Life Insurance Company of India (LIC) in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Statement of Profit and Loss

a) Net Employee benefit expense (recognised in Employee Cost)

(₹ In Crores)

Particulars	Gratuity (Funded) March 31, 2013	Gratuity (Funded) March 31, 2012
Current Service cost	1.14	0.99
Interest Cost on benefit obligation	0.46	0.34
Expected return on plan assets	(0.38)	(0.29)
Actuarial loss / (gain) recognised in the year	0.68	0.10
Net benefit expense	**1.90**	**1.14**

Note: Actual return on plan assets ₹ 0.42 crores (Previous Year ₹ 0.36 crores)

Balance Sheet

b) Details of Provision for gratuity (₹ In Crores)

Particulars	Gratuity (Funded) March 31, 2013	Gratuity (Funded) March 31, 2012
Present value of defined benefit obligation	6.99	5.39
Fair value of plan assets	5.60	4.49
Surplus / (deficit) of funds	(1.39)	(0.90)
Net asset / (liability)	(1.39)	(0.90)

c) Changes in Present Value of the defined benefit obligation are as follows: (₹ In Crores)

Particulars	Gratuity (Funded) March 31, 2013	Gratuity (Funded) March 31, 2012
Defined benefit obligation at the beginning of the period	5.39	4.19
Current Service cost	1.14	0.99
Interest Cost	0.46	0.35
Actuarial (gain) / loss on obligations	0.72	0.16
Benefits paid	(0.72)	(0.30)
Defined benefit obligation at the end of the period	6.99	5.39

d) Changes in Fair Value of Plan Assets are as follows: (₹ In Crores)

Particulars	Gratuity (Funded) March 31, 2013	Gratuity (Funded) March 31, 2012
Opening fair value of plan assets	4.49	3.52
Expected return	0.38	0.29
Contributions by employer	0.68	0.91
Benefits Paid	*-	(0.30)
Actuarial gains / (losses)	0.05	0.07
Closing fair value of plan assets	5.60	4.49

* Figures being nullified on conversion to ₹ in crores.

Note:

1) The present value of the plan assets represents the balance available with the LIC as at the end of the period. The total value of plan assets amounting to ₹ 5.60 crores (Previous year ₹ 4.49 crores) is as certified by the LIC.
2) The Company's expected contribution to the fund in the next financial year is ₹ 2.56 crores (Previous year ₹1.25 crores).

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

Benefit Contribution to	2012-13 %	2011-12 %
Investments with insurers	100.00	100.00

The overall expected rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation has to be settled.

f) The principle assumptions used in determining Gratuity obligations are as follows:

Particulars	Gratuity (Funded) March 31, 2013	Gratuity (Funded) March 31, 2012
Discount rate	8.25%	8.50%
Expected rate of return on plan assets	8.70%	8.50%
Rate of Escalation in Salary (per annum)	8.50%	8.50%
Mortality	India Assured Lives Mortality (2006-08) Ultimate	LIC (1994-96) Ultimate
Attrition rate	10% for 4 years & below and 1% thereafter	1% at each age + 10% service related

The estimates of future salary increases considered in actuarial valuation and take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Amounts for the current and previous four periods are as follows:

(₹ In Crores)

Gratuity	March, 2013	March, 2012	March, 2011	March, 2010	March, 2009
Defined benefit obligation	(6.99)	(5.39)	(4.19)	(3.19)	(1.95)
Plan Assets	5.60	4.49	3.52	2.45	2.45
Surplus / (deficit)	(1.39)	(0.90)	(0.67)	(0.74)	0.50
Experience adjustments on plan liabilities	0.72	0.16	0.15	0.95	(0.06)
Experience adjustments on plan assets	(0.05)	(0.07)	(0.10)	(0.04)	0.03

9. (Note No. 28 of Notes to Financial Statements)
Segment Information

The Company is primarily engaged in the business of developing, operating and maintaining the Port and Port based related infrastructure facilities including Multi product Special Economic Zone. The entire business has been considered as a single segment in terms of Accounting Standard (AS) 17 on Segment Reporting notified under the Companies (Accounting Standard) Rule 2006 (as amended). There being no business outside India, the entire business has been considered as single geographic segment.

10. (Note No. 29 of Notes to Financial Statements)
Related Party Disclosures

The Management has identified the following entities and individuals as related parties of the Company for the year ended March 31, 2013 for the purposes of reporting as per Accounting Standard (AS) 18 – Related Party Disclosures notified under the Companies (Accounting Standard) Rule 2006 (as amended), which are as under:

Holding Company	Adani Enterprises Ltd.
Subsidiary Companies	Mundra SEZ Textile and Apparel Park Pvt. Ltd. MPSEZ Utilities Pvt. Ltd. Rajasthan SEZ Pvt. Ltd. (upto February 9, 2013) Adani Logistics Ltd. Karnavati Aviation Pvt. Ltd. Adani Murmugao Port Terminal Pvt. Ltd. Mundra International Airport Pvt. Ltd. Adani Hazira Port Pvt. Ltd.

	Adani Petronet (Dahej) Port Pvt. Ltd. Adani Vizag Coal Terminal Pvt. Ltd. Adani Kandla Bulk Terminal Pvt. Ltd. Mundra Port Pty Ltd. (upto March 30, 2013) Adani Abbot Point Terminal Holdings Pty Ltd. (upto March 30, 2013) Adani Warehousing Service Pvt. Ltd. [w.e.f. April 19, 2012]*
Entity held through Controlling Interest	Adinath Polyfills Pvt. Ltd.
Joint Venture	Adani International Container Terminal Pvt. Ltd.
Associate	Dholera Infrastructure Pvt. Ltd.
Step down Subsidiary	Hazira Infrastructure Pvt. Ltd. Hazira Road Infrastructure Pvt. Ltd. Mundra Port Holdings Trust (trust entity) (upto March 30, 2013) Mundra Port Holdings Pty Ltd. (upto March 30, 2013) Adani Abbot Point Terminal Pty Ltd. (upto March 30, 2013)
Fellow Subsidiary	Adani Power Ltd. Adani Agri Logistics Ltd. Adani Power Dahej Ltd. Adani Gas Ltd. Chemoil Adani Pvt. Ltd. Adani Global FZE, Dubai. Adani Global Pte Ltd. Adani Infra (India) Ltd. Adani Power Rajasthan Ltd. Adani Welspun Exploration Ltd. Kutchh Power Generation Ltd. Adani Agri Fresh Ltd. Adani Energy Ltd. Mundra LNG Ltd. Adani Power Maharashtra Ltd. Adani Mundra SEZ Infrastructure Pvt. Ltd. (upto June 29, 2012) Adani Agro Pvt. Ltd. (upto June 29, 2012) Adani Properties Pvt. Ltd. (upto June 29, 2012)
Key Management Personnel	Mr. Gautam S. Adani, Chairman and Managing Director Mr. Rajeeva Ranjan Sinha, Whole time Director Dr. Malay R. Mahadevia, Whole time Director
Relative of Key Management Personnel	Mr. Rajesh S. Adani, Director
Entities over which Key Management Personnel, Directors and their relatives are able to exercise Significant Influence	Gujarat Adani Institute of Medical Science Adani Wilmar Ltd. Shanti Builders Adani Foundation Dholera Port and Special Economic Zone Ltd. Ezy Global Ignite Foundation Mundra Port Pty Ltd. (From March 30, 2013) Adani Abbot Point Terminal Pty Ltd, Australia (From March 30, 2013) Abbott Point Port Holdings Pte Ltd, Singapore

* These entities have been incorporated/formed during the year.

Aggregate of transactions for the year ended with these parties have been given below.

Sub Notes:

1 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.

2 Pass through payable relating to railway freight and other payable to third parties have not been considered for the purpose of related party disclosure.

3 For the purpose of comparison, the previous year's transactions have been re-classified in the current year.

Detail of Related Party Transactions for the year ended March 31, 2013

(₹ In Crores)

Category	Name of Ralated Party	March 31, 2013	March 31, 2012
Rendering of Services (including reimbursement of expenses)	Adani Enterprises Ltd.	119.32	91.17
	Adani International Container Terminal Pvt. Ltd.	150.31	-
	Adani Kandla Bulk Terminal Pvt. Ltd.	1.35	*-
	Adani Hazira Port Pvt. Ltd.	60.22	36.63
	Adani Petronet (Dahej) Port Pvt. Ltd.	0.17	0.21
	Adani Murmugao Port Terminal Pvt. Ltd.	0.91	-
	Adani Logistics Ltd.	28.46	5.98
	Adani Vizag Coal Terminal Pvt. Ltd.	0.75	0.14
	MPSEZ Utilities Pvt. Ltd.	0.14	1.25
	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	-	0.08
	Adani Abbot Point Terminal Pty Ltd, Australia	3.36	-
	Adani Global F.Z.E.	0.08	0.02
	Adani Global Pte Ltd.	-	0.02
	Adani Power Rajasthan Ltd.	1.47	0.90
	Adani Power Dahej Ltd.	15.56	3.79
	Adani Power Ltd.	361.95	220.61
	Adani Infra (India) Ltd.	0.67	4.67
	Chemoil Adani Pvt. Ltd.	29.33	27.33
	Adani Wilmar Ltd.	14.47	21.79
	Adani Foundation	0.03	0.07
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	0.03	0.81
	Mundra Port Pty Ltd, Australia	-	2.41
Lease & Infrastructure Usage Charge or Upfront Premium	Adani International Container Terminal Pvt. Ltd.	205.87	-
	Adani Logistics Ltd.	*-	-
	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	3.81	2.47
	MPSEZ Utilities Pvt. Ltd.	1.88	1.71
	Adani Power Ltd.	12.82	1.45
	Chemoil Adani Pvt. Ltd.	0.01	0.07
	Adani Wilmar Ltd.	0.52	5.82
	Adani Foundation	*-	-
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	0.72	30.88

Category	Name of Ralated Party	March 31, 2013	March 31, 2012
Purchase of Goods	Adani International Container Terminal Pvt. Ltd.	572.89	-
	Adani Hazira Port Pvt. Ltd.	0.13	-
	Adani Petronet (Dahej) Port Pvt. Ltd.	0.71	-
	MPSEZ Utilities Pvt. Ltd.	40.89	-
	Adani Power Rajasthan Ltd.	1.02	-
	Adani Power Ltd.	0.35	-
	Chemoil Adani Pvt. Ltd.	88.15	181.84
	Adani Wilmar Ltd.	0.02	-
	Adani Logistics Ltd.	-	0.04
	Adani Gas Ltd.	-	0.01
Services Availed (including reimbursement of expenses)	Adani Enterprises Ltd.	2.48	-
	Adani Hazira Port Pvt. Ltd.	0.01	-
	Adani Murmugao Port Terminal Pvt. Ltd.	-	-
	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	-	-
	MPSEZ Utilities Pvt. Ltd.	0.60	28.83
	Karnavati Aviation Pvt. Ltd.	7.60	3.40
	Adani Gas Ltd.	*-	-
	Adani Power Ltd.	2.36	-
	Chemoil Adani Pvt. Ltd.	0.86	-
	Adani Welspun Exploration Ltd.	0.01	-
	Shanti Builders	4.35	-
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	-	0.83
	Adani Agri Logistics Ltd.	-	0.07
Rent Expense	Adani Enterprises Ltd.	0.01	0.24
	Adani Petronet (Dahej) Port Pvt. Ltd.	0.04	-
	Adani Logistics Ltd.	0.01	-
	Adani Properties Pvt. Ltd.	0.06	0.06
	Adani Wilmar Ltd.	-	0.12
Interest Income	Adani Petronet (Dahej) Port Pvt. Ltd.	0.30	1.17
	Adani Logistics Ltd.	9.78	-
	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	0.74	0.37
	Adani Power Ltd.	27.41	-
Interest Expense	Adani Enterprises Ltd.	1.25	5.48
Other Income	Adani Enterprises Ltd.	0.01	-
	Adani Kandla Bulk Terminal Pvt. Ltd.	2.22	-
	Adani Hazira Port Pvt. Ltd.	0.03	-
	Adani Petronet (Dahej) Port Pvt. Ltd.	1.17	-
	Adani Murmugao Port Terminal Pvt. Ltd.	0.77	-
	Adani Logistics Ltd.	1.76	-
	Adani Vizag Coal Terminal Pvt. Ltd.	0.24	-
	MPSEZ Utilities Pvt. Ltd.	0.13	0.86
	Adani Power Dahej Ltd.	0.52	-
	Adani Power Ltd.	0.99	0.02

Category	Name of Ralated Party	March 31, 2013	March 31, 2012
	Chemoil Adani Pvt. Ltd.	0.02	-
	Adani Wilmar Ltd.	0.01	0.16
	Adani Foundation	0.03	-
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	0.17	0.31
	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	-	0.09
Borrowings (Loan Taken) Addition	Adani Enterprises Ltd.	804.00	765.50
Borrowings (Loan Repaid) Repaid	Adani Enterprises Ltd.	804.00	765.50
Loans Given	Mundra Port Pty Ltd, Australia	60.32	-
	Adani International Container Terminal Pvt. Ltd.	78.18	5.50
	Adani Hazira Port Pvt. Ltd.	125.31	308.20
	Adani Petronet (Dahej) Port Pvt. Ltd.	-	38.25
	Adani Murmugao Port Terminal Pvt. Ltd.	103.06	18.35
	Adani Logistics Ltd.	293.49	41.95
	Adani Vizag Coal Terminal Pvt. Ltd.	124.90	-
	Mundra International Airport Pvt. Ltd.	0.49	1.52
	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	8.38	2.78
	MPSEZ Utilities Pvt. Ltd.	15.85	27.68
	Karnavati Aviation Pvt. Ltd.	50.92	80.15
	Adani Power Ltd.	392.00	-
Loans Received back	Adani International Container Terminal Pvt. Ltd.	83.68	-
	Adani Hazira Port Pvt. Ltd.	48.60	38.59
	Adani Petronet (Dahej) Port Pvt. Ltd.	20.41	17.84
	Adani Murmugao Port Terminal Pvt. Ltd.	7.00	-
	Adani Logistics Ltd.	34.34	25.05
	MPSEZ Utilities Pvt. Ltd.	17.55	25.98
	Karnavati Aviation Pvt. Ltd.	10.42	10.50
	Adani Power Ltd.	338.00	-
	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	-	2.00
Share Application Money Paid / Investment	Mundra Port Pty Ltd, Australia	332.21	245.10
	Adani International Container Terminal Pvt. Ltd.	195.90	42.15
	Adani Kandla Bulk Terminal Pvt. Ltd.	97.74	0.03
	Adani Logistics Ltd.	14.00	-
	Adani Abbot Point Terminal Pty Ltd, Australia	-	687.38
	Adani Hazira Port Pvt. Ltd.	-	205.05
	Adani Murmugao Port Terminal Pvt. Ltd.	-	54.11
	Adani Petronet (Dahej) Port Pvt. Ltd.	-	7.43
	Adani Vizag Coal Terminal Pvt. Ltd.	-	4.80
Share Application Money Received	Dholera Infrastructure Pvt. Ltd.	-	0.01
Donation	Adani Foundation	20.20	5.20
	Gujarat Adani Institute of Medical Sciences	4.00	7.00

