

# **ANNUAL REPORT 2010-11**

## **RAJASTHAN SEZ PRIVATE LIMITED**

**DIRECTORS' REPORT**

To,  
The Members,

Your Directors present herewith Fourth Annual Report together with the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2011.

**Financial Highlights:**

During the year under review, the project is under implementation and commercial activities are yet to commence, hence no Profit & Loss Account has been prepared. The pre-operative expenditure incurred for the year ended on 31<sup>st</sup> March, 2011 is Rs. 29,849 against Rs. 22,284 in the corresponding previous year ended on 31<sup>st</sup> March, 2010.

**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 year under review, your Company has not accepted any deposits from the Public.

**Holding Company:**

Your Company is a subsidiary of Mundra Port and Special Economic Zone Limited (MPSEZL).

During the year under review, it has become step down subsidiary of Adani Enterprises Limited (AEL) pursuant to section 4 of the Companies Act, 1956 due to merger of erstwhile Holding Company Adani Infrastructure Services Pvt. Ltd. (AISPL) into AEL.

**Directors:**

As per Section 256 of the Companies Act, 1956 and Articles of Association of the Company; Mr. B. Ravi is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment. Board recommends the appointment of the Director of the Company.

**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 year;
3. That the 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. Shah & Shah 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 are self-explanatory and therefore, do not call for any 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.

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

**Date: May 02, 2011**  
**Place: Ahmedabad**

**Pankaj Modi**  
**Chairman**

**AUDITORS' REPORT**

To,  
The Members of  
RAJASTHAN SEZ PRIVATE LIMITED.

1. We have audited the attached Balance Sheet of M/s. RAJASTHAN SEZ PRIVATE LIMITED, as at 31<sup>st</sup> March, 2011 and the Cash Flow Statement of the Company for the year ended on that date. No Profit & Loss Account for the period ended on that date has been prepared as the Company has yet to commence commercial operations. These financial statements are the responsibilities of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have 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 the management as well as evaluating overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (As amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the annexure, a statement on the matters specified in paragraph 4 and 5 of the said order.

We further report that :

- (a) 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;
- (b) In our opinion, proper books of account as required by the law have been kept by the company so far as appears from our examination of those books;
- (c) The Balance Sheet and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
- (d) In our opinion the Balance Sheet and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in sub-section 211 (3C) of the Companies Act, 1956.
- (e) On the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies 1956.

- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and notes thereon give the information required by the Companies Act,1956 , in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India :
- a) in the case of Balance Sheet of the state of affairs of the Company as at 31<sup>st</sup> March,2011; and
- b) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

**For SHAH & SHAH ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.113742W**

**Place : Ahmedabad**  
**Dated : May 02, 2011**

**PARTNER**  
**(VASANT C.TANNA)**  
**Membership No. 100422**

**Annexure to the Auditors' Report**

**Re: RAJASTHAN SEZ PRIVATE LIMITED**

**(Referred to in paragraph 3 of our report of even date)**

1. In our opinion and according to the information and explanations given to us, the nature of company's business / activities during the year is such that clauses (i),(ii),(iii),(iv),(vi),(viii),(x),(xi),(xii),(xiii),(xiv),(xv), (xvi), (xvii), (xviii), (xix) and (xx) of Clause 4 of the Order are not applicable to the Company.
2. Based on the examination of the books of accounts and related records and according to the information and explanations provided to us, there are no contracts or arrangements with Companies, firms or other parties which need to be listed in the register maintained under section 301 of the Companies Act, 1956.
3. The company has not accepted deposits from public during the year. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under with regard to the deposit accepted from the public in earlier year.
4. The Company does not have an internal audit system.
5. According to the information and explanations given to us in respect of statutory and other dues:
  - (a) As explained to us the company is regular in depositing with appropriate authorities undisputed applicable statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Service Tax, Custom Duty, Excise duty, Cess and other statutory dues. According to the information and explanations given to us, no undisputed amounts payable in respect aforesaid statutory dues were outstanding, as at 31<sup>st</sup> March, 2011 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
6. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported by the company during the year.

**For SHAH & SHAH ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.113742W**

**Place : Ahmedabad**  
**Dated : May 02, 2011**

**PARTNER**  
**(VASANT C.TANNA)**  
**Membership No. 100422**

**BALANCE SHEET FOR THE PERIOD ENDED AS ON MARCH, 2011**

Particulars	Schedule	Amount Rupees	As at 31/03/2011 Rupees	Amount Rupees	As at 31/03/2010 Rupees
<b><u>SOURCES OF FUNDS:</u></b>					
<b><u>Share Holders' Funds:</u></b>					
Share Capital	1		100,000		100,000
<b>TOTAL</b>			<b>100,000</b>		<b>100,000</b>
<b><u>APPLICATION OF FUNDS</u></b>					
Current Assets Loans & Advances	2	66,466		74,031	
Less: Current Liabilities & Provision	3	5,515	60,951	5,515	68,516
<b><u>Miscellaneous Expenditure :</u></b>					
(To the Extent not Written Off or Adjusted)	4		39,049		31,484
<b>TOTAL</b>			<b>100,000</b>		<b>100,000</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES FORMING PART OF ACCOUNTS</b>	5				

