

# ADANI HAZIRA PORT PRIVATE LIMITED

Regd. Office: "Adani House", Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009

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## NOTICE

NOTICE is hereby given that First Annual General Meeting of Adani Hazira Port Private Limited will be held on Saturday, 12<sup>th</sup> day of June, 2010 at 12:00 noon at Board Room, Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad -380 009 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2010, the Profit & Loss Account for the period ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

### SPECIAL BUSINESS

3. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Dr. Malay Mahadevia, First Director of the Company by virtue of Memorandum and Articles of Association of the Company who is required to hold office under section 255(2) of the Companies Act, 1956 upto the date of ensuing Annual General Meeting be and is hereby appointed as Director retiring by rotation."

4. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Rajeeva Ranjan Sinha, First Director of the Company by virtue of Memorandum and Articles of Association of the Company who is required to hold office under section 255(2) of the Companies Act, 1956 upto the date of ensuing Annual General Meeting be and is hereby appointed as Director retiring by rotation."

5. To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. B. Ravi who was appointed as an Additional Director by the Board of Directors under section 260 of the Companies Act, 1956 and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting be and is hereby appointed as a Director of the Company retiring by rotation."

Date: 06.05.2010  
Place: Ahmedabad

Regd. Office:  
Adani House,  
Nr. Mithakhali Six Roads,  
Navrangpura,  
Ahmedabad – 380 009

By order of the Board

  
Rajeeva Ranjan Sinha  
Chairman

# ADANI HAZIRA PORT PRIVATE LIMITED

Regd. Office: "Adani House", Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009

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## Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member.
2. The instruments appointing proxy should however be deposited at the Registered Office of the Company in not less than 48 hours before the commencement of the meeting.
3. Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.

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## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### ITEM NO. 3 & 4

Dr. Malay Mahadevia and Mr. Rajeeva Ranjan Sinha were appointed as First Directors by virtue of Memorandum and Articles of Association of the Company. Pursuant to section 255 of Companies Act, 1956 they will hold office upto the ensuing Annual General Meeting. Board considers it desirable that the Company should continue to avail itself of their services. Shareholders approval is sought for the appointment of these directors as directors retiring by rotation.

Dr. Malay Mahadevia and Mr. Rajeeva Ranjan Sinha are deemed to be interested in the Resolution.

### ITEM NO. 5

Mr. B. Ravi was appointed as an Additional Director of the Company w.e.f. 31st March, 2010 by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956, he holds office as Director upto the date of ensuing Annual General Meeting. In view of his proficiency, Board considers it desirable that the Company should continue to avail his services.

None of the Directors except Mr. B. Ravi is interested in the Resolution.

**Date: 06.05.2010**  
**Place: Ahmedabad**

**Regd. Office:**  
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**By order of the Board**

  
**Rajeeva Ranjan Sinha**  
Chairman

# ADANI HAZIRA PORT PRIVATE LIMITED

Regd. Office: "Adani House", Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009

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## DIRECTORS' REPORT

To,  
The Members,

Your Directors present herewith First Annual Report together with the Audited Accounts of the Company for the period ended 31<sup>st</sup> March, 2010.

### **Project Implementation:**

Your Company has been promoted by Mundra Port And Special Economic Zone Ltd. (MPSEZL) as a Wholly Owned Subsidiary Company, for development of the Bulk/General Cargo Terminal at Hazira. The port is developed under the concession granted by Gujarat Maritime Board (GMB) pursuant to the BOOT policy of Government of Gujarat (GOG).

### **Financial Highlights:**

As your Company was incorporated on 7<sup>th</sup> December, 2009, the first accounting period of the company is from 7<sup>th</sup> December, 2009 to 31<sup>st</sup> March, 2010. Accordingly the financial statements are prepared for the said period. Being the first accounting period, there are no corresponding figures of the previous year. The expenditure incurred during construction period pending allocation during the period under review is Rs. 6.73 Lacs.

### **Dividend:**

As your company has not started commercial activity and project is under implementation, the directors do not recommend any dividend.

### **Holding Company:**

Your company is wholly owned subsidiary of Mundra Port And Special Economic Zone Limited (MPSEZL).

MPSEZL being Subsidiary of Adani Infrastructure Services Private Limited (AISPL). By virtue of section 4 of Companies Act, 1956; AISPL is ultimate Holding Company of your Company.