Category	Name of Ralated Party	March 31, 2013	March 31, 2012
Purchase of Asset	Adani Mundra SEZ Infrastructure Pvt. Ltd.	17.09	4.70
	Adani International Container Terminal Pvt. Ltd.	1.36	-
	Adani Enterprises Ltd.	-	1.74
	Adani Hazira Port Pvt. Ltd.	-	2.50
	Adani Petronet (Dahej) Port Pvt. Ltd.	-	1.33
	Shanti Builders	-	1.32
	Adani Power Ltd.	-	0.17
Sale or Redemption / Written Off of Investment	Rajasthan SEZ Pvt. Ltd.	0.01	-
Sale of Asset	Adani Hazira Port Pvt. Ltd.	0.40	-
	Adani Petronet (Dahej) Port Pvt. Ltd.	0.44	-
	Adani Global FZE	0.01	-
	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	-	5.71
	MPSEZ Utilities Pvt. Ltd.	-	2.57
Remuneration	Mr. Gautam S. Adani	1.65	1.20
	Mr. Rajeeva Ranjan Sinha	1.93	1.81
	Dr. Malay Mahadevia	7.52	2.37
Commission to Director	Mr. Gautam S. Adani	1.00	1.00
Sitting Fees	Mr. Rajesh S. Adani	0.06	0.06
Sale of Investments	Adani Enterprises Ltd.	0.54	0.02
	Mundra Port Pty Ltd., Australia	-	*-
	Abbot Point Port Holdings Pte Ltd. - Singapore	1,334.70	-
Closing Balance			
Trade Receivable	Adani Enterprises Ltd.	1.03	6.86
	Adani International Container Terminal Pvt. Ltd.	179.33	-
	Adani Kandla Bulk Terminal Pvt. Ltd.	2.59	-
	Adani Hazira Port Pvt. Ltd.	14.28	2.24
	Adani Petronet (Dahej) Port Pvt. Ltd.	0.13	0.21
	Adani Murmugao Port Terminal Pvt. Ltd.	0.87	-
	Adani Logistics Ltd.	1.16	0.63
	Adani Vizag Coal Terminal Pvt. Ltd.	0.83	-
	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	8.49	9.80
	MPSEZ Utilities Pvt. Ltd.	0.15	1.31
	Adani Global FZE	0.10	0.03
	Adani Power Rajasthan Ltd.	1.58	0.05
	Adani Power Dahej Ltd.	15.74	-
	Adani Power Ltd.	138.21	29.44
	Adani Infra (India) Ltd.	0.13	0.58
	Chemoil Adani Pvt. Ltd.	0.37	0.48
	Adani Wilmar Ltd.	2.82	1.85
	Adani Foundation	0.02	0.02
	Shanti Builders	*-	-
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	-	0.61

Category	Name of Ralated Party	March 31, 2013	March 31, 2012
	Adani Global Pte Ltd.	-	0.02
		367.83	**54.13**
Loans & Advances (including advance receivable in cash or kind)	Mundra Port Pty Ltd., Australia	60.55	2.41
	Adani Abbot Point Terminal Pty Ltd, Australia	3.30	-
	Adani International Container Terminal Pvt. Ltd.	-	47.15
	Adani Kandla Bulk Terminal Pvt. Ltd.	-	*-
	Adani Hazira Port Pvt. Ltd.	346.32	474.66
	Adani Petronet (Dahej) Port Pvt. Ltd.	0.07	20.41
	Adani Murmugao Port Terminal Pvt. Ltd.	114.41	71.30
	Adani Logistics Ltd.	462.52	203.36
	Adani Vizag Coal Terminal Pvt. Ltd.	124.90	4.43
	Mundra International Airport Pvt. Ltd.	8.46	7.97
	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	13.66	5.28
	MPSEZ Utilities Pvt. Ltd.	5.41	5.70
	Karnavati Aviation Pvt. Ltd.	152.50	112.00
	Adani Power Ltd.	54.00	-
	Dholera Infrastructure Pvt. Ltd.	8.76	8.76
	Chemoil Adani Pvt. Ltd.	0.04	0.01
	Adani Properties Pvt. Ltd.	1.00	1.00
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	-	24.88
	Shanti Builders	-	1.16
		1,355.90	**990.48**
Capital Advances	Shanti Builders	0.47	-
		0.47	**-**
Share Application Money Outstanding	Adani International Container Terminal Pvt. Ltd.	210.33	-
	Adani Kandla Bulk Terminal Pvt. Ltd.	97.74	-
	Adani Murmugao Port Terminal Pvt. Ltd.	0.01	-
	Adani Logistics Ltd.	0.79	-
		308.87	**-**
Trade Payable (including provisions)	Adani Enterprises Ltd.	2.41	0.18
	Adani International Container Terminal Pvt. Ltd.	2.28	-
	Adani Hazira Port Pvt. Ltd.	0.12	2.50
	Adani Logistics Ltd.	0.01	*-
	MPSEZ Utilities Pvt. Ltd.	4.19	1.06
	Karnavati Aviation Pvt. Ltd.	1.43	0.29
	Adani Gas Ltd.	-	*-
	Adani Power Ltd.	0.36	0.22
	Chemoil Adani Pvt. Ltd.	-	0.87
	Adani Welspun Exploration Ltd.	0.01	-
	Shanti Builders	0.46	0.38
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	-	1.00
		11.27	**6.50**
Advances from Customer	Adani Enterprises Ltd.	2.48	1.99
	Adani International Container Terminal Pvt. Ltd.	672.81	-

Category	Name of Ralated Party	March 31, 2013	March 31, 2012
	Adani Hazira Port Pvt. Ltd.	24.07	-
	Adani Logistics Ltd.	0.04	0.05
	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	0.91	0.05
	MPSEZ Utilities Pvt. Ltd.	0.01	-
	Kutchh Power Generation Ltd.	3.21	3.21
	Adani Power Ltd.	0.78	2.12
	Chemoil Adani Pvt. Ltd.	2.25	2.32
	Adani Wilmar Ltd.	0.23	0.01
	Adani Foundation	0.01	*-
	Shanti Builders	0.01	-
		706.81	**9.75**
Other Current Assets	Adani Logistics Ltd.	8.80	-
	Adani Power Ltd.	19.67	-
	Abbot Point Port Holdings Pte Ltd. - Singapore	1,334.70	-
		1,363.17	**-**
Other Current Liabilities	Adani Enterprises Ltd.	1.00	1.00
	Adani International Container Terminal Pvt. Ltd.	587.34	-
	Chemoil Adani Pvt. Ltd.	0.25	0.25
	Adani Wilmar Ltd.	0.50	0.50
	Shanti Builders	0.33	-
	Adani Power Ltd.	1.61	-
		591.03	**1.75**
Corporate Guarantee	Mundra Port Pty Ltd., Australia	USD 807.00mio	USD 800.00mio
	Mundra Port Pty Ltd., Australia	AUD 22.03mio	AUD 51.75 mio
	Adani Murmugao Port Terminal Pvt. Ltd.	24.09	24.09
	Karnavati Aviation Pvt. Ltd.	285.12	112.32
	Adani Logistics Ltd.	20.02	19.96
	Adani Hazira Port Pvt. Ltd.	434.46	-
	Adani Petronet (Dahej) Port Pvt. Ltd.	22.18	-
	Adani Vizag Coal Terminal Pvt. Ltd.	16.16	16.16
	Adani International Container Terminal Pvt. Ltd.	USD 65.00 mio	USD 65.00 mio
	Adani Kandla Bulk Terminal Pvt. Ltd.	41.00	-
	MPSEZ Utilities Pvt. Ltd.	7.50	-
	Gujarat Adani Institute of Medical Sciences	13.50	13.50

* Figures being nullified on conversion to ₹ in crores.

11. (Note No. 30 of Notes to Financial Statements)

The Company takes various types of derivative instruments to hedge its future loans & interest liabilities. The category-wise outstanding position of derivative instruments is as under:

Nature	Particulars of Derivatives				Purpose
	As at March 31, 2013 (Amount in Million)		As at March 31, 2012 (Amount in Million)		
INR - Foreign Currency Swap	USD	224.28	USD	95.00	Hedging of equivalent rupee non convertible debentures aggregate of ₹1,116.39 crores and ₹76.82 crores of long term loan (previous year ₹427.10 crores) to mitigate higher interest rate of INR loans against foreign currency loans with possible risk of principal currency losses.
Forward Contract	JPY	235.05	JPY	1,817.38	Hedging of loan and interest liability ₹13.56 crores (previous year ₹121.24 crores)
	USD	8.99		Nil	Hedging of foreign currency letter of credit liability of ₹ 48.80 crores (previous year ₹Nil).
	EUR	8.82		Nil	Hedging of foreign currency term loan installment liability of ₹61.29 crores (previous year ₹ Nil)

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

Nature	As at March 31, 2013			As at March 31, 2012		
	Amount (₹ In Crores)	Foreign Currency (in Million)		Amount (₹ In Crores)	Foreign Currency (in Million)	
Foreign Currency Loan	4,282.11	USD	788.82	3,567.41	USD	697.35
	438.13	EUR	63.04	506.57	EUR	74.12
	156.23	JPY	2,708.63	206.15	JPY	3,302.08
Buyer's Credit	82.34	USD	15.17	454.15	USD	88.78
	82.25	EUR	11.84	53.57	EUR	7.84
	1.55	GBP	0.19	1.54	GBP	0.19
Trade Payables	23.99	USD	4.42	21.10	USD	4.13
	10.38	EUR	1.49	24.61	EUR	3.60
	0.06	AUD	0.01	0.08	AUD	0.02
	0.17	GBP	0.02	0.21	GBP	0.03
	*-	JPY	0.01	Nil		Nil
Interest accrued but not due	20.58	USD	3.79	21.85	USD	4.27
	3.90	EUR	0.56	4.23	EUR	0.62
	0.03	GBP	#	0.02	GBP	0.00
	1.50	JPY	25.97	1.89	JPY	30.29
Other Receivable	1,334.70	AUD	235.71	Nil		Nil

* Figures being nullified on conversion to ₹ in crores.

Figures being nullified on conversion to foreign currency in million.

Closing rates as at March, 31 :

	2013	2012
INR / USD =	54.29	51.16
INR / EUR =	69.50	68.34
INR / GBP =	82.23	81.80
INR / JPY =	0.58	0.62
INR / AUD =	56.63	52.92

12. (Note No. 31 of Notes to Financial Statements)

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2013. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ In Crores)

S.No.	Particulars	Year ended March 31, 2013	Year ended March 31, 2012
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	0.15	0.11
	Interest	Nil	Nil
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
5	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 the MSMED Act 2006.	Nil	Nil
	Total	**0.15**	**0.11**

13. (Note No. 32 of Notes to Financial Statements)

The Company has been availing benefit u/s 80IAB of the Income Tax Act, 1961 on the taxable income. In view of the amendment in Income Tax Act, 1961 w.e.f. April 1, 2011 by Finance Act 2011, the Company is liable to pay Minimum Alternate Tax (MAT) on income from the financial year 2011-12. Based on the amendment, the Company has made provision of ₹ 377.36 crores (Previous year ₹ 254.33 crores) for current taxation based on its book profit for the financial year 2012-13 and considered credit for MAT of ₹ 365.58 crores (Previous year ₹ 242.17 crores) as the management believes, it has convincing evidence in the nature of strategic volumes of cargo available with the Company and higher depreciation charge for accounting purposes than the depreciation for income tax purposes in the future period, thereby, the MAT credit will be utilized post tax holiday period.

14. (Note No. 33 of Notes to Financial Statements)

Fixed assets held for sale represent new container terminal at Mundra (CT-3), pending transfer to Adani International Container Terminal Private Limited (AICTPL), a Joint Venture entity between the Company and Global Terminal Limited. The container terminal will get transferred to AICTPL on receiving the necessary regulatory approvals from the government authorities. Further till the time the asset are transfer to AICTPL, the company continues to operate the asset.

The movement of assets during the year is as follows:

(₹ In Crores)

Particulars	As at March 31, 2013
Project Expenditure	
Opening Balance	257.13
Additions during the year	694.43
Expenditure during construction period	21.54
Closing Balance	973.10
Add: Borrowing Cost	9.19
Exchange differences on long term borrowing	31.09
Total	**1,013.38**

15. (Note No. 34 of Notes to Financial Statements)

Capital Work in Progress includes Expenditure during Construction Period/New Projects and Capital Inventory, details of which are as follows:

(₹ In Crores)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
A. Project Expenditure	**961.73**	**1,772.93**
B. Capital Inventory	**167.80**	**253.17**
C. Expenditure during Construction Period :		
Personnel Expenses		
Salaries, Wages & Bonus	2.76	5.51
Contribution to Provident Fund	0.11	0.22
Sub Total	**2.87**	**5.73**
Other Expenses		
Legal and Professional Expenses	0.53	0.25
Travelling and Conveyance	0.02	2.50
Security Charges	0.16	0.35
Sub Total	**0.71**	**3.10**
Financial Expenses		
Interest on Borrowings	33.72	61.38
Bank Charges	0.46	10.11
Ancillary Cost of Borrowings	3.03	54.88
Sub Total	**37.21**	**126.37**
Interest Income on Bank Deposits	(1.24)	(27.16)
Depreciation	92.31	61.56
Total Expenditure	**131.86**	**169.60**
Brought Forward from Previous Year	163.74	0.95
Total	**295.60**	**170.55**
Capitalized / allocation during the year	293.44	6.81
Balance Carried Forward Pending Allocation/Capitalization	2.16	163.74
Total Capital Work In Progress (A + B + C)	**1,131.69**	**2,189.84**

Note:

The above expenditure excludes operational expenditure related to project assets, such as fuel and stores & spares consumption.

