

ANNUAL REPORT 2010-11

HAZIRA ROAD INFRASTRUCTURE PRIVATE LIMITED

DIRECTORS' REPORT

To,
The Members,

Your Directors present herewith First Annual Report together with the Audited Accounts of the Company for the period ended 31st March, 2011.

Financial Highlights:

Your Company was incorporated on 1st October, 2010 as a wholly owned subsidiary of Adani Hazira Port Pvt. Ltd. The company has been formed for objective to develop, maintain and operate road & highway projects and other activities being an integral part of highway projects.

The first accounting period of the company is from 1st October, 2010 to 31st March, 2011. The project is under implementation and commercial activities are yet to commence, hence Profit and Loss account does not reflect any revenue from operations. The expenditure incurred during the period under review is Rs. 42,336/-.

Dividend:

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

Fixed Deposits:

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

Holding Company:

Your company is wholly owned subsidiary of Adani Hazira Port Private Limited (AHPPL).

AHPPL being Subsidiary of Mundra Port And Special Economic Zone Limited (MPSEZL). Further, MPSEZL is subsidiary of Adani Enterprises Ltd. (AEL). By virtue of section 4 of Companies Act, 1956; MPSEZL & AEL is ultimate Holding Company of your Company.

Directors:

Mr. Rajeeva Ranjan Sinha, Mr. Yogendra Sharma and Mr. B. Ravi were the First Directors of the Company by virtue of Memorandum and Articles of Association 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:

M/s. S. R. Batliboi & Co., Chartered Accountants, Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a letter from M/s. S. R. Batliboi & Co., Chartered Accountants, expressing their unwillingness to be reappointed as Auditors.

Your Directors have therefore proposed to appoint M/s. S. V. Ghatalia & Associates, Chartered Accountants as Statutory Auditors of the Company, subject to approval of the members at the ensuing Annual General Meeting. The Company has received letter from M/s. S. V. Ghatalia & Associates, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under section 224 (1-B) of the Companies Act, 1956 and that they are not disqualified for such appointment within the meaning of section 226 of the Companies Act, 1956.

Auditors' Report:

Notes forming part of accounts are self-explanatory and therefore, do not call for any further comments.

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.



HAZIRA ROAD INFRASTRUCTURE PRIVATE LIMITED

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 wish to place on record to express their thanks to the Government Agencies, Banks and all other personnel.

For & on behalf of the Board of Directors

Date: May 6, 2011
Place: Ahmedabad

B. Ravi
Chairman

Auditors' Report

To
The Members of Hazira Road Infrastructure Private Limited

1. We have audited the attached Balance Sheet of Hazira Road Infrastructure Private Limited ('the Company') as at March 31, 2011 and also the Profit and Loss account and the Cash Flow Statement for the period October 1, 2010 to March 31, 2011 annexed thereto. 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, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

- 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, 2011;
 - b) in the case of the Profit and Loss account, of the loss for the period October 1, 2010 to March 31, 2011; and
 - c) in the case of Cash Flow Statement, of the cash flows for the period October 1, 2010 to March 31, 2011.

For S.R. Batliboi & Co.

Firm registration number: 324982E

Chartered Accountants

per Hemal Shah

Partner

Membership No.: 42650

Place : Mumbai

Date : May 6, 2011

HAZIRA ROAD INFRASTRUCTURE PRIVATE LIMITED



Balance Sheet as at March 31, 2011

Particulars	Schedules	As at March 31, 2011 Amount (Rs.)
SOURCES OF FUNDS		
Shareholders' Funds		
Share Capital	1	500,000
TOTAL		500,000
APPLICATION OF FUNDS		
Current Assets, Loans and Advances		
Bank Balances	2	473,164
(A)		473,164
Less :		
Current Liabilities		
Current Liabilities	3	15,500
(B)		15,500
Net Current Assets (A-B)		457,664
Profit and Loss Account Balance		42,336
TOTAL		500,000
Notes to Accounts	4	

The schedules referred to above and notes to accounts form an intergral part of the Balance Sheet.