### **Share Capital:**

During the year under review, the authorized share capital of the company was increased from Rs. 5 Lacs divided into 50,000 Equity Shares of Rs. 10/- each to Rs. 5 Crores divided into 50,00,000 Equity Shares of Rs. 10/- each.

### **Fixed Deposits:**

During the period under review, your Company has not accepted any deposits from the Public.

# ADANI HAZIRA PORT PRIVATE LIMITED

Regd. Office: "Adani House", Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009

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## Directors:

Dr. Malay Mahadevia and Mr. Rajeeva Ranjan Sinha were the First Directors of the Company by virtue of Memorandum and Articles of Association of the company. During the period under review, Mr. B. Ravi was appointed as an Additional Director on the Board of the Company.

In terms of Section 260 of the Companies Act, 1956; the term of office of these Directors will expire at the ensuing Annual General Meeting. It will be in the best interest of the Company to appoint them at the ensuing Annual General Meeting.

## Directors' Responsibility Statement:

Pursuant to the requirements under 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors hereby confirm the following:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanatory statement relating to material departures;
2. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial period;
3. That directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the directors have prepared the annual accounts on a going concern basis.

## Auditors:

The Company's Auditors' M/s S. V. Ghatalia & Associates, Chartered Accountants, Ahmedabad will retire on the conclusion of forthcoming Annual General Meeting and being eligible, have expressed their willingness for reappointment.

## Auditors' Report:

Notes forming part of accounts, which are specifically referred to by the auditors in their report are self-explanatory and therefore, do not call for any further comments.

## Compliance Certificate:

In accordance with section 383A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules, 2001 the Company has obtained a certificate from a Secretary in whole time practice confirming that the Company has complied with the provisions of the Companies Act, 1956 and copy of such certificate is annexed to and is part of this report.

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## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & outgo:

As Company has not started any Commercial activity, a statement containing the information as per Section 217(1)(e) of the Companies Act read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is not appended.

There is no foreign exchange earnings and outgo.

## Personnel:


The particulars of employees as required by Section 217 (2A) of the Companies Act, 1956 and Companies (Particulars of Employees) Rules, 1975 as amended from time to time is not given as no employee is in receipt of remuneration as required under section 217(2A) of the Companies Act, 1956.

## Appreciation and Acknowledgement:

Your Directors have pleasure in taking this opportunity to thank the Government Agencies and all other personnel.

**For & on behalf of the Board of Directors**

**Date: 06.05.2010**  
**Place: Ahmedabad**

  
**Rajeeva Ranjan Sinha**  
**Chairman**



## CHIRAG SHAH & ASSOCIATES

Company Secretaries

808, Shiromani Complex, Opp. Ocean Park,

S.M. Road, Satellite, Ahmedabad - 380 015.

Ph.: 079- 40020304, E-mail : chi118\_min@yahoo.com

### COMPLIANCE CERTIFICATE

Registration No. of the Company: 058789

Nominal Capital: Rs.50,000,000/-

To,  
The Members,  
**ADANI HAZIRA PORT PRIVATE LIMITED**  
Ahmedabad

We have examined the registers, records, books and papers of ADANI HAZIRA PORT PRIVATE LIMITED as required to be maintained under the Companies Act, 1956 and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31.03.2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents and certificate of the management, we certify that in respect of the aforesaid financial year that:

- 1) The Company has kept and maintained registers as stated in Annexure 'A' to this Certificate, as per the provisions and the rules made there under and all entries have been duly recorded.
- 2) The Company has filed the forms and returns as stated in Annexure 'B' to this Certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities.
- 3) The company being a private limited company has the minimum prescribed paid-up capital and its maximum number of members during the said financial year were 2 excluding its present and past employees and the company during the year under scrutiny:
  - has not invited public to subscribe for its shares or debentures;
  - and
  - has not invited or accepted any deposits from persons other than its members, directors or their relatives.