16. (Note No. 35 of Notes to Financial Statements)
Capital Commitments and Other Commitments

Capital Commitments (₹ In Crores)

Particulars	As at March 31, 2013	As at March 31, 2012
Estimated amount of contracts (Net of advances) remaining to be executed on capital account and not provided for	233.05	661.02

Other Commitments

a) The port projects of subsidiary companies viz. Adani Hazira Port Private Limited, Adani Petronet (Dahej) Port Private Limited and Adani Murmugao Port Terminal Private Limited has been funded through various credit facility agreements with banks. Against the said facilities availed by the subsidiary companies from the banks, the Company has executed a Sponsor Undertaking and Pledge Agreement whereby 51% of the holding would be retained by the Company at all points of time of which 30% holding is pledged and for the balance 21% holding, the Company has given a non-disposal undertaking to the lenders of respective subsidiary companies.

b) As per terms of sanction of US$ 800 millions facility by State Bank of India (SBI) to Mundra Port Pty Limited (MPPL), an entity in which company remain invested through 1000 Equity Share of AUD 1 each at the reporting date. The Company has pledged its Equity holding in MPPL in favour of SBI. (Also Refer Note 20)

c) The Company has entered into an "Equity Subscription Agreement" to contribute equity in Mundra Port Pty Limited (MPPL), in which company has transferred substantial voting right to promoter entity during the year, for meeting capital expenditure requirements of Abbot Point Terminal assets, as and when required. In order to ensure timely subscription to equity, the bankers to the MPPL had required a stand by letter of credit facility. Accordingly, APSEZL procured stand by letter of credit from Standard Chartered Bank and State Bank of India, which in-turn is backed by a corporate guarantee issued by the Company in favor of Standard Chartered Bank and State Bank of India amounting to AUD 22.03 Millions and USD 800.00 millions respectively. As at March 31, 2013, MPPL has availed loan of USD 800.00 millions from State Bank of India but no financing facility has been availed from Standard Chartered Bank.

17. (Note No. 36 of Notes to Financial Statements)

Disclosure pursuant of Accounting Standard (AS) – 7 (revised) – Construction Contracts are as under

A) (₹ In Crores)

Particulars	As at March 31, 2013	As at March 31, 2012
a) Contract revenue recognized during the year	67.08	57.53
b) Aggregate amount of contract costs incurred during the year	13.04	13.65
c) Customer advances outstanding for contracts in progress	-	5.48
d) Retention money due from customers for contracts in progress.	8.19	8.00
e) Receivable from customers	18.32	0.83

B)

Contract revenue accrued in excess of billing amounting ₹ Nil (Previous Year ₹ 8.17 crores) has been reflected under the head "Other Current Assets" and billing in excess of contract revenue amounting to ₹ 1.37 crores (Previous Year Nil) has been reflected under the head "Other Current Liabilities".

18. (Note No. 37 of Notes to Financial Statements)
Contingent Liabilities not provided for

(₹ In Crores)

Particulars	As at March 31, 2013	As at March 31, 2012
Corporate Guarantees given to banks and financial institutions against credit facilities availed by the subsidiaries and an entity over which key management personnel, directors and their relatives are able to exercise significant influence - Amount outstanding there against ₹ 4,608.89 crores (Previous Year ₹ 4,148.99 crores)	5,604.18	4,733.24
Total amount of other Contigent Libilities not provided for	148.26	86.49

19. (Note No. 39 of Notes to Financial Statements)

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 clause 32 of listing agreement.

(₹ In Crores)

Name of Entities	Outstanding amount as at		Maximum amount outstanding during the year	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Mundra International Airport Pvt. Ltd.	8.46	7.97	8.46	7.97
Mundra SEZ Textile and Apparel Park Pvt. Ltd.	13.66	5.28	13.66	5.28
Adani Logistics Ltd.	462.52	203.36	473.92	209.65
Karnavati Aviation Pvt. Ltd.	152.50	112.00	154.07	116.50
Adani Murmugao Port Terminal Pvt. Ltd.	114.41	18.35	121.41	18.35
Adani Petronet (Dahej) Port Pvt. Ltd.	Nil	20.41	15.41	28.75
MPSEZ Utilities Pvt. Ltd.	Nil	1.70	5.33	8.05
Dholera Infrastructure Pvt. Ltd.	8.76	8.76	8.76	8.76
Adani Power Ltd.	54.00	Nil	250.00	Nil
Adani Hazira Port Pvt. Ltd.	346.32	269.61	346.32	297.43
Adani International Container Terminal Pvt. Ltd.	Nil	5.50	76.80	5.50
Mundra Port Pty Ltd (in USD)	0.20	Nil	0.20	Nil
Mundra Port Pty Ltd (in AUD)	0.90	Nil	0.90	Nil
Adani Vizag Coal Terminal Pvt Ltd.	124.90	Nil	124.90	Nil

Note :

All loans are given on interest free basis except loan to Adani Petronet (Dahej) Port Pvt. Ltd., Adani Power Ltd, Adani Logistics Ltd. and Mundra SEZ Textiles and Apparel Park Pvt. Ltd.

20. (Note No. 40 of Notes to Financial Statements)

During the year, 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 Ltd (MPPL) representing Australia Abbot Point operations to promoter Company, Abbot Point Port Holdings Pte Ltd, Singapore for consideration of AUD 235.71 millions. The Company entered Share Purchase Agreement ('SPA') on March 30, 2013 to sell its holdings in AAPTHPL and MPPL. In terms of the SPA the conditionality as regards regulatory and lenders approvals was obtained except in respect of approval from one of the lenders who have given specific line of credit to MPPL, which the Company is following up with the lender and is confident of obtaining the same.

The Company, based on the legal counsel opinion, concluded that on the date of signing of SPA, AAPTHPL and MPPL cease to be subsidiaries of the Company w.e.f. March 31, 2013. The Company has accounted income of ₹ 70.01 crores against the sale of said investment which is included under the head Other Income.

21. (Note No. 41 of Notes to Financial Statements)

During the year, the Company has applied to Ministry of Commerce, SEZ Division for re-notification of 1840 hectare of land which was earlier denotified by the authorities, for the technical reasons.

22. (Note No. 42 of Notes to Financial Statements)
Interest in a joint venture

The company holds 50% interest in Adani International Container Terminal Private Limited, a joint controlled entity which is developing container terminal and associated facility.

The company's share of the assets, liabilities, income and expenses of the jointly controlled entity for the year ended March 31, 2013

(₹ In Crores)

Particulars	March 31, 2013
Equity	27.18
Share application money pending allotment	105.16
Non-current liabilities	356.76
Current liabilities	354.69
Non-current assets	525.46
Current assets	317.05
Revenue	10.20
Depreciation of plant and machinery	(1.40)
Other expense	(0.71)
Finance charges	(9.36)
Profit / (Loss) before tax	(1.27)
Income-tax expense	-
Profit / (Loss) after tax	(1.27)

23. (Note No. 43 of Notes to Financial Statements)
Previous year figures

Previous year's figures have been regrouped wherever necessary to conform to this year's classification.

For S.R. BATLIBOI & ASSOCIATES LLP
Firm Registration No.: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership No. 34032
Place : Ahmedabad
Date : May 15, 2013

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman and Managing Director

Rajesh S. Adani
Director

Dr. Malay R. Mahadevia
Wholetime Director

B Ravi
Chief Financial Officer

Dipti Shah
Company Secretary

Place : Ahmedabad
Date : May 15, 2013

Statement pursuant to approval u/s 212(1)(e) of the Companies Act, 1956

(₹ in Crores)

Sr. No.	Name of the Subsidiaries	Financial Year of subsidiary ended on	Share of subsidiary Company held on the above date and the extent of holding		Net aggregate amount of profit/ (loss) of the subsidiary for the financial year so far as they concern members of Adani Ports and Special Economic Zone Zone Limited		Net aggregate amount of profit/ (loss) of the subsidiary for the previous financial year so far as they concern members of Adani Ports and Special Economic Zone Limited	
			Number of Shares	Extent of holding	Dealt with the accounts of Adani Ports and Special Economic Zone Limited	Not dealt with the accounts Adani Ports and Special Economic Zone Limited	Dealt with the accounts of Adani Ports and Special Economic Zone Limited	Not dealt with the accounts of Adani Ports and Special Economic Zone Limited
1	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	March 31, 2013	24,50,000	56.98%	(2.54)	Nil	(1.61)	Nil
2	MPSEZ Utilities Pvt. Ltd.	March 31, 2013	1,31,35,000	100%	0.56	Nil	(0.51)	Nil
3	Adani Logistics Ltd.	March 31, 2013	32,50,00,000	100%	10.05	Nil	(6.51)	Nil
4	Karnavati Aviation Pvt. Ltd.	March 31, 2013	50,00,000	100%	(5.32)	Nil	(7.05)	Nil
5	Adani Petronet (Dahej) Port Pvt. Ltd.	March 31, 2013	25,61,53,846	74%	49.97	Nil	(23.05)	Nil
6	Adani Murmugao Port Terminal Pvt. Ltd.	March 31, 2013	8,57,57,500	74%	(0.08)	Nil	(0.22)	Nil
7	Mundra International Airport Pvt. Ltd.	March 31, 2013	5,00,000	100%	(0.43)	Nil	*-	Nil
8	Adani Hazira Port Port Pvt. Ltd.	March 31, 2013	36,91,50,000	100%	0.64	Nil	(1.75)	Nil
9	Hazira Infrastructure Pvt. Ltd.	March 31, 2013	2,42,00,000	100%	(0.01)	Nil	(0.18)	Nil
10	Hazira Road Infrastructure Pvt. Ltd.	March 31, 2013	50,000	100%	(0.01)	Nil	*-	Nil
11	Adani Vizag Coal Terminal Pvt. Ltd.	March 31, 2013	48,00,000	100%	(0.06)	Nil	(0.02)	Nil
12	Adani Kandla Bulk Terminal Pvt. Ltd.	March 31, 2013	25,500	51%	(0.01)	Nil	*-	Nil
13	Adani Warehousing Services Pvt. Ltd.	March 31, 2013	50,000	100%	*-	Nil	-	Nil

* Figures being nullified on conversion to ₹ in crores

REPORT OF THE INDEPENDENT AUDITOR ON THE ABRIDGED CONSOLIDATED FINANCIAL STATEMENTS

To
The Board of Directors of
Adani Ports and Special Economic Zone Limited

The accompanying abridged consolidated financial statements, which comprise the abridged consolidated balance sheet as at March 31, 2013, the abridged consolidated statement of profit & loss and abridged consolidated cash flow statement for the year then ended, and related notes, are derived from the audited consolidated financial statements of Adani Ports and Special Economic Zone Limited ('the Company') and its subsidiaries, associate and joint venture company (together referred to as 'the Group') as at and for the year ended March 31, 2013. We expressed an unqualified audit opinion on those consolidated financial statements in our report dated May 15, 2013 but had included an Emphasis of Matter therein.

The abridged consolidated financial statements do not contain all the disclosures required by the accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). Reading the abridged consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of the Group.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") and accounting principles generally accepted in India.

Auditor's Responsibility

Our responsibility is to express an opinion on the abridged consolidated financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the abridged consolidated financial statements derived from the audited consolidated financial statements of the Group as at and for the year ended March 31, 2013 are a fair summary of those financial statements, in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") and accounting principles generally accepted in India.

Emphasis of Matter

We draw attention to Note 22 to the abridged financial statements recording sale of investments in Australia subsidiaries, on the basis indicated in the note, whereby profit of ₹ 419.57 crores have been recognized in the books. Our opinion is not qualified in respect of this matter.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership Number: 34032

Place : Ahmedabad
Date: May 15, 2013

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors of
Adani Ports and Special Economic Zone Limited

We have audited the accompanying consolidated financial statements of Adani Ports and Special Economic Zone Limited ("the Company") and its subsidiaries, associate and joint venture company (together referred to as 'the Group'), which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated 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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 41 to the consolidated financial statements recording sale of investments in Australia subsidiaries, on the basis indicated in the note, whereby gain of ₹ 419.57 crores have been recognized in the books. Our opinion is not qualified in respect of this matter.

Other Matter

We did not audit total assets of ₹ 1,816.18 crores as at March 31, 2013, total revenues of ₹ 345.67 crores and net cash outflows amounting to ₹ 52.36 crores for the year then ended, net of inter-company eliminations, included in the accompanying consolidated financial statements in respect of certain subsidiaries and of an associate, whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us. Our opinion, in so far as it relates to the affairs of such subsidiaries and an associate are based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.