As per our report of even date

For S.R. Batliboi & Co
Firm Registration No. : 324982E
Chartered Accountants

For and on behalf of the Board of Directors of
Hazira Road Infrastructure Private Limited

per Hemal Shah
Partner
Membership No. 42650

Yogendra Sharma
Director

B Ravi
Director

Place: Mumbai
Date : May 6, 2011

Place: Ahmedabad
Date : May 6, 2011

Profit & Loss Account for the period ended March 31, 2011

Particulars	Schedules	For the period Oct 1, 2010 to March 31, 2011 Amt.(Rs.)
EXPENDITURE		
Preliminary Expenses written off		27,336
Statutory Audit Fees (Net of Service Tax)		15,000
TOTAL		42,336
Net Loss for the Period carried to Balance Sheet		(42,336)
		-
Weighted number of Equity Shares considered for calculating Basic and Diluted Earnings per Share (Nominal value of Rs 10 per equity share)	5	41,160 (1.03)
Notes to Accounts	4	

The schedules referred to above and notes to accounts form an intergral part of the Profit & Loss Account.

As per our report of even date

For S.R. Batliboi & Co
Firm Registration No. : 324982E
Chartered Accountants

**For and on behalf of the Board of Directors of
Hazira Road Infrastructure Private Limited**

per Hemal Shah
Partner
Membership No. 42650

Yogendra Sharma
Director

B Ravi
Director

Place: Mumbai
Date : May 6, 2011

Place: Ahmedabad
Date : May 6, 2011

HAZIRA ROAD INFRASTRUCTURE PRIVATE LIMITED



Cash flow Statement for the period ended March 31, 2011

Particulars	For the period Oct 1, 2010 to March 31, 2011 Amount (Rs.)
Cash Flow from Operating Activities	
Net Loss	(42,336)
Operating Loss before Working Capital Changes	(42,336)
Adjustments for :	
Increase in Loans and Advances	-
Increase in Current Liabilities	15,500
Cash Generated from Operations	(26,836)
Net Cash (Outflow) from Operating Activities (A)	(26,836)
Net Cash flow from Investing Activities (B)	-
Cash Flow from Financing Activities	
Proceeds from Issue of Equity Shares	500,000
Net Cash Flow from Financing Activities (C)	500,000
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)	473,164
Cash and Cash Equivalents at the end of the year	473,164
Components of Cash & Cash Equivalents	
Balance with Scheduled Bank	
- On Current Accounts	473,164
Cash and Cash Equivalents at end of the year	473,164

Notes:

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

2. Figures in brackets represents Cash Outflow.

As per our report of even date

For S.R. Batliboi & Co

Firm Registration No. : 324982E

Chartered Accountants

For and on behalf of the Board of Directors of

Hazira Road Infrastructure Private Limited

per Hemal Shah

Partner

Membership No. 42650

Yogendra Sharma

Director

B Ravi

Director

Place: Mumbai

Date : May 6, 2011

Place: Ahmedabad

Date : May 6, 2011

Schedules forming part of Balance Sheet

Particulars	As at March 31, 2011 Amount (Rs.)
Schedule -1 : Share Capital	
Authorised	
50,000 Equity shares of Rs.10/- each	500,000
	500,000
Issued, Subscribed and Paid - up	
50,000 fully paid up Equity Shares of Rs.10 each	500,000
	500,000
Of the above:	
(i) 50,000 Equity Shares of Rs. 10 each one held by Adani Hazira Port Pvt Ltd, the Holding company and its nominees	