- 4) The Board of Directors duly met 5 times on 08.12.09, 30.12.09, 01.01.10, 19.01.10 and 31.03.10 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
- 5) The Company was not required to close its Register of Members, and / or Debenture holders in terms of Section 154 of the Act during the year.
- 6) The Company has been incorporated on 07.12.09, therefore no Annual General Meeting has been held.
- 7) One extra ordinary general meeting was held during the year under review and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- 8) The Company has not advanced any loan to its directors and / or persons or firms or companies referred in the Section 295 of the Act.
- 9) The Company has not entered into any contracts falling within the purview of Section 297 of the Companies Act, 1956.
- 10) The company has maintained register as required under Section 301 of the Companies Act, 1956
- 11) As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or the Central Government, as the case may be.
- 12) The Company has not issued any duplicate share certificates.
- 13) the Company has:
  - a) delivered all the certificates on allotment of securities and on lodgment thereof for transfer / transmission or any other purpose in accordance with the provisions of the Act.
  - b) deposited the amount of dividend declared including interim dividend in a separate Bank Account on \_\_\_\_\_, which is within five days from the date of declaration of such dividend - *Not Applicable*.
  - c) paid / posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed / unpaid dividend has been transferred to Unpaid Dividend Account of the Company with \_\_\_\_\_ (Bank) on \_\_\_\_\_ - *Not Applicable*.
  - d) transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund - *Not Applicable*.
  - e) duly complied with the requirements of Section 217 of the Act.
- 14) The Board of directors of the company is duly constituted and there was appointment of



Additional Director, during the financial year.

- 15) The company is not required to appoint Managing Director / Whole-time Director / Manager in the Company.
- 16) The Company has not appointed any sole-selling agents under the provisions of the Act.
- 17) The company was not required to obtain approval of the Central Government for change of name and the company was not required to obtain the approval of Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
- 18) The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
- 19) The company has issued 5,00,000 equity shares of Rs. 10/- shares during the financial year.
- 20) The Company has not bought back shares during the financial year ending 31.03.2010.
- 21) The Company has not redeemed preference shares / debentures during the year.
- 22) There were no transactions necessitating the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
- 23) The Company has not accepted any deposits in terms of the provisions of Section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 / the applicable directions issued by the Reserve Bank of India / any other authority.
- 24) The company has not made any borrowings during the financial year ended on 31.03.2010.
- 25) The Company has not advance any inter corporate loan and provisions of Section 372A of the Companies Act, 1956 are not applicable to the company being Infrastructure Company.
- 26) The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
- 27) The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
- 28) The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny and complied with the provisions of the Act.
- 29) The Company has altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny by increasing its authorized share capital from Rs. 5 Lacs to Rs. 5 Crores .



- 30) The Company has not altered its Articles of Association during the year under scrutiny.
- 31) There is no prosecution initiated against or show cause notices received by the Company for any offences under the Act
- 32) The Company has not received any security from its employees during the year under certification.
- 33) The Company has not constituted provident fund for its employees under the provisions of Section 418 of the Act.

Place : Ahmedabad  
Date : 06.05.2010

Signature :   
Name of Company Secretary: Chirag Shah  
C. P. No. : 3498



Annexure 'A'

**Registers maintained by the Company:**

1. Register of Application & Allotment of shares.
2. Register of Members u/s. 150.
3. Register of Directors, Managing Director, etc. u/s. 303.
4. Register of Directors' Shareholding u/s. 307.
5. Register of contracts, companies and firm in which Directors of the company are interested u/s 301(3) of the companies Act.1956.
6. Books of accounts u/s. 209.
7. Minutes of the meetings of the Board of Directors.
8. Minutes of the General meetings.

Place : Ahmedabad  
Date : 06.05.2010

Signature :   
Name of Company Secretary: Chirag Shah  
C. P. No. : 3498

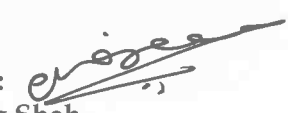
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Annexure 'B'

**Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31/03/2010:**

- 1) Form No. 1, 18 & 32 For incorporation of the Company
- 2) Form No. 5 For increase in Authorized Share Capital
- 3) Form No. 23 For increase in Authorized Share Capital

Place : Ahmedabad  
Date : 06.05.2010

Signature :   
Name of Company Secretary: Chirag Shah  
C. P. No. : 3498



**Auditors' Report**

**To**

**The Members of Adani Hazira Port Private Limited**

1. We have audited the attached Balance Sheet of Adani Hazira Port Private Limited ('the Company') as at March 31, 2010 and also the profit and loss account and the cash flow statement for the period December 7, 2009 to March 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. This report does not include a statement on the matters specified in paragraph 4 and 5 of the Companies (Auditor's Report) Order, 2003 (as amended), issued by the Central Government of India, in terms of Section 227(4A) of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
4. Further, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. 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;
  - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - v. On the basis of the written representations received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



# S.V. GHATALIA & ASSOCIATES

Chartered Accountants

- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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, 2010;
- b) in the case of the profit and loss account, of the loss for the period December 7, 2009 to March 31, 2010; and
- c) in the case of cash flow statement, of the cash flows for the period December 7, 2009 to March 31, 2010.