For S.R. Batliboi & Associates LLP
ICAI Firm Registration Number: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership Number: 34032

Place : Ahmedabad
Date: May 15, 2013

Abridged Consolidated Balance Sheet as at March 31, 2013

(Statement containing salient features of Balance Sheet as per section 219(1)(b)(iv) of the Companies Act, 1956)

PARTICULARS		As at March 31, 2013 ₹ in Crores	As at 31 March 2012 ₹ in Crores
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
PAID-UP SHARE CAPITAL			
Equity		400.68	400.68
Preference		2.81	2.81
	Sub Total	**403.49**	**403.49**
RESERVES AND SURPLUS			
Capital Reserves		155.82	143.42
Securities Premium Account		1,820.42	1,834.33
Debenture Redemption Reserve		65.35	117.83
Revenue Reserves		796.87	499.87
Foreign Currency Translation Reserve		-	(131.40)
Hedge Accounting Reserve		-	(99.64)
Foreign Currency Monetary Item Translation Difference Account		(60.42)	(23.19)
Net Surplus in the statement of profit & loss		3,214.74	2,070.57
	Sub Total	**5,992.78**	**4,411.79**
Minority Interest		142.31	134.88
NON-CURRENT LIABILITIES			
Long-term Borrowings		10,257.50	15,446.24
Deferred Tax Liabilities (Net)		552.97	1,520.32
Other Long term liabilities		586.99	618.73
Long-Term Provisions		104.25	136.12
	Sub Total	**11,501.71**	**17,721.41**
CURRENT LIABILITIES			
Short Term Borrowings		404.70	1,005.20
Trade Payables		174.22	402.52
Other Current Liabilities		2,140.34	1,575.86
Short Term Provisions		300.05	260.92
	Sub Total	**3,019.31**	**3,244.50**
	Total	**21,059.60**	**25,916.07**
ASSETS			
NON CURRENT ASSETS			
Fixed assets			
Tangible Assets (Original cost less Depreciation)		11,217.93	17,045.05
Intangible Assets (Original cost less Depreciation / Amortisation)		124.18	270.36
Capital Work-In-Progress		2,951.22	3,637.71
		14,293.33	**20,953.12**
Goodwill on consolidation		40.35	1,112.52
Non-Current Investments		77.08	69.74
Deferred Tax Assets (net)		24.39	2.41
Loans And Advances		1,151.05	1,219.27
Trade Receivables		73.99	91.78
Other Non-Current Assets		299.91	481.05
	Sub Total	**15,960.10**	**23,929.89**
CURRENT ASSETS			
Current Investments		144.51	-
Inventories		97.95	69.10
Trade Receivables		728.28	302.22
Cash & Bank Balances		830.55	1,118.42
Loans and Advances		1,747.15	191.18
Other Current Assets		1,551.06	305.26
	Sub Total	**5,099.50**	**1,986.18**
	Total	**21,059.60**	**25,916.07**

Refer Notes forming part of the Abridged Consolidated Financial Statements

Note: Complete Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Revised Schedule VI to the Companies Act, 1956 are available at the Company's website at link : www.adaniports.com

Compiled from the Audited Consolidated Financial Statements of the Company referred to in our Report dated May 15, 2013.

For S.R. BATLIBOI & ASSOCIATES LLP
Firm Registration No.: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership No. 34032
Place : Ahmedabad
Date : May 15, 2013

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman and Managing Director

Rajesh S. Adani
Director

Dr. Malay R. Mahadevia
Wholetime Director

B Ravi
Chief Financial Officer

Dipti Shah
Company Secretary

Place : Ahmedabad
Date : May 15, 2013

Abridged Consolidated Statement of Profit and Loss for the year ended March 31, 2013

(Statement containing salient features of statement of profit & loss as per section 219(1)(b)(iv) of the Companies Act, 1956)

PARTICULARS	For the Year ended March 31, 2013 ₹ in Crores	For the Year ended March 31, 2012 ₹ in Crores
Continuing operations		
Income		
Revenue from Services Provided	3,486.42	2,635.84
Other Operational Revenue	90.21	61.42
Revenue from Operations	3,576.63	2,697.26
Other Income	264.44	51.50
Total Income	**3,841.07**	**2,748.76**
Expenditure		
Operating Expenses	912.86	673.52
Employee Benefits Expenses	130.75	109.75
Other Expenses	157.04	167.38
Depreciation and Amortization Expense	421.97	315.93
Finance Costs	541.84	281.46
Total Expenditure	**2,164.46**	**1,548.04**
Profit from ordinary activities before tax	1,676.61	1,200.72
Tax Expense:		
- Current Tax (Including MAT)	387.42	254.33
- MAT Credit Entitlement	(365.58)	(242.17)
- Deferred Tax Charge	101.24	80.59
Profit After Tax from continuing operations (A)	**1,553.53**	**1,107.97**
Discontinuing operations		
(Loss) from ordinary activities attributable to discontinued operations before tax	(369.09)	(18.47)
Tax Expenses:		
- Current Tax	6.22	2.36
- Deferred Tax Charge / (Credit)	(41.04)	(5.54)
(Loss) after tax from ordinary activities attributable to discontinued operations	(334.27)	(15.29)
Gain on sale of discontinued operations (Refer Note 22)	419.57	-
Profit After Tax from discontinued operations (B)	**85.30**	**(15.29)**
Profit after tax for the year (A+B)	1,638.83	1,092.68
Add / (Less):- Share of Minority shareholders in (profit) / loss of subsidiaries	(15.61)	9.39
Net Profit	**1,623.22**	**1,102.07**
Basic and Diluted Earning per Equity Share (in ₹) face value of ₹ 2 each		
- From continuing operations	7.68	5.58
- From total operations	8.10	5.50

Refer Notes forming part of the Abridged Consolidated Financial Statements

Compiled from the Audited Consolidated Financial Statements of the Company referred to in our Report dated May 15, 2013.

For S.R. BATLIBOI & ASSOCIATES LLP
Firm Registration No.: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership No. 34032
Place : Ahmedabad
Date : May 15, 2013

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman and Managing Director

Rajesh S. Adani
Director

Dr. Malay R. Mahadevia
Wholetime Director

B Ravi
Chief Financial Officer

Dipti Shah
Company Secretary

Place : Ahmedabad
Date : May 15, 2013

Abridged Consolidated Cash Flow Statement for the year ended March 31, 2013

PARTICULARS	For the Year ended March 31, 2013 ₹ in Crores	For the Year ended March 31, 2012 ₹ in Crores
A. Cash Flow from Operating Activities	**1,379.10**	**1,199.71**
B. Cash Flow from / (used in) Investing Activities	**(4,689.80)**	**(13,876.03)**
C. Cash Flow from / (used in) Financing Activities	**4,137.69**	**12,976.29**
D. Exchange Difference arising on conversion debited to Foreign Currency Translation Reserve	**73.42**	**-**
E. Net Increase in Cash and Cash Equivalents (A+B+C+D)	**900.41**	**299.97**
F. Cash and Cash Equivalents at start of the year	**374.74**	**74.77**
G. Cash and Cash Equivalents on disposal of subsidiary	**(519.35)**	**-**
H. Cash and Cash Equivalents at end of the year	**755.80**	**374.74**
I. Components of Cash & Cash Equivalents		
Cash and Cheques on Hand	0.69	0.08
Balances with Scheduled Banks		
- On Current Accounts	135.43	318.42
- On Current Accounts Earmarked for unpaid dividend and share application refund money	1.29	1.24
- On Fixed Deposit Accounts	618.39	55.00
J. Cash and Cash Equivalents at close of the year	**755.80**	**374.74**
Fixed Deposits pledged (restricted Cash)	48.94	276.11
Fixed Deposits with original maturity of more than 90 days	25.81	467.57
	830.55	**1,118.42**

Compiled from the Audited Consolidated Financial Statements of the Company referred to in our Report dated May 15, 2013.

For S.R. BATLIBOI & ASSOCIATES LLP
Firm Registration No.: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership No. 34032
Place : Ahmedabad
Date : May 15, 2013

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman and Managing Director

Rajesh S. Adani
Director

Dr. Malay R. Mahadevia
Wholetime Director

B Ravi
Chief Financial Officer

Dipti Shah
Company Secretary

Place : Ahmedabad
Date : May 15, 2013

Notes to Abridged Consolidated Financial Statements for the year ended March 31, 2013

1. Corporate information

Adani Ports and Special Economic Zone Limited ('the Company', 'APSEZL') (formerly known as Mundra Port and Special Economic Zone Ltd.) is in the business of development, operations and maintenance of port infrastructure and linked multi product SEZ and related infrastructure contiguous to Mundra port. The initial port infrastructure facilities at Mundra including expansion thereof through development of additional terminals and south port infrastructure facilities are developed pursuant to the concession agreement with Government of Gujarat (GoG) and Gujarat Maritime Board (GMB) for 30 years effective from February 17, 2001. The Company has expanded port infrastructure facilities through proposed supplementary concession agreement, which will be effective till 2040, for coal terminal at Wandh, Mundra with the right and authority to develop, design, finance, construct, operate and maintain the port and related infrastructure. The said agreement is in the process of getting signed with GoG and GMB as at the year end although the part of the Coal terminal at Wandh is recognised as commercially operational w.e.f. February 1, 2011.

The Container terminal facilities (CT-1) initially developed by the Company was transferred under sub-concession agreement between Mundra International Container Terminal Limited (MICTL) (erstwhile Adani Container Terminal Limited) and APSEZL entered into, on January 7, 2003 wherein APSEZL has given rights to MICTL to handle the container cargo for a period of 28 years i.e. up to February 17, 2031. For the new container facilities developed as South Port (CT-3) has been agreed to be transferred to Adani International Container Terminal Private Limited (AICTPL).

The Multi Product Special Economic Zone at Mundra and surrounding areas is developed by the Company as per approval of Government of India vide their letter no. F-2/11/2003/EPZ dated April 12, 2006 as amended from time to time till date. The Company has also taken approval of Ministry of Commerce and Industry to set up Free Trade and Warehousing Zone vide letter no. F.1/16/2011-SEZ dated March 26, 2012.

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-modal cargo storage-cum-logistics services through development of inland container depots 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) of every description at Mundra Special Economic Zone in Kutch district (Gujarat).

iii) Mundra SEZ Textile and Apparel Park Private Limited, a 51.41% subsidiary of APSEZL & 5.57% investment held through ALL (a 100% subsidiary of 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 – erstwhile Gujarat Adani Aviation Private Limited), a 100% subsidiary of APSEZL, is engaged in providing non scheduled (passenger) services through its aircrafts.

v) Adani Petronet (Dahej) Port Private Limited (APPPL), a 74% subsidiary of APSEZL, has developed port infrastructure facilities of bulk cargo at Dahej, (Gujarat).

vi) Adani Murmugao Port Terminal Private Limited, a 74% subsidiary of APSEZL, is in the process of setting up coal handling terminal at Murmugao, Goa.

vii) Mundra International Airport Private Limited, a 100% subsidiary of APSEZL, has plan to set up air cargo operations at Mundra, district Kutch (Gujarat).

viii) Adani Hazira Port Private Limited, 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, 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) Hazira Road Infrastructure Private Limited, a step down subsidiary of APSEZL, a 100% subsidiary of Adani Hazira Port Private Limited has plan to develop and operate road and highway project subject to approved of local authority, State Government and national highway authority of India.

xi) The Company has strategically acquired controlling interest in Adinath Polyfills Private Limited.

xii) Adani Abbot Point Terminal Holdings Pty Ltd (AAPTHPL), was 100% subsidiary of APSEZL up to March 30, 2013. AAPTHPL is Holding 100% of Adani Abbot Point Terminal Pty Ltd.

xiii) Adani Abbot Point Terminal Pty Ltd, was step down subsidiary of APSEZL upto March 30, 2013, a 100% subsidiary of Adani Abbot Point Terminal Holdings Pty Ltd (earlier a 100% subsidiary of Mundra Port Pty Ltd (MPPL) up to March 5, 2012) is operating X50 coal terminal with 50 Million Tonnes capacity at Queensland, Australia.

xiv) Mundra Port Pty Ltd. was a 100% subsidiary of APSEZL upto March 30, 2013. APSEZ through sale of Optionally Convertible Redeemable Preference Share of MPPL transferred majority of voting rights in MPPL although it continues to hold legal ownership of MPPL equity shares. It is the 100% Unit Holder of Mundra Port Holding Trust and also has 100% shares in Mundra Port Holding Pty Ltd, the Trustee Company.

xv) Mundra Port Holding Pty Ltd was a step down subsidiary of APSEZL upto March 30, 2013 and a 100% subsidiary of Mundra Port Pty Ltd. The Company is a trustee to Mundra Port Holding Trust.

xvi) Mundra Port Holding Trust (Trust), held by Mundra Port Pty Ltd. The trust hold immovable asset of X50 Coal Terminal at Abbot Point.

xvii) Adani Vizag Coal Terminal Pvt. Ltd., is a 100% subsidiary of APSEZL. The company is developing Port facilities at East Quay for handling steam coal at Visakhapatnam Port.

xviii) Adani International Container Terminal Private Limited, is a 50% joint venture of APSEZL. The Company is a special purpose entity incorporated to develop / acquire container terminal and associated facility at Mundra South Zone. During the year, the holding of company reduce to 50% on proportionate allotment of shares to joint venture partner and transfer of 1% holding to parent Company, Adani Enterprises Ltd.

xix) Adani Kandla Bulk Terminal Pvt. Ltd., is a 51% subsidiary of APSEZL. The Company is developing a Dry Bulk terminal off Tekra near Tuna outside Kandla Creek at Kandla Port.

xx) Adani Warehousing Services Pvt. Ltd., is a 100% subsidiary of APSEZL. The Company is formed to provide warehousing / storage facilities and other related services.

xxi) Rajasthan SEZ Private Limited (RSEZ), was a 100% subsidiary of APSEZL up to February 9, 2013 was engaged in the business establishing and developing Special Economic Zone and Industrial Estates / Parks in the state Rajasthan.

2. The abridged consolidated financial statements have been prepared pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 as per notification F.No.17/51/2012-CL-V, dated May 31, 2012 and are based on the annual accounts for the year ended March 31, 2013 approved by the Board of Directors at the meeting held on May 15, 2013.

3. **(Note No. 2 of Notes to Financial Statements)**
Principles of consolidation

The Consolidated financial statements relate to the Adani Ports Group which comprises the financial statements of APSEZL and its subsidiaries, associates and joint venture as at March 31, 2013. In the preparation of consolidated financial statements, investment in the subsidiaries, associates and joint venture have been accounted for in accordance with Accounting Standard (AS) 21 - 'Consolidated Financial Statements', AS 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements' and AS 27 - 'Financial Reporting of Interests in Joint Ventures', as notified accounting standard by Companies Accounting Standards Rules, 2006 (as amended). Consolidated financial statements have been prepared on the following basis:

i) Subsidiaries are fully consolidated from the date of acquisition and incorporation, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases (including through voting rights). Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions. The unrealized profits resulting from intra-group transactions that are included in the carrying amount of assets are eliminated in full. Unrealized losses resulting from intra-group transactions that are deducted in arriving at the carrying amount of assets are also eliminated unless cost cannot be recovered.

ii) The excess of the cost to the Company of its investment in subsidiaries over the Company's portion of equity on the acquisition date is recognized in the financial statements as goodwill and is tested for impairment annually. When there is excess of Company's portion of equity of the Subsidiary over the cost of the investment then it is treated as Capital Reserve.

iii) Minority interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the statement of profit and loss and consolidated balance sheet, separately from parent shareholders' equity. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the Parent Company.

iv) Translation of the financial statements of non integral foreign subsidiaries for incorporation in the consolidated financial statements have been done using the following exchange rates:

(a) Assets and liabilities have been translated by using the rates prevailing as on the date of the balance sheet.