Schedules forming part of Balance Sheet

Particulars	As at March 31, 2011 Amount (Rs.)
Schedule-2: Bank Balances	
Balance with Scheduled Bank - On Current Accounts	473,164
	473,164
Schedule-3: Current Liabilities	
Sundry Creditors - Other than Micro and Small Enterprise [Refer Note 5 of Schedule-4]	15,500
	15,500
Schedule-5: Earnings per Share (EPS)	
Computation on the basis of earnings	
Net Loss for the period ended March 31, 2011 (in Rupees)	(42,336)
Weighted number of Equity Shares considered for calculating Basic and Diluted EPS	41,160
Basic and Diluted Loss per Share in Rupees	(1.03)

Schedule 4: Notes to Accounts

1. Nature of operations

Hazira Road Infrastructure Private Ltd (HRIPL) was incorporated on October 1, 2010 as a 100% subsidiary of Adani Hazira Port Pvt Ltd. (AHPPL), which is ultimately held by Mundra Port and Special Economic Zone Limited.

The Company has objective to develop, maintain and operate Road & Highway Projects and other activities being an integral part of Highway Projects.

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.

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) 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.

d) Earnings per share

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

e) 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.

f) 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 at the period ended March 31, 2011.
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, Adani Hazira Port Pvt. Limited
5. Based on the information and supplier's profile available with the Company as at March 31, 2011, the management believes that no creditor is covered under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosure if any relating to accounts unpaid as at the period end together with the interest paid/payable required under the said act have not been given.
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, 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 Disclosure

Name of related party where control exists irrespective of whether transactions have occurred

or not

Holding Company	Adani Hazira Port Private Limited (held by Mundra Port & Spécial Economic Zone Limited)
Ultimate Holding Company	Adani Enterprises Limited

Details of Related Party Transactions:

Particulars	Amount (Rs.)
Reimbursement of Preliminary Expenses	26,336
Equity Share Application Money received and allotted	5,00,000

8. The Company does not have any operation for the period ended March 31, 2011. 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 Oct 1, 2010 to March 31, 2011 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

For S R Batliboi & Co
Firm Registration No.: 324982E
Chartered Accountants

For and on behalf of the Board of Directors of
Hazira Road Infrastructure Private Limited

per Hemal Shah
 Partner
 Membership No: 42650

Yogendra Sharma
 Director

B. Ravi
 Director

Place : Mumbai
Date : May 6, 2011

Place : Ahmedabad
Date : May 6, 2011

HAZIRA ROAD INFRASTRUCTURE PRIVATE LIMITED



INFORMATION PURSUANT TO THE REQUIREMENT OF PART IV OF SCHEDULE-VI BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE

Rs in '000'

1	Registration Details	
	Registration No. :	62503
	State Code No. :	4
	Balance Sheet Date :	31/03/2011
2	Capital raised during the year	
	Public Issue (Issue through the prospectus) :	NIL
	Right Issue :	NIL
	Bonus Issue :	NIL
	Private Placement :	500
3	Position of Mobilisation and Deployment of Funds (Rs. in thousands)	
	Total Liabilities * :	500
	Total Assets :	500
	Sources of Funds	
	Paid up Capital :	500
	Share Application Money (Pending Allotment) :	-
	Reserve and Surplus :	-
	Secured Loans :	-
	Unsecured Loans :	-
	Application of Funds	
	Net Fixed Assets :	-
	Investments :	-
	Net Current Assets :	458
	Accumulated Losses :	42
	Miscellaneous Expenditure :	-
4	Performance of Company	
	Turnover :	-
	Total Expenditure :	42
	Profit/(Loss) Before Tax :	(42)
	Profit/(Loss) After Tax :	(42)
	Earning per Share in Rs. :	(1.03)
	Dividend Rate % :	NA
5	Generic Name of Principal Product of Company	
	(as per monetary terms) :	
	Item Code No. :	NA
	Product Description :	NA

For and on behalf of the Board of Directors
Hazira Road Infrastructure Private Limited

PLACE : Ahmedabad
DATE : May 6, 2011

Yogendra Sharma
Director

B Ravi
Director