*S.V. Ghatalia & Associates*

**For S.V. GHATALIA & ASSOCIATES**

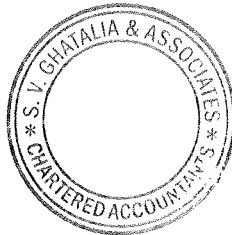
Firm registration number: 103162W

Chartered Accountants

*Santosh Aggarwal*

**per Santosh Aggarwal**  
Partner

Membership No.: 93669



Place : Ahmedabad

Date : May 6, 2010

## Adani Hazira Port Private Limited

Balance Sheet as at March 31, 2010

	Schedules	As at March 31, 2010 Amount (Rs. )
<b>SOURCES OF FUNDS</b>		
<b>Shareholders' Funds</b>		
Share Capital	1	5,000,000
<b>Total</b>		<b>5,000,000</b>
<b>APPLICATION OF FUNDS</b>		
<b>Fixed Assets</b>		
Gross Block		
- Furniture & Fixtures		215,000
Less : Accumulated Depreciation		131,032
Net Block		83,968
Capital Work- in- Progress including Capital Advances		2,651,225
Expenditure During Construction Period ( Pending	2	805,194
Capitalisation/Allocation )		
<b>Total Fixed Assets</b>		<b>3,540,387</b>
<b>Current Assets, Loans and Advances</b>		
Cash and Bank Balances	3	2,024,312
Loans and Advances	4	778,204
<b>Total Current assets</b>		<b>2,802,516</b>
<b>Less : Current Liabilities</b>	5	<b>2,016,289</b>
<b>Net Current Assets</b>		<b>786,227</b>
<b>Profit and Loss Account Balance</b>		<b>673,386</b>
<b>Total</b>		<b>5,000,000</b>

**Notes to Accounts**

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*S.V. Ghatalia & Associates*  
For S. V. Ghatalia & Associates

Firm Regi. No.: 103162W

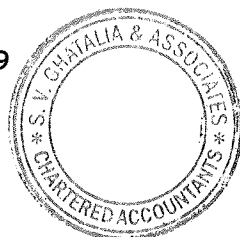
Chartered Accountants

*Santosh Aggarwal*  
per Santosh Aggarwal

Partner

Membership No. 93669

Place: Ahmedabad  
Date : May 6, 2010



For and on behalf of the Board of Directors

*Rajeeva Ranjan Sinha*  
Rajeeva Ranjan Sinha  
Director

*B Ravi*  
B Ravi  
Director

Place: Ahmedabad  
Date : May 6, 2010

## Adani Hazira Port Private Limited

Profit and Loss Account for period ended March 31, 2010

Particulars	Schedules	For the period December 7, 2009 to March 31, 2010
<b>EXPENDITURE</b>		
Preliminary Expenses written off		623,386
Auditor's Remuneration		
- Audit Fees		50,000
<b>Total Expenses</b>		<b>673,386</b>
<b>(Loss) before Tax</b>		<b>(673,386)</b>
Net Loss for the Period carried to Balance Sheet		<b>(673,386)</b>
Weighted number of Equity Shares considered for calculating Basic and Diluted EPS		213,913
<b>Basic and Diluted Earnings per Share (Nominal value of Rs 10 per equity share)</b>	<b>6</b>	<b>(3.15)</b>
Notes to Accounts	7	

Notes to Accounts

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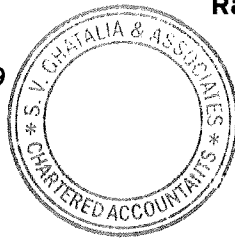
*S.V. Ghatalia & Associates*  
For S. V. Ghatalia & Associates