(b) Income and expense items have been translated by using the average rate of exchange prevailing during the year, which approximates to the exchange rate prevailing at the transaction date.

(c) Exchange difference arising on translation of financial statements of non integral operations as specified above is recognised in the Foreign Currency Translation Reserve until the disposal of net investment.

v) The difference of the proceed from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated statement of profit and loss being the profit or loss on disposal of investment in subsidiary.

vi) Financial statements of the subsidiaries are prepared for the same reporting year as the parent company using consistent accounting policies. As far as possible, the consolidated financial statements have been prepared using uniform accounting policies, consistent with the Company's stand-alone financial statements for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements. Any deviation in accounting policies is disclosed separately.

vii) In case of associates where the Company has significant influence or hold directly or indirectly through subsidiaries 20% or more of equity shares, investment in associates are accounted for using equity method in accordance with AS 23 – 'Accounting for Investments in Associates in Consolidated Financial Statements', as notified accounting standard by Companies Accounting Standards Rules, 2006 (as amended). The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates in the statement of profit and loss. The difference between the cost of investment in the associates and the share of net assets, at the time of acquisition of shares in the associates, is identified in the financial statements as Goodwill or Capital Reserve, as the case may be.

viii) In case of joint venture, the interest in the assets, liability, income and expense are consolidated using proportionate consolidation method. Intra group balances, transactions and unrealized profit / losses are eliminated to the extent of companies proportionate share.

ix) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

4. (Note No. 3 of Notes to Financial Statements)
Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies have been consistently applied by the Company.

Summary of Significant Accounting Policies

a) Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Tangible Fixed Assets

i) Fixed assets are stated at cost net of accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing costs and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

ii) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are changed to the consolidated statement of profit and loss for the period during which such expenses are incurred.

iii) From accounting periods commencing on or after August 9, 2012, the Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining useful life of the asset.

iv) Gains or losses arising from derecognition/ sale proceeds of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit and loss when the asset is derecognized.

v) Insurance spares are capitalised as part of mother assets.

c) Expenditure on new projects and substantial expansion

Expenditure directly relating to construction / development activity (net of income, if any) is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto, is charged to the consolidated statement of profit and loss.

d) Depreciation on tangible fixed assets

i) Depreciation on fixed asset is calculated on Straight Line Method (SLM) using the rates arrived at based on the useful lives estimated by the management or those prescribed under Schedule XIV to the Companies Act, 1956, whichever is higher. For assets stated in para (ii) to (v) below, higher depreciation rate has been used based on the useful life estimated by the management.

ii)

Assets	**Estimated Useful Life**
Leasehold Land Development, Marine Structure and Dredged Channel	Over the balance period of Concession Agreement or Sub-Concession Agreement and proposed Supplementary Concession Agreement with Gujarat Maritime Board.
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	5 Years
Fender, Buoy, Capstan installed at Jetty - Marine Structures	5 - 15 Years

iii) Depreciation on individual assets costing up to ₹ 5,000 and mobile phones, included under office equipments are provided at the rate of 100% in the month of purchase.

iv) Insurance spares, whose use is expected to be irregular, are depreciated prospectively over the remaining useful lives of the respective mother assets.

v) Depreciation on Fixed Assets, in case of non integral foreign operations, is calculated on SLM basis over the estimated useful life of the assets as follow:

Assets	Estimated Useful Life
Plant and Machinery	5 to 40 Years
Buildings	15 to 20 Years
Marine Assets	20 to 50 Years
Electric Installations	20 to 50 Years
Vehicles	6 Years

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on straight line basis over their estimated useful lives as follows:

Intangible Assets	Estimated Useful Life (Years)
Leasehold Land – Right to Use	Over the balance period of Concession Agreement or Sub-Concession Agreement and proposed Supplementary Concession Agreement with Gujarat Maritime Board.
Goodwill arising on the amalgamation of Adani Port Limited	Over the balance period of Concession Agreement computed from the Appointed Date of the Scheme of Amalgamation i.e. 28 years.
Softwares	3 Years
License Fees paid to Ministry of Railway (MOR) for approval for movement of Container Trains	Over the license period of 20 years.
Rights for expansion of existing assets	Over the period of 5 years.
Right of use to develop and operate the port facilities	Over the balance period of Sub-Concession Agreement.
User agreements and customers relationships	Over the period of 5 to 10 years.

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 recognized in the consolidated statement of profit and loss when the asset is derecognized.

The above also includes assets held by non-integral foreign operations.

f) Impairment of tangible and intangible assets

i) The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the company estimates the asset's recoverable amount. The asset's recoverable amount is the higher of the asset's or cash generating unit's (CGU), net selling price and value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is consider 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 assessment of the time value of money and risks specific to the asset.

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

g) Borrowing Costs

Borrowing cost includes interest & amortization of ancillary costs incurred in connection with the arrangement of borrowings over the loan period.

Borrowing costs directly attributable to the acquisition or construction of an assets that takes substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are charged to the consolidated statement of profit and loss.

h) Leases

Where the Company is the lessee

Finance leases includes rights of use in leased land, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liabilities. Finance charges are charged as expense in the consolidated statement of profit and loss.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term the capitalized leased assets is depreciated on a straight line basis over the shorter of the estimated useful life of the asset or the lease term.

Leases, wherein the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the consolidated statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases includes rights to use in leased / sub leased land in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under a finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, lease rentals are apportioned between principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The principal amount received reduces the net investment in the lease and interest is recognized as revenue. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the consolidated statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income is recognized in the consolidated statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the consolidated statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the consolidated statement of profit and loss.

i) Investments

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Investments, which are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long - term investments. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long - term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the consolidated statement of profit and loss.

j) **Inventories**

Stores and Spares: Valued at lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost of stores and spares lying in bonded warehouse includes custom duty accounted for on an accrual basis.

Net Realizable Value is the estimated current procurement price in the ordinary course of the business.

k) **Government Grant**

Government Grants available to the enterprise are accounted where there is reasonable assurance that the enterprise will comply with the conditions attached to them.

In accordance with the Accounting Standard 12 "Accounting for Government Grants", grants in the nature of promoter's contribution are credited to the Capital Reserve and shown under the head Reserves & Surplus.

l) **Initial Contribution for Services**

Initial contribution received from consumers against services by the subsidiary company MPSEZ Utilities Private Limited, are treated as capital receipt and accounted as Capital Reserve. During the year, the subsidiary company has received ₹ Nil (Previous year ₹ 8.35 crores as contribution).

m) **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. The following specific recognition criteria must also be met before revenue is recognised:

i) **Port Operation Services**

Revenue from port operation services including cargo handling, storage and rail infrastructure are recognized on proportionate completion method basis based on service performed. 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 recognised as a revenue is exclusive of service tax and education cess where applicable.

Income in the nature of license fees / royalty is recognised as and when the right to receive such income is performed as per terms and conditions of relevant agreement.

ii) **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. 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 apart from other criteria to classify the transaction between the operating lease or finance lease. The Company recognises the income based on the principles of leases as per Accounting Standard

– 19, 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 recognised 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 recognised on an accrual basis. In cases where land lease / sub-lease transaction are non-cancellable in nature, the income is recognised 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 recognised 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 consolidated statement of profit and loss. In case of Subsidiary Mundra SEZ Textile and Apparel Park Private Limited (MITAP), the upfront premium received/receivable under Long Term Leases / Infrastructure Usage Agreement is recognized as income pro-rata over the period of sub-lease agreement. (This income pertaining to MITAP in the books of APSEZL constitutes 4.14% of the total unamortized amount under Long Term Lease/Infrastructure Usage Agreements.)

iii) Income from Multi-modal Cargo Storage cum Logistics Services

Multi-modal and transportation income are recognized on the basis of proportionate services provided as per the contractual terms.

iv) Non Scheduled Aircraft Services

Revenue from chartered services is recognized when the service is performed under contractual obligations.

v) 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.

vi) 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.

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 recognised based on milestones reached under the contract.

vii) Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate. Interest income on land leases is included under the head "Revenue from operations" and other interest income is included under the head "Other income".

viii) Dividends

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

n) Foreign Currency Translation

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

a) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

b) Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account and amortized over the remaining life of the concerned monetary item.

c) All other exchange differences are recognized as income or as expenses in the period in which they arise.

For the purpose of (a) and (b) above, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 09, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

iv) Forward Exchange Contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contracts and recognised is amortized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long term foreign currency monetary items, are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the period. Any gain/loss arising on forward contracts which are long term foreign currency monetary items is recognized in accordance with paragraph (iii) above.

v) Translation of integral and non-integral foreign operation

The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average weekly rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the consolidated statement of profit and loss.

vi) Derivative transactions

The Company uses derivative financial instrument, such as principal only swap i.e. INR to foreign currency to take advantage of lower interest rate of foreign currency loan. In accordance with the ICAI announcement, derivative contracts, other than foreign currency forward contracts covered under AS 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item, is charged to the consolidated statement of profit and loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item, is ignored.

In case of non integral foreign subsidiary companies:

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Company designates certain derivatives as hedges of the cash flows of recognised assets and liabilities ("cash flow hedges")

At inception, the Company documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been, and will continue to be, highly effective in offsetting future cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than twelve months, it is classified as a current asset or liability when the remaining maturity of the hedged item is less than twelve months.

o) Retirement and Other Employee Benefits

i) Provident fund and superannuation fund

Retirement benefits in the form of Provident Fund and Superannuation Fund Schemes are defined contribution schemes and the contributions are charged to the consolidated statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds. 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.

ii) Gratuity

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has taken an insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees and amount paid/payable in respect of the present value of liability for past services is charged to the consolidated statement of profit and loss every year.

iii) Leave Benefits

Short term compensated absences are provided for based on estimates. Long term compensated absences 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 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 month after the reporting date.

iv) Actuarial Gains/ Losses

Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred.

p) Income Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rate and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. The Company is eligible and claims tax deductions available under section 80IAB of the Income Tax Act, 1961. Some of the Subsidiaries are eligible for section 80IA benefits.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. In view of Company availing tax deduction under Section 80IAB / 80IA of the Income Tax Act, 1961, deferred tax has been recognized in respect of timing difference, which originates during the tax holiday period but reverse after the tax holiday period. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has carry forward unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date, unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the consolidated statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the consolidated statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT Credit Entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

q) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference share dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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

r) **Provisions**

A provision is recognized when the company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on best management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates.

s) **Segment Reporting Policies**

i) **Identification of segments:**

The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services, the risk and return profile of individual business unit, the organisational structure and internal reporting system of the Group. The analysis of geographical segments is based on the geographical location of the customers.

ii) **Inter segment transfers:**

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

iii) **Unallocated Items:**

Includes general corporate income and expense items which are not allocated to any business segment.

t) **Cash and Cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

u) **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liabilities but discloses it's existence in the financial statement.

5. (Note No. 9 of Notes to Financial Statements)

Provisions

(₹ In Crores)

	Long Term		Short Term	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Provision for employee benefits				
Provision for gratuity	0.21	0.08	1.63	0.97
Provision for compensated absences	0.41	-	7.45	5.87
	0.62	**0.08**	**9.08**	**6.84**
Other provisions				
Proposed equity dividend	-	-	200.34	140.24
Provision for tax on proposed equity dividend	-	-	34.05	22.75
Proposed preference dividend	-	-	*-	*-
Provision for tax on proposed preference dividend	-	-	*-	*-
Provision for Income Tax (Net of advance tax)	-	-	43.87	23.73
Provision for Derivative Losses (Mark to market)	103.63	136.04	0.92	54.48
Provision for Operational Claims (Refer note below)	-	-	11.79	12.88
	103.63	**136.04**	**290.97**	**254.08**
	104.25	**136.12**	**300.05**	**260.92**

* Figures being nullified on conversion to ₹ in crores.

(₹ In Crores)

Description	Opening Balance	Additions during the year	Utilization during the year	Closing Balance
Operational Claims	**12.88**	**6.35**	**7.44**	**11.79**
	(11.68)	(1.75)	(0.55)	(12.88)

Previous year figures are in bracket

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.

6. (Note No. 21 of Notes to Financial Statements)

Revenue from operations (net)

(₹ In Crores)

	March 31, 2013	March 31, 2012
a) Income from Port Operations (including related infrastructure)	2,912.75	2,296.41
b) Land Lease, Upfront Premium and Deferred Infrastructure Income (includes Annual Discounting Income of ₹ 14.47 crores (Previous Year ₹ 7.27 crores in respect of land lease)	276.52	170.81
c) Utilities Services	30.65	28.28
d) Aircraft Operation	20.23	17.46
e) Logistic Services	246.27	122.88
f) Other operating income including construction, Infrastructure development support services and related income	90.21	61.42
	3,576.63	**2,697.26**

7. (Note No. 22 of Notes to Financial Statements)

Other Income

(₹ In Crores)

	March 31, 2013	March 31, 2012
Interest income on		
Bank Deposits, Inter Corporate Deposits etc.	108.52	38.89
Customers	14.95	2.30
Dividend income on		
Current investments	2.50	-
Long-term investments	5.00	2.00
Scrap sales	-	0.91
Profit on dilution of control from subsidiary to joint venture	125.76	-
Profit on Sale of Fixed Asset (net)	-	0.95
Unclaimed Liabilities / Excess Provision written back	1.40	0.08
Miscellaneous Income	6.31	6.37
	264.44	**51.50**

8. Operating Expenses includes Handling Expenses to Contractors of ₹ 331.22 crores (Previous Year ₹ 194.87 crores).

9. (Note No. 28 of Notes to Financial Statements)

Details of employee benefits

1. The company has recognised, in the consolidated statement of profit and loss for the current year, an amount of ₹ 5.09 crores (Previous Year ₹ 4.61 crores) as expenses under the following defined contribution plan.