Firm Regi. No.: 103162W  
Chartered Accountants

*Santosh Aggarwal*  
per Santosh Aggarwal  
Partner

Membership No. 93669

Place: Ahmedabad  
Date : May 6, 2010



For and on behalf of the Board of Directors

*Rajeeva Ranjan Sinha*  
Rajeeva Ranjan Sinha  
Director

*B Ravi*  
B Ravi  
Director

Place: Ahmedabad  
Date : May 6, 2010

**Adani Hazira Port Pvt Ltd.**

Cash flow Statement for the period ended March 31, 2010

	For the period December 7, 2009 to March 31, 2010
	Amount (Rs.)
<b>Cash Flow from Operating Activities</b>	
Net Loss	(673,386)
<b>Operating Loss before Working Capital Changes</b>	(673,386)
Adjustments for :	
Increase in Loans and Advances	(778,204)
Increase in Current Liabilities and Provisions	2,016,289
<b>Cash Generated from Operations</b>	564,699
Direct Taxes paid (Net)	-
<b>Net Cash from Operating Activities</b>	564,699
<b>Cash Flow from Investing Activities</b>	
Purchase of Fixed Assets (Including Capital work in Progress and Expenditure during Construction Period)	(3,540,387)
<b>Net Cash used in Investing Activities</b>	(3,540,387)
<b>Cash Flow from Financing Activities</b>	
Proceeds from Issue of Equity Shares	5,000,000
<b>Net Cash Flow from Financing Activities</b>	5,000,000
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	2,024,312
<b>Cash and Cash Equivalents at start of the period</b>	-
<b>Cash and Cash Equivalents at close of the period</b>	
<b>Components of Cash &amp; Cash Equivalents</b>	
Cash on Hand	770
Balances with Scheduled Banks - On Current Accounts	2,023,542
	2,024,312

**Notes:**

1. The Cash Flow Statement has been prepared under the Indirect method as set out in Accounting Standard-3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.

*S.V. Ghatalia & Associates*  
For S. V. Ghatalia & Associates

Firm Regi. No.: 103162W

Chartered Accountants

*Santosh Aggarwal*  
per Santosh Aggarwal

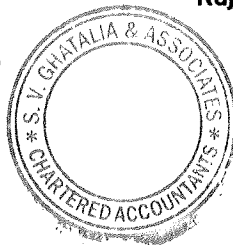
Partner

Membership No. 93669

For and on behalf of the Board of Directors

*Rajeeva Ranjan Sinha*  
Rajeeva Ranjan Sinha  
Director

*B Ravi*  
B Ravi  
Director

Place: Ahmedabad  
Date : May 6, 2010Place: Ahmedabad  
Date : May 6, 2010

# Adani Hazira Port Private Limited

## Schedules forming part of Balance Sheet

	As at 31st March 2010 Amount ( Rs.)
<b>Schedule - 1 : Share Capital</b>	
<b>Authorised</b>	
50,00,000 Equity shares of Rs.10/- each	50,000,000
	<u>50,000,000</u>
<b>Issued, Subscribed and Paid - up</b>	
<b>Equity Share Capital</b>	
5,00,000 fully paid up Equity Shares of Rs.10 each	5,000,000
	<u>5,000,000</u>
<b>Notes:</b>	
(i) 5,00,000 Equity Shares of Rs. 10 each held by Mundra Port & Special Economic Zone Limited, the Holding company and its nominees	
<b>Schedule-2: Expenditure during Construction Period, pending allocation</b>	
Rent (including brokerage of Rs 59,750)	374,750
Power & Fuel	35,591
Traveling and Conveyance	112,841
Depreciation	131,032
Guest House Expenses	98,794
Miscellaneous Expenses	52,186
	<u>805,194</u>
<b>Schedule-3: Cash and Bank Balances</b>	
Cash on Hand	770
<b>Balances with Scheduled Banks</b>	
- On Current Accounts	2,023,542
	<u>2,024,312</u>
<b>Schedule-4: Loans and Advances</b>	
(Unsecured, considered good)	
Service Tax Receivable	273,204
Rent Deposit	480,000
Deposit with Government	25,000
	<u>778,204</u>



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**As at 31st  
March 2010  
Amount ( Rs.)**

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**Schedule-5: Current Liabilities**

Sundry Creditors

a) total outstanding dues of Micro and Small Enterprises

-

[Schedule 7, Note 5]

b) total outstanding dues of Creditors other than Micro and Small enterprises

1,727,130

Other Liabilities

289,159

2,016,289

**Schedule-6: Earnings per Share (EPS)**

Computation on the basis of earnings

Net Loss for the period ended March 31, 2010 (in Rupees)

(673,386)

Weighted number of Equity Shares considered for calculating

Basic and Diluted EPS

213,913

-Number of shares oustranding for 96 days

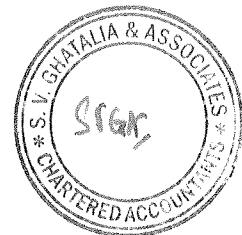
41,739

-Number of shares oustranding for 44 days

172,174

**Basic and Diluted Loss per Share in Rupees**

(3.15)



## Schedule 7: Notes to Accounts

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### 1. Nature of operations

Adani Hazira Port Private Ltd (AHPPL) was incorporated on December 7, 2009 as a 100% subsidiary of Mundra Port & SEZ Ltd (MPSEZ).