(₹ In Crores)

Contribution to	2012-13	2011-12
Provident Fund	4.51	4.15
Superannuation Fund	0.58	0.46
Total	**5.10**	**4.61**

2. The Company has a defined gratuity plan. Every employee 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 Corporation of India (LIC) in the form of a qualifying insurance policy. Currently, there are no retirement benefit plans applicable in case of subsidiaries in Australia.

   The following tables summarise the components of net benefit expense recognised in the consolidated statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Consolidated Statement of Profit and Loss

a) Net Employee benefit expense (recognised in Employee Cost)

(₹ In Crores)

Particulars	Gratuity (Funded) March 31, 2013	Gratuity (Funded) March 31, 2012
Current Service cost	1.43	1.29
Interest Cost on benefit obligation	0.49	0.38
Expected return on plan assets	(0.43)	(0.33)
Actuarial loss / (gain) recognised in the year	0.95	0.04
Net benefit expense	2.44	1.38

Note:

a) Actual return on plan assets ₹ 0.47 crores (Previous Year ₹ 0.36 crores)

Balance Sheet

b) Details of Provision for gratuity

(₹ In Crores)

Particulars	Gratuity (Funded) March 31, 2013	Gratuity (Funded) March 31, 2012
Present value of defined benefit obligation	7.98	6.09
Fair value of plan assets	6.14	5.04
Surplus/(deficit) of funds	(1.84)	(1.05)
Net asset/ (liability)	(1.84)	(1.05)

c) **Changes in Present Value of the defined benefit obligation are as follows:**

(₹ In Crores)

Particulars	**Gratuity (Funded) March 31, 2013**	**Gratuity (Funded) March 31, 2012**
Defined benefit obligation at the beginning of the period	6.09	4.97
Current Service cost	1.43	1.29
Interest Cost	0.49	0.38
Actuarial (gain) / loss on obligations	0.72	0.10
Benefits paid	(0.75)	(0.48)
Excess Provision written back	-	(0.17)
Defined benefit obligation at the end of the period	7.98	6.09

d) **Changes in Fair Value of Plan Assets are as follows:**

(₹ In Crores)

Particulars	**Gratuity (Funded) March 31, 2013**	**Gratuity (Funded) March 31, 2012**
Opening fair value of plan assets	5.04	3.94
Expected return	0.43	0.32
Contributions by employer	0.66	1.19
Benefits Paid	(0.03)	(0.48)
Actuarial gains / (losses)	0.04	0.07
Closing fair value of plan assets	6.14	5.04

Note:

1. The present value of the plan assets represents the balance available with the LIC as at the end of the period. The total value of Plan Assets amounting to ₹ 6.14 crores (Previous year ₹ 5.04 crores) is as certified by the LIC.
2. The company's expected contribution to the fund in the next financial year is ₹ 2.56 crores (Previous year ₹ 1.25 crores).

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

Benefit Contribution to	**2012-13 %**	**2011-12 %**
Investments with insurers	100.00	100.00

The overall expected rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation has to be settled.

f) **The principle assumptions used in determining Gratuity obligations are as follows:**

Particulars	Gratuity (Funded) March 31, 2013	Gratuity (Funded) March 31, 2012
Discount rate	8.25% to 8.75%	8% to 8.25%
Expected rate of return on plan assets	8.50% to 8.75%	7.50% to 8.25%
Rate of Escalation in Salary (per annum)	5% to 8.50%	5% to 8.50%
Mortality	India Assured Lives Mortality (2006-08) Ultimate	LIC (1994-96) Ultimate
Attrition rate	10% for 4 years & below and 1% thereafter	1% at each age+ 10% service related

The estimates of future salary increases considered in actuarial valuation and take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) **Amounts for the current and previous four periods are as follows:**

(₹ In Crores)

Gratuity	March, 2013	March, 2012	March, 2011	March, 2010	March, 2009
Defined benefit obligation	(7.98)	(6.09)	(4.97)	(3.26)	(2.20)
Plan Assets	6.14	5.04	3.94	2.63	2.63
Surplus / (deficit)	(1.84)	(1.05)	(1.02)	(0.63)	0.44
Experience loss (gain) on plan liabilities	0.72	0.10	0.28	0.56	0.01
Experience loss (gain) on plan assets	(0.04)	(0.07)	(0.10)	(0.05)	0.03

10. (Note No. 29 of Notes to Financial Statements)
Segment Information
Business Segment

The identified reportable Segments are Port and Special Economic Zone activities and others in terms of Accounting Standard-17 on 'Segment Reporting' as notified accounting standard by Companies Accounting Standards Rules, 2006 (as amended).

Other Segment mainly includes Aircraft Operating Income, Services as per Concession agreement with Government of India, Ministry of Railways for movement of Container Trains on specific Railway Routes and Multi-modal Cargo storage cum logistics services through development of Inland Container Depots at various strategic locations.

The segment information on Consolidated Financial Statement with Segment wise Revenue, Result and Capital Employed for the year ended March 31, 2013 is given below:-

(₹ In Crores)

Sr. No.	Particulars	Port and SEZ Activities	Others	Eliminations	Total
1	**Revenue*** External Sales	**3,254.86** *2,527.74*	**321.77** *169.52*	- -	**3,576.63** *2,697.26*
	Inter-Segment Sales	- -	**51.95** *34.90*	**(51.95)** *(34.90)*	- -
	Total Revenue	**3,254.86** *2,527.74*	**373.72** *204.42*	**(51.95)** *(34.90)*	**3,576.63** *2,697.26*
2	**Results*** Segment Results	**1,977.62** *1,455.38*	**2.96** *(10.02)*	- -	**1,980.58** *1,445.36*
	Unallocated Corporate Income (Net of expenses)	- -	- -	- -	**237.87** *36.82*
	Operating Profit	- -	- -	- -	**2,218.45** *1,482.18*
	Less: Finance Expense	- -	- -	- -	**541.84** *281.46*
	Profit before tax	- -	- -	- -	**1,676.61** *1,200.72*
	Loss from discontinued operation before tax	- -	- -	- -	**(369.09)** *(18.47)*
	Profit from sale of discontinued operation	- -	- -	- -	**419.57** -
	Profit before tax after discontinued operation	- -	- -	- -	**1,727.09** *1,182.25*
	Gross Current Taxes (net of MAT credit)	- -	- -	- -	**28.06** *14.52*
	Deferred Tax	- -	- -	- -	**60.20** *75.05*
	Total Tax	- -	- -	- -	**88.26** *89.57*
	Profit after tax	- -	- -	- -	**1,638.83** *1,092.68*
	Less: Minority Interest	- -	- -	- -	**15.61** *(9.39)*
	Net profit	- -	- -	- -	**1,623.22** *1,102.07*
3	**Other Information*** Segment Assets	**15,525.03** *22,612.60*	**1,299.22** *965.33*	- -	**16,824.25** *23,577.93*
	Unallocated Corporate Assets	- -	- -	- -	**4,235.35** *2,338.14*
	Total Assets*	**15,525.03** *22,612.60*	**1,299.22** *965.33*	- -	**21,059.60** *25,916.07*
	Segment Liabilities	**820.36** *1,119.97*	**1,106.89** *341.63*	- -	**1,927.25** *1,461.60*
	Unallocated Corporate Liabilities	- -	- -	- -	**12,593.77** *19,504.31*
	Total liabilities*	**820.36** *1,119.97*	**1,106.89** *341.63*	- -	**14,521.02** *20,965.91*
	Capital Expenditure during the year (including acquisition)*	**3,649.02** *12,490.78*	**205.23** *71.42*	- -	**3,854.25** *12,562.20*
	Segment Depreciation(Expense)*	**392.57** *436.37*	**29.40** *26.66*	- -	**421.97** *463.03*
	Non-Cash Expenses other than Depreciation (net)	**(35.63)** *50.35*	**45.67** *1.68*	- -	**10.04** *52.03*
	Unallocated Non-Cash Expenses other than Depreciation	- -	- -	- -	**60.20** *75.05*

* The above 2011-12 numbers includes discontinued port activities as detailed below;

Particulars	**(₹ in Crores)**
Segment Assets	10,875.76
Unallocated Corporate Assets	1,072.17
Total Assets	11,947.93
Segment Liabilities	168.67
Unallocated Corporate Liabilities	11,093.11
Total liabilities	11,261.78
Capital Expenditure during the year	9,992.54
Segment Depreciation(Expense)	147.10

Details of discontinued Port activities which are not included above are as follows

(₹ In Crores)

Sr. No.	**Particulars**	**Port and SEZ Activities**	**Eliminations**	**Total**
1	**Revenue** External Sales	**1,042.97** *573.55*	- -	**1,042.97** *573.55*
	Total Revenue	**1,042.97** *573.55*	- -	**1,042.97** *573.55*
2	**Results** Segment Results	**333.95** *168.74*	- -	**333.95** *168.74*
	Unallocated Corporate Income (Net of expenses)	- -	- -	**18.16** *8.14*
	Operating Profit	- -	- -	**352.11** *176.88*
	Less: Finance Expense	- -	- -	**721.20** *195.35*
	Profit before tax	- -	- -	**(369.09)** *(18.47)*

Geographical Segments

The Company's secondary segments are the geographic distribution of activities. Revenue and Receivables are specified by location of customers while the other geographic information is specified by location of the assets. The following tables present revenue, expenditure and certain asset information regarding the Company's geographical segments:

(₹ In Crores)

Sr. No.	**Particulars**	**Domestic Operations**	**Foreign Operations (Discontinued operations)**	**Total**
1	**Revenue**	**3,576.63** *2,697.26*	**1,042.97** *573.54*	**4,619.60** *3,270.80*
2	**Assets**	**21,059.60** *13,968.14*	- *11,947.93*	**21,059.60** *25,916.07*
3	**Addition to fixed assets**	**3,854.25** *2,569.66*	- *9,992.54*	**3,854.25** *12,562.20*

Previous year figures are in italics

11. (Note No. 30 of Notes to Financial Statements)

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, 2013	Proportion of Ownership Interest(%) March 31, 2012
1	Adani Logistics Ltd.	India	100	100
2	Karnavati Aviation Pvt. Ltd.	India	100	100
3	MPSEZ Utilities Pvt. Ltd.	India	100	100
4	Mundra SEZ Textile and Apparel Park Pvt Ltd.	India	56.98	56.98
5	Adani Murmugao Port Terminal Pvt. Ltd.	India	74	74
6	Mundra International Airport Pvt. Ltd.	India	100	100
7	Adani Hazira Port Pvt. Ltd.	India	100	100
8	Adani Petronet (Dahej) Port Pvt. Ltd.	India	74	74
9	Hazira Infrastructure Pvt. Ltd.	India	100	100
10	Hazira Road Infrastructure Pvt. Ltd.	India	100	100
11	Adani Vizag Coal Terminal Pvt. Ltd.	India	100	100
12	Adani International Container Terminal Pvt. Ltd.	India	*	100
13	Adani Kandla Bulk Terminal Pvt. Ltd.	India	51	51
14	Mundra Port Pty Ltd.	Australia	-	100
15	Mundra Port Holdings Pty Ltd.	Australia	-	100
16	Mundra Port Holdings Trust	Australia	-	100
17	Adani Abbot Point Terminal Holdings Pty Ltd.	Australia	-	100
18	Adani Abbot Point Terminal Pty Ltd.	Australia	-	100
19	Adani Warehousing Services Pvt. Ltd. [w.e.f. April 19, 2012]#	India	100	NA
20	Rajasthan SEZ Pvt. Ltd. (disolved from February 9, 2013)	India	NA	100

Date on which the company was incorporated.

Adani Ports and Special Economic Zone Limited's share in the voting power of associate company as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest(%) March 31, 2013	Proportion of Ownership Interest(%) March 31, 2012
1	Dholera Infrastructure Pvt. Ltd.	India	49	49

* Adani Ports and Special Economic Zone Limited's share in the voting power in joint ventures as at year end is as follows:

Sr. No.	Name of Company	Country of Incorporation	Proportion of Ownership Interest(%) March 31, 2013	Proportion of Ownership Interest(%) March 31, 2012
1	Adani International Container Terminal Pvt. Ltd.	India	50	-

12. (Note No. 31 of Notes to Financial Statements) Related Party Disclosures

The Management has identified the following entities and individuals as related parties of the Company for the year ended March 31, 2013 for the purposes of reporting as per Accounting Standard (AS) 18 – Related Party Disclosures notified under the Companies (Accounting Standard) Rule 2006 (as amended). which are as under:

Holding Company	Adani Enterprises Ltd.
Associate	Dholera Infrastructure Pvt. Ltd.
Fellow Subsidiary	Adani Power Ltd. Adani Agri Logistics Ltd. Adani Power Dahej Ltd. Adani Gas Ltd. Chemoil Adani Pvt. Ltd. Adani Global FZE, Dubai. Adani Global Pte Ltd. Adani Infra (India) Ltd. Adani Power Rajasthan Ltd. Adani Welspun Exploration Ltd. Kutchh Power Generation Ltd. Adani Agri Fresh Ltd. Adani Energy Ltd. Mundra LNG Ltd. Adani Power Maharashtra Ltd. Adani Mundra SEZ Infrastructure Pvt. Ltd.(upto June 29, 2012) Adani Agro Pvt. Ltd. (upto June 29, 2012) Adani Properties Pvt. Ltd. (upto June 29, 2012)
Key Management Personnel	Mr. Gautam S. Adani, Chairman and Managing Director Mr. Rajeeva Ranjan Sinha, Whole time Director Dr. Malay R. Mahadevia, Whole time Director
Joint Venture	Adani International Container Terminal Pvt. Ltd.
Joint Venturer	Petronet LNG Ltd.
Relative of Key Management Personnel	Mr. Rajesh S. Adani, Director
Entities over which Key Management Personnel, Directors and their relatives are able to exercise Significant Influence	Gujarat Adani Institute of Medical Science Adani Wilmar Ltd. Shanti Builders Adani Foundation Dholera Port and Special Economic Zone Ltd. Ezy Global Ignite Foundation Mundra Port Pty Ltd., Australia (From March 30, 2013) Adani Abbot Point Terminal Pty Ltd., Australia (From March 30, 2013) Abbot Point Port Holdings Pte Ltd. - Singapore

Aggregate of transactions for the year ended with these parties have been given below.

Sub Notes:

1 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.

2 Pass through payable relating to railway freight and other payable to third parties have not been considered for the purpose of related party disclosure.

3 For the purpose of comparison, the previous year's transactions have been re-classified in the current year.

Consolidated Related Party Transaction Statement

(₹ In Crores)

Categories	Name of Related Party	March 31, 2013	March 31, 2012
Rendering of Services (including reimbursement of expenses)	Adani Enterprises Ltd.	289.22	137.67
	Adani Global FZE	0.08	0.02
	Adani Global Pte Ltd.	-	0.02
	Adani Infra (India) Ltd.	0.67	4.67
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	0.03	0.81
	Adani Power Dahej Ltd.	15.56	3.79
	Adani Power Ltd.	378.06	243.31
	Adani Power Rajasthan Ltd.	8.44	0.90
	Chemoil Adani Pvt. Ltd.	29.34	27.34
	Adani Foundation	0.03	0.07
	Adani Wilmar Ltd.	22.77	25.22
	Adani International Container Terminal Pvt. Ltd.	75.16	-
	Adani Abbot Point Terminal Pty Ltd. Australia	3.36	-
	Adani Power Maharashtra Ltd.	23.93	-
Lease & Infrastructure Usage Charge or Upfront Premium	Adani Mundra SEZ Infrastructure Pvt. Ltd.	-	30.88
	Adani Power Ltd.	12.82	1.45
	Chemoil Adani Pvt. Ltd.	0.01	0.07
	Adani Wilmar Ltd.	0.52	5.82
	Adani International Container Terminal Pvt. Ltd.	102.93	-
	Adani Foundation	*-	-
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	0.72	-
Services Availed (including reimbursement of expenses)	Adani Enterprises Ltd.	3.68	0.24
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	-	0.85
	Adani Power Limited	57.75	-
	Chemoil Adani Pvt. Ltd.	0.86	-
	Adani Welspun Exploration Ltd.	0.01	-
	Shanti Builders	4.35	-
	Petronet LNG Ltd.	0.08	-
Purchase of Goods	Adani Gas Ltd.	*-	0.01
	Adani Enterprises Ltd.	-	19.37
	Adani Power Ltd.	0.35	26.79
	Chemoil Adani Pvt. Ltd.	88.15	181.84
	Adani Agri Logistics Ltd.	-	0.14
	Adani International Container Terminal Pvt. Ltd.	286.45	-
	Adani Power Rajasthan Ltd.	1.02	-
	Adani Wilmar Ltd.	0.02	-
Rent Expenses	Adani Properties Pvt. Ltd.	0.06	0.07
	Adani Wilmar Ltd.	-	0.12
	Adani Enterprises Ltd.	0.01	-
Purchase of Asset	Adani Enterprises Ltd.	0.18	1.95
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	17.09	4.70
	Adani Power Ltd.	-	0.17
	Shanti Builders	-	1.36
	Adani International Container Terminal Pvt. Ltd.	0.68	-
	Adani Properties Pvt. Ltd.	0.15	-
Sale of Asset	Adani Global F.Z.E	0.01	-
Other Income	Adani Mundra SEZ Infrastructure Pvt. Ltd.	0.17	0.31
	Adani Power Ltd.	0.99	0.02
	Adani Power Dahej Ltd.	0.85	0.75
	Adani Wilmar Ltd.	0.01	0.16
	Adani Enterprises Ltd.	0.01	-
	Chemoil Adani Pvt. Ltd.	0.02	-
	Adani Foundation	0.03	-
Share Application Money Paid / Investment	Petronet LNG Ltd.	-	16.67
	Adani International Container Terminal Pvt. Ltd.	97.95	-

Categories	Name of Related Party	March 31, 2013	March 31, 2012
Share Application Money Refund	Dholera Infrastructure Pvt. Ltd.	-	0.01
Share Application Money Received	Adani Enterprises Ltd.	-	0.52
Interest Income	Adani Power Ltd.	27.41	-
	Adani Infra (India) Ltd.	9.76	-
Interest Expense	Adani Enterprises Ltd.	1.63	7.50
Loans Given	Mundra Port Pty Ltd., Australia	60.32	-
	Adani Power Ltd.	392.00	-
	Adani Infra (India) Ltd.	250.00	-
	Adani International Container Terminal Pvt. Ltd.	39.09	-
Loans Received back	Adani Power Ltd.	338.00	-
	Adani International Container Terminal Pvt. Ltd.	41.84	-
Borrowings (Loan Taken) Addition	Adani Enterprises Ltd.	817.41	766.50
	Adani Power Dahej Ltd.	-	20.41
Borrowings (Loan Repaid) Repaid	Adani Enterprises Ltd.	807.41	766.50
Remuneration	Gautam S. Adani	1.65	1.20
	Rajeeva R. Sinha	1.93	1.81
	Malay Mahadevia	7.52	2.37
Commission to Director	Gautam S. Adani	1.00	1.00
Sitting Fees	Rajesh S. Adani	0.06	0.06
Donation	Adani Foundation	20.20	5.20
	Gujarat Adani Institute of Medical Science	4.00	7.00
Sale of Investments	Adani Enterprises Ltd.	0.54	0.02
	Abbot Point Port Holdings Pte Ltd. - Singapore	1,334.70	-
Closing Balance			
Other Current Liabilities	Adani Enterprises Ltd.	1.00	1.00
	Chemoil Adani Pvt. Ltd.	0.25	0.25
	Adani Wilmar Ltd.	0.50	0.50
	Adani International Container Terminal Pvt. Ltd.	293.67	-
	Shanti Builders	0.33	-
	Adani Power Ltd.	1.61	-
		297.36	**1.75**
Advances from Customers	Adani Enterprises Ltd.	3.08	3.50
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	-	0.05
	Adani Power Ltd.	0.78	2.12
	Chemoil Adani Pvt. Ltd.	2.25	2.32
	Kutchh Power Generation Ltd.	3.21	3.21
	Adani Foundation	-	*-
	Adani Wilmar Ltd.	0.23	0.01
	Adani International Container Terminal Pvt. Ltd.	336.41	-
	Adani Foundation	0.01	-
	Shanti Builders	0.01	-
		345.97	**11.20**
Trade Payable (including provisions)	Adani Enterprises Ltd.	15.90	0.38
	Adani Gas Ltd.	-	*-
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	-	1.00

Categories	Name of Related Party	March 31, 2013	March 31, 2012
	Adani Power Ltd.	5.59	5.02
	Chemoil Adani Pvt. Ltd.	-	0.87
	Adani Welspun Exploration Ltd.	0.01	-
	Shanti Builders	0.46	0.38
	Adani Wilmar Ltd.	-	0.14
	Adani International Container Terminal Pvt. Ltd.	1.14	-
	Petronet LNG Ltd.	0.05	-
	Adani Power Dahej Ltd.	0.01	-
		23.15	**7.79**
Trade Receivable	Adani Enterprises Ltd.	12.40	10.45
	Adani Global FZE	0.10	0.03
	Adani Global Pte Ltd.	-	0.02
	Adani Infra (India) Ltd.	0.33	0.79
	Adani Mundra SEZ Infrastructure Pvt. Ltd.	-	0.61
	Adani Power Ltd.	145.49	30.98
	Adani Power Rajasthan Ltd.	9.25	0.05
	Chemoil Adani Pvt. Ltd.	0.37	0.48
	Adani Power Dahej Ltd.	15.74	-
	Adani Foundation	0.02	0.02
	Adani Wilmar Ltd.	2.24	1.85
	Adani International Container Terminal Pvt. Ltd.	89.66	-
	Shanti Builders	*-	-
	Adani Power Maharashtra Ltd.	14.82	-
		290.43	**45.28**
Loans & Advances (including Advance Receivable Cash or kind)	Adani Mundra SEZ Infrastructure Pvt. Ltd.	-	24.88
	Mundra Port Pty Ltd., Australia	60.55	-
	Chemoil Adani Pvt. Ltd.	0.04	0.01
	Shanti Builders	-	1.16
	Dholera Infrastructure Pvt. Ltd.	8.76	8.76
	Adani Abbot Point Terminal Pty Ltd, Australia	3.30	-
	Adani Power Ltd.	54.00	-
	Adani Infra (India) Ltd.	250.00	-
	Adani Properties Pvt. Ltd.	1.00	1.00
		377.65	**35.81**
Other Current Assets	Adani Power Ltd.	19.67	-
	Abbot Point Port Holdings Pte Ltd.-Singapore	1,334.70	-
		1,354.37	**-**
Share Application Money Outstanding	Adani International Container Terminal Pvt. Ltd.	105.16	-
		105.16	**-**
Capital Advances	Shanti Builders	0.47	-
		0.47	**-**
Corporate Guarantee	Gujarat Adani Institute Of Medical Science	13.50	13.50
	Mundra Port Pty Ltd., Australia	USD 807.00 mio	-
	Mundra Port Pty Ltd., Australia	AUD 22.03 mio	-
	Adani International Container Terminal Pvt. Ltd.	USD 32.50 mio	-

* Figures being nullified on conversion to ₹ in crores.

13. (Note No. 32 of Notes to Financial Statements)

The Company takes various types of derivative instruments to hedge its future loans & interest liabilities. The category-wise outstanding position of derivative instruments is as under:

Nature	Particulars of Derivatives				Purpose
	As at March 31, 2013 (Amount in Million)		As at March 31, 2012 (Amount in Million)		
INR - Foreign Currency Swap	USD	296.65	USD	149.67	Hedging of equivalent rupee non convertible debentures aggregate of ₹1,116.39 crores and ₹476.83 crores of long term loan (previous year ₹686.49 crores) to mitigate higher interest rate of INR loans against foreign currency loans with possible risk of principal currency losses.
Forward Contract	JPY	235.05	JPY	1,817.38	Hedging of loan and interest liability ₹13.56 crores (previous year ₹121.24 crores)
	USD	8.99		-	Hedging of foreign currency letter of credit liability of ₹ 48.80 crores (previous year ₹Nil).
	EUR	8.82		-	Hedging of foreign currency term loan installment liability of ₹61.29 crores (previous year ₹ Nil)
Interest rate swap		Nil	AUD	891.00	Hedging of interest rate risk

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

Nature	As at March 31, 2013			As at March 31, 2012		
	Amount (₹ In Crores)	Foreign Currency (in Million)		Amount (₹ In Crores)	Foreign Currency (in Million)	
Foreign Currency Loan	6,252.59	USD	1,151.81	4,106.09	USD	802.65
	438.13	EUR	63.04	506.57	EUR	74.12
	156.23	JPY	2,708.63	206.15	JPY	3,302.08
Buyer's Credit	312.11	USD	57.49	454.15	USD	88.78
	248.65	EUR	35.78	216.94	EUR	31.75
	1.55	GBP	0.19	1.54	GBP	0.19
Trade Payables	24.18	USD	4.45	21.33	USD	4.17
	10.38	EUR	1.49	31.42	EUR	4.60
	0.06	AUD	0.01	0.08	AUD	0.02
	0.17	GBP	0.02	0.21	GBP	0.03
	*-	JPY	0.01	Nil		Nil
Interest accrued but not due	25.63	USD	4.72	26.56	USD	5.20
	4.60	EUR	0.66	5.39	EUR	0.72
	1.50	JPY	25.97	1.89	JPY	30.29
	0.03	GBP	#	0.02	GBP	#
Other Receivable	1,334.70	AUD	235.71	Nil		Nil

* Figures being nullified on conversion to ₹ in crores.
# Figures being nullified on conversion to foreign currency in million.

Closing rates as at March 31 :

	2013	2012
INR / USD =	54.29	51.16
INR / EUR =	69.50	68.34
INR / GBP =	82.23	81.80
INR / JPY =	0.58	0.62
INR / AUD =	56.63	52.92

14. (Note No. 33 of Notes to Financial Statements)

The Company has been availing benefit u/s 80IAB of the Income Tax Act, 1961 on the taxable income. In view of the amendment in Income Tax Act, 1961 w.e.f. April 1, 2011 by Finance Act 2011, the Company is liable to pay Minimum Alternate Tax (MAT) on income from the financial year 2011-12. Based on the amendment, the Company has made provision of ₹ 387.42 crores (previous year ₹ 254.33 crores) for current taxation based on its book profit for the financial year 2012-13 and considered credit for MAT of ₹ 365.58 crores (previous year ₹ 242.17 crores) as the management believes, it has convincing evidence in the nature of strategic volumes of cargo available with the Company and higher depreciation charge for accounting purposes than the depreciation for income tax purposes in the future period, thereby, the MAT credit will be utilized post tax holiday period.

15. (Note No. 34 of Notes to Financial Statements)

The MPSEZ Utilities Pvt Ltd is engaged in the business of distribution of power. Accordingly additional information pursuant to provision of paragraph 3,4C,4D of the Part-II of Schedule VI to the Companies Act, 1956 is given under to the extent applicable.