The Company proposes to develop, construct, operate and maintain multi-cargo terminal and related infrastructure at Hazira (Surat) subject to approval by the Gujarat Maritime Board.

### 2. Statement of Significant Accounting Policies

#### a) Basis of Preparation

The financial statements have been prepared to comply in all material respects with the Notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

Indirect expenditure incurred during the construction period which is not related to the construction activity nor is incidental thereto has been charged to the Profit and Loss Account for the period. The expenditure attributable towards the construction activities are classified as "Expenditure during construction period (Pending Allocation)" and will be apportioned as a part of the cost of the fixed asset on completion of the project construction activities. Necessary details as required under Part II of Schedule VI of the Companies Act, 1956 have been disclosed in "Schedule 2" to the financial statement in respect of the said expenditure.

#### b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### c) Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

#### d) Depreciation

Depreciation is provided on straight line method (SLM) as per the rates prescribed under Schedule XIV of the Companies Act, 1956.

#### e) Leases

*Where the Company is the lessee*

Leases, where 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 Profit and Loss Account on a straight-line basis over the lease term.

#### f) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.



**g) 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. Deferred income taxes reflect the impact of current period timing differences between taxable income and accounting income for the period.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. 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 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 realized against future taxable profits.

**h) Foreign Currency Transactions:**

***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***

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the period, are recognized as income or as expenses in the period.

**i) Earning per share**

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

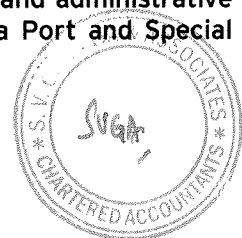
**j) Provision**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best 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 estimates.

**k) Cash and Cash equivalents**

Cash and cash equivalents in the cash flow statement comprise cash at bank and cash in hand.

3. Based on the information available with the Company, there is no contingent liability for the period ended March 31, 2010.
4. The Company does not have any employee during the period. The management and administrative functions of the Company are being managed by the holding Company, Mundra Port and Special Economic Zone Limited.



5. Based on the information and supplier's profile available with the Company as at March 31, 2010, the management believes that no creditor is covered under the Micro, Small and Medium Enterprises Development Act, 2006. As a result, no interest provision or payments have been made by the Company to such suppliers, if any, and no disclosures thereof are made in these accounts.
6. In accordance with Accounting Standard 22 'Accounting for Taxes on Income', issued by the Institute of Chartered Accountants of India, in view of the losses incurred by the Company during the period and the Company in the stage of setting up port and related infrastructure facilities, deferred tax assets on losses incurred during the period have not been recognized in the books since it is not virtually certain if the Company will be able to take advantage of such losses.

**7. Related Party Disclosures**

Name of related party where control exists irrespective of whether transactions have occurred or not

Holding Company                      Mundra Port & Special Economic Zone Limited. (MPSEZL)

Details of Related Party Transactions:

Particulars	Amount (Rs.)
Reimbursement of Expenses	61,971
Share Application Money received and allotted	5,000,000

8. The Company is in the process of setting up of the Port and related infrastructure facilities at Hazira, Surat. Hence, information pursuant to the provisions of paragraphs 3 and 4D of Part-II of Schedule VI to the Companies Act, 1956 is provided only to the extent applicable.

**9. Previous Year Comparatives**

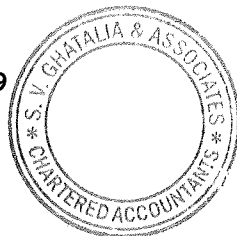
These financial statements have been prepared for the period December 7, 2009 to March 31, 2010 and no comparative previous year's figures have been furnished, as this being the first statutory financial statements of the Company.

As per our report of even date

*S. V. Ghatalia & Associates*

**For S. V. Ghatalia & Associates**  
**Firm Registration No.: 103162W**  
**Chartered Accountants**

*Santosh Aggarwal*  
**per Santosh Aggarwal**  
**Partner**  
**Membership No: 93669**



Place : Ahmedabad  
 Date : May 6, 2010

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

*Rajeeva Ranjan Sinha*  
**Rajeeva Ranjan Sinha**  
**Director**

Place : Ahmedabad  
 Date : May 6, 2010

*B. Ravi*  
**B. Ravi**  
**Director**