Sr. No.	Particulars	2012-13 Unit in Mus	2011-12 Unit in Mus
ia)	Unit Purchased (incl. of GETCO/WR Transmission Losses)	141.223	117.225
ib)	UI Purchased	5.271	(0.381)
i	Net Units Purchased	146.494	116.845
ii)	Unit Sold	140.634	109.110
iii)	Transmission & Distribution Losses	5.860	7.735
iv)	Transmission & Distribution Losses (%)	4.00%	6.60%

16. (Note No. 35 of Notes to Financial Statements)

The Company has new container terminal at Mundra (CT-3), pending transfer to Adani International Container Terminal Private Limited (AICTPL), a Joint Venture entity between the Company and Global Terminal Limited. The container terminal will get transferred to AICTPL on receiving the necessary regulatory approvals from the government authorities. Further, till the time the assets are transferred to AICTPL, the company continues to operate the asset. (Also refer note 21, below)

17. (Note No. 36 of Notes to Financial Statements)

Capital Work in Progress includes Expenditure during Construction Period/New Projects and Capital Inventory, details of which are as follows:

(₹ In Crores)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
A. Project Expenditure	**2,655.53**	**3,030.97**
B. Capital Inventory	**253.55**	**368.20**
C. Expenditure during Construction Period :		
Personnel Expenses		
Salaries, Wages & Bonus	9.01	8.47
Contribution to Provident Fund	0.70	0.53
Workmen and Staff Welfare Expense	0.39	0.60
Sub Total	**10.10**	**9.60**
Other Expenses		
Power & Fuel	0.71	0.24
Insurance	1.13	0.20

(₹ In Crores)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Other Repairs and Maintenance	0.33	0.07
Legal and Professional Expenses	6.79	1.70
Travelling and Conveyance	6.58	10.27
Rent	7.63	3.80
Security Charges	1.18	0.88
Store and Consumables	1.89	0.32
Other Expenses	6.17	3.31
Sub Total	**32.41**	**20.79**
Financial Expenses		
Interest on Borrowings	79.19	97.04
Bank Charges	2.94	15.26
Ancillary Cost of Borrowings	4.83	85.80
Sub Total	**86.96**	**198.10**
Interest Income on Bank Deposits	(7.21)	(29.68)
Depreciation	95.49	74.03
Total Expenditure (A)	**217.75**	**272.84**
Trial Run Income	(10.64)	-
Scrap Sales	(10.72)	(7.96)
Total Income (B)	**(21.36)**	**(7.96)**
Net (A) + (B)	196.39	264.88
Brought Forward from Previous Year	238.54	26.06
Total	434.93	290.94
Amount capitalized during the year	**(394.92)**	**(52.40)**
Balance Carried Forward Pending Allocation/Capitalisation	40.01	238.54
Foreign exchange Fluctuation	2.12	-
Total Capital Work In Progress (A + B + C)	**2,951.22**	**3,637.71**

Note:
The above expenditure excludes operational expenditure related to project assets, such as fuel and stores & spares consumption, which has been directly allocated as project expenditure.

18. (Note No. 37 of Notes to Financial Statements)

Capital Commitments

(₹ In Crores)

Particulars	As at March 31, 2013	As at March 31,2012
Estimated amount of contracts (Net of advances) remaining to be executed on capital account and not provided for	1,433.49	2,012.93

Other Commitments

a) The port projects of subsidiary companies viz. Adani Hazira Port Private Limited, Adani Petronet (Dahej) Port Private Limited and Adani Murmugao Port Terminal Private Limited has been funded through various credit facility agreements with banks. Against the said facilities availed by the subsidiary companies from the banks, the Company has executed a Sponsor Undertaking and Pledge Agreement whereby 51% of the holding would be retained by the Company at all points of time of which 30% holding is pledged and for the balance 21% holding, the Company has given a non-disposal undertaking to the lenders of respective subsidiary companies.

b) As per terms of sanction of US$ 800 million facility by State Bank of India (SBI) to Mundra Port Pty Limited (MPPL), an entity in which company remain invested through 1000 Equity Share of AUD 1 each at the reporting date. The Company has pledged its Equity holding in MPPL in favour of SBI. (Also Refer Note 22)

c) The Company had entered into an "Equity Subscription Agreement" to contribute equity in Mundra Port Pty Limited (MPPL), in which the Company has transferred substantial voting right to promoter entity during the year, for meeting capital expenditure requirements of Abbot Point Terminal assets, as and when required. In order to ensure timely subscription to equity, the bankers to the MPPL had required a stand by letter of credit facility. Accordingly, APSEZL procured stand by letter of credit from Standard Chartered Bank, which in-turn is backed by a corporate guarantee issued by the Company in favour of Standard Chartered Bank amounting to AUD 22.03 million and Letter of comfort from State Bank of India, which is backed by Corporate Guarantee of US$ 800 Million issued by the Company in favour of State Bank of India. As at March 31, 2013, MPPL has availed loan of US$ 800 million from State Bank of India but no financing facility has been availed from Standard Chartered Bank.

19. (Note No. 38 of Notes to Financial Statements)

Disclosure pursuant of Accounting Standard (AS) – 7 (revised) – Construction Contracts are as under

A) (₹ In Crores)

Particulars	**As at March 31, 2013**	**As at March 31,2012**
a) Contract revenue recognized during the year	67.08	57.53
b) Aggregate amount of contract costs incurred during the year	13.04	13.65
c) Customer advances outstanding for contracts in progress	-	5.48
d) Retention money due from customers for contracts in progress.	8.19	8.00
e) Receivable from customers	18.32	0.83

B)

Contract revenue accrued in excess of billing amounting ₹ Nil (Previous Year ₹ 8.16 crores) has been reflected under the head "Other Assets" and billing in excess of contract revenue amounting to ₹ 1.37 crores (Previous Year ₹ Nil) has been reflected under the head "Other Current Liabilities".

20. (Note No. 39 of Notes to Financial Statements)
Contingent Liabilities not provided for

(₹ In Crores)

Sr. No.	Particulars	As at March 31, 2013	As at March 31,2012
a.	Corporate Guarantees given to banks and financial institutions against credit facilities availed by the subsidiaries and an entity over which key management personnel, directors and their relatives are able to exercise significant influence - Amount outstanding there against ₹ 4,345.08 crores (Previous Year ₹ Nil).	4,557.23	-
b.	Bank Guarantees given to Government Authorities	149.26	98.19
c.	Total amount of other Contingent Liabilities not provided for	370.89	196.23

21. (Note No. 40 of Notes to Financial Statements)

Interest in a joint venture

The company holds 50% interest in Adani International Container Terminal Private Limited, a joint controlled entity which propose to acquire container terminal and related infrastructure facilities from Adani Ports and Special Economic Zone Ltd. (Refer Note 16).

The company's share of the assets, liabilities, income and expenses of the jointly controlled entity for the year ended March 31, 2013 is as follows;

(₹ In Crores)

Particulars	March 31, 2013
Equity	27.18
Non-current liabilities	356.76
Current liabilities	354.69
Non-current assets	525.46
Current assets	317.05
Income	10.20
Depreciation of plant and machinery	(1.40)
Other expense	(0.71)
Finance charges	(9.36)
Profit / (Loss) before tax	**(1.27)**
Income-tax expense	-
Profit / (Loss) after tax	**(1.27)**

22. (Note No. 41 of Notes to Financial Statements)

During the financial year 2012-13, 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 Ltd (MPPL) representing Australia Abbot Point operations to promoter Company, Abbot Point Port Holdings Pte Ltd, Singapore for consideration of AUD 235.71 million. The Company entered Share Purchase Agreement ('SPA') on March 30, 2013 to sell its holdings in AAPTHPL and MPPL. In terms of the SPA the conditionality as regards regulatory and lenders approvals was obtained except in respect of approval from one of the lenders who have given specific line of credit to MPPL, which the Company is following up with lender and is confident of obtaining the same.

The Company, based on the legal counsel opinion, concluded that on the date of signing of SPA, AAPTHPL and MPPL cease to be subsidiaries of the Company w.e.f. March 31, 2013 and accordingly not been consolidated as per provisions of Accounting Standard 21 "Consolidated Financial Statements" notified in Companies (Accounting Standards) Rules, 2006. The Company has accounted gain of ₹ 419.57 crores against disposal of investment in the discontinued operations, which was adjusted against its losses.

The position of assets and liabilities as at the reporting date and results of discontinued business operation after elimination of inter company transactions and balances for the year ended is as follows;

(A) Balance Sheet

(₹ In Crores)

Particulars	As at March 31, 2013	As at March 31, 2012 (Refer note below)
Non-Current Liabilities		
Long- term borrowings	10,800.16	9,791.22
Deferred tax liabilities (Net)	1,128.76	1,090.57
Derivative Liability	254.63	99.64
Other Long term Provisions	8.90	-
Total Non-Current Liabilities	**12,192.45**	**10,981.43**
Current Liabilities		
Short term borrowings	60.43	79.39
Trade payables	196.21	-
Other current liabilities	29.99	227.64
Short-term provisions	1.47	52.81
Total Current Liabilities	**288.10**	**359.84**
ASSETS		
NON CURRENT ASSETS		
Fixed Assets		
Tangible Assets	10,131.24	9,775.30
Intangible Assets	162.03	179.40
Capital Work in Progress	281.04	37.84
	10,574.31	**9,992.54**
Goodwill on Consolidation	1,072.17	1,072.17
Long term loans and advances	0.27	537.31
Total Non Current Assets	**11,646.75**	**11,602.02**
CURRENT ASSETS		
Trade Receivables	58.10	50.29
Short term loans and advances	359.23	-
Other current assets	420.62	-
Cash and Bank Balances	519.34	295.63
Total Current Assets	**1,357.29**	**345.92**

Note

Assets and Liabilities are included in Consolidated Balance Sheet as above

(B) Statement of Profit and Loss

Total Revenue (₹ In Crores)

Particulars	**For the year ended March 31, 2013 (refer note below)**	**For the year ended March 31, 2012 (refer note below)**
Revenue from Operations (net)	1,042.97	573.54
Other Income	18.17	8.15
	1,061.14	**581.69**
Total Expenses		
Operating Expenses	284.38	228.06
Employee Benefits Expense	20.02	15.37
Other Expenses	70.22	14.27
Depreciation and Amortization Expense	334.41	147.10
Finance Costs	721.20	195.36
Total Expenses	**1,430.23**	**600.16**
Loss Before Tax	**(369.09)**	**(18.47)**
Current Tax	6.22	2.36
Deferred Tax (Credit) / Charge	(41.04)	(5.54)
Loss for the period	**(334.27)**	**(15.29)**

Note:

Result of financial year 2011-12 represent period from June 1, 2011 to March 31, 2012 and result of financial year 2012-13 represent period from April 1, 2012 to March 30, 2013.

(C) Cash Flow

(₹ In Crores)

Particulars	**For the year ended March 31, 2013**	**For the year ended March, 31, 2012**
Cash flow from Operating activities	(476.44)	(433.81)
Cash flow from Investing activities	(113.67)	(9,607.16)
Cash flow from Financing activities	784.19	10,092.75
Net Cash Inflow / (Outflow)	194.08	51.78

23. (Note No. 42 of Notes to Financial Statements)

During the year, the Company has applied to Ministry of Commerce, SEZ Division for re-notification of 1840 hectare of land which was earlier denotified by the authorities, for the technical reasons.

24. (Note No. 43 of Notes to Financial Statements)

The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated February 8, 2011 and February 21, 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the annexure to the Consolidated Financial Statements.

25. (Note No. 44 of Notes to Financial Statements)

Previous year figures

Previous year's figures have been regrouped where necessary to conform to this year's classification. Further, Consolidated Balance Sheet as at March 31, 2013 is not comparable with Consolidated Balance Sheet as at March 31, 2012 as balance sheet as at March 31, 2013 does not include assets and liabilities of Abbot Point entities which have been divested by the Company.

For S.R. BATLIBOI & ASSOCIATES LLP
Firm Registration No.: 101049W
Chartered Accountants

per Arpit K. Patel
Partner
Membership No. 34032
Place : Ahmedabad
Date : May 15, 2013

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman and Managing Director

Rajesh S. Adani
Director

Dr. Malay R. Mahadevia
Wholetime Director

B Ravi
Chief Financial Officer

Dipti Shah
Company Secretary

Place : Ahmedabad
Date : May 15, 2013

Statement pursuant to approval u/s 212(8) of the Companies Act, 1956 (Refer note 24)

(₹ in Crores)

Sr. No	Name of the Subsidiaries	Capital (Paid Up)	Reserve	Total Asset	Total Liabilities	Investment #	Turnover/ Total Income	Profit/ (Loss) before taxation	Provision for taxation (Net)	Profit/ (Loss) after taxation	Proposed Dividend
1	Mundra SEZ Textile and Apparel Park Pvt. Ltd.	4.77	28.65	92.10	58.69	-	3.81	(4.45)	-	(4.45)	-
2	MPSEZ Utilities Pvt. Ltd.	13.14	53.77	85.49	18.59	-	68.60	0.88	0.32	0.56	-
3	Adani Logistics Ltd.	325.00	(56.91)	973.22	705.13	19.86	287.73	10.05	-	10.05	-
4	Karnavati Aviation Pvt. Ltd.	5.00	(20.38)	336.52	351.90	0.01	34.89	(4.93)	0.39	(5.32)	-
5	Adani Petronet (Dahej) Port Pvt. Ltd.	346.15	30.65	1,098.87	722.06	17.33	273.08	54.79	(12.73)	67.52	-
6	Adani Murmugao Port Terminal Pvt. Ltd.	115.89	(0.71)	355.59	240.41	-	-	(0.11)	-	(0.11)	-
7	Mundra International Airport Pvt. Ltd.	0.50	(0.45)	9.47	9.41	*-	-	(0.43)	*-	(0.43)	-
8	Adani Hazira Port Port Pvt. Ltd.	369.15	(1.39)	2,424.25	2,056.49	24.50	78.02	0.80	0.16	0.64	-
9	Hazira Infrastructure Pvt. Ltd.	24.20	(0.20)	37.47	13.47	-	-	(0.01)	-	(0.01)	-
10	Hazira Road Infrastructure Pvt. Ltd.	0.05	(0.01)	0.04	*-	-	-	(0.01)	-	(0.01)	-
11	Adani Vizag Coal Terminal Pvt. Ltd.	4.80	(0.08)	149.08	144.35	-	-	(0.06)	-	(0.06)	-
12	Adani Kandla Bulk Terminal Pvt. Ltd.	0.05	(0.02)	125.27	125.24	-	-	(0.01)	-	(0.01)	-
13	Adani Warehousing Services Pvt. Ltd.	0.05	*-	0.05	*-	-	-	*-	-	*-	-

Investment except in case of Investment in Subsidiaries

* Figures being nullified on conversion to ₹ in crores

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