AS PER OUR REPORT ATTACHED  
For SHAH & SHAH ASSOCIATES  
Chartered Accountants

**PARTNER**  
(VASANT C.TANNA)  
Membership No. 100 422

PLACE : AHMEDABAD

DATED: MAY 02, 2011

For, RAJASTHAN SEZ PRIVATE LIMITED

**B. RAVI**  
DIRECTOR

**PANKAJ MODI**  
DIRECTOR

PLACE : AHMEDABAD

DATED: MAY 02, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH,2011

	For the Year ended on 31/03/2011 (Rs.)	For the Year ended on 31/03/2010 (Rs.)
<b>A Cash Flow from Operating Activities</b>		
<b>Adjustments for:</b>		
Increase in Loans & Advances	-	-
Increase/(decrease) in Current Liabilities	-	-
Depreciation	-	-
<b>Net Cash Flow from Operating Activities</b>	<b>-</b>	<b>-</b>
<b>B Cash Flow From Investing Activities</b>		
Preliminary/Pre-operative Expenses incurred	(7,565)	(8,035)
Increase in Fixed Assets	-	-
<b>Net Cash Flow from Investing Activities</b>	<b>(7,565)</b>	<b>(8,035)</b>
<b>C Cash Flow From Financing Activities</b>		
Share Capital Issued	-	-
Unsecured Loan	-	-
<b>Net Cash Flow from Financing Activities</b>	<b>-</b>	<b>-</b>
Net change in Cash or Cash Equivalent(A+B+C)	(7,565)	(8,035)
Cash and Cash Equivalent at end of the Period	66,466	74,031
Cash and Cash Equivalent at beginning of the year	74,031	82,066

**AS PER OUR REPORT ATTACHED**  
For SHAH & SHAH ASSOCIATES  
Chartered Accountants

For, RAJASTHAN SEZ PRIVATE  
LIMITED

**PARTNER**  
(VASANT C.TANNA)  
Membership No. 100 422

**B. RAVI**  
DIRECTOR

**PANKAJ MODI**  
DIRECTOR

PLACE : AHMEDABAD

PLACE : AHMEDABAD

DATED: MAY 02, 2011

DATED: MAY 02, 2011

SCHEDULE FORMING PART OF THE ACCOUNTS

PARTICULARS	AS AT 31/03/2011 RUPEES	AS AT 31/03/2010 RUPEES
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
10,000 Equity Shares of Rs.10/- each	100,000	100,000
<b>Issued &amp; Subscribed:</b>		
10000 Equity Shares of Rs. 10/- each fully paid-up	100,000	100,000
<b>TOTAL</b>	<b>100,000</b>	<b>100,000</b>
(The entire share capital of the company is held by Mundra Port And Special Economic Zone Limited))		
<b>SCHEDULE -2</b>		
<b>CURRENT ASSETS LOANS &amp; ADVANCES:</b>		
<b>{A} CURRENT ASSETS</b>		
<b>Cash and Bank Balances:</b>		
Cash on Hand	800	-
Balance with Schedule Bank in a Current Account	65,666	74,031
<b>TOTAL</b>	<b>66,466</b>	<b>74,031</b>
<b>SCHEDULE-3</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS:</b>		
Sundry Creditors (Other than due to micro, small & medium enterprises)	5,515	5,515
<b>TOTAL</b>	<b>5,515</b>	<b>5,515</b>
<b>SCHEDULE-4</b>		
<b>MISCELLANEOUS EXPENDITURE :</b> (To the extent not written off or adjusted)		
<b>Preliminary Expenses :</b>		
Balance as per last Balance Sheet	9,200	9,200
	<b>9,200</b>	<b>9,200</b>
<b>Pre-Operative Expenses (pending Capitalisation)</b>		
Balance as per last Balance Sheet	22,284	14,249
Add:incurred during the year	7,565	8,035
	<b>29,849</b>	<b>22,284</b>
<b>TOTAL</b>	<b>39,049</b>	<b>31,484</b>

**SCHEDULE FORMING PART OF THE ACCOUNTS**

**SCHEDULE - 5**

**Background:**

The company was promoted by Mundra Port and Special Economic Zone Limited and is a subsidiary of Mundra Port and Special Economic Zone Limited and is engaged in business of establishing and developing Special Economic Zone and Industrial Estates/Parks in the state of Rajasthan.

**1 Significant Accounting Policies :**

a) The financial statements of the company have been prepared under historical cost convention and in accordance with the Generally Accepted Accounting Principles (GAAP) in India, the Accounting Standards issued by The Institute of Chartered Accountants of India and the relevant provisions of the Companies Act,1956.

b) Preliminary expenses will be amortised equally over a period of Five years from the date of commencement of Commercial Production/Operation.

**2 Contingent Liabilities:**

Estimated amount of contracts remaining to be executed on capital account and not provided for in the books of accounts Rs. Nil.

3 Since the company has yet not commenced the commercial operations, no profit & loss account has been prepared.

4 Pre-Operative expenses incurred during the construction period will be appropriated towards the cost of fixed assets acquired.

The break-up of Pre-operative expenses incurred is as under.

Particulars	Total Up to 31.03.2010	For the Period ended 31.03.2011	Total Up to 31.03.2011
<b>Opening balance as at beginning of the year</b>		<b>22,284</b>	<b>-</b>
Audit Fees	16,648	5,515	22,163
Stationery & Printing expenses	1,050	-	1,050
Forms & Filing Fees	2,340	800	3,140
Legal & Professional Fees	2,000	1,250	3,250
Bank charges	246	-	246
<b>Balance as at the end of the year carried to Balance Sheet</b>	<b>22,284</b>	<b>29,849</b>	<b>29,849</b>

5 There are no other particulars required to be shown as per requirements of part II of Schedule VI of the Companies Act,1956.

6 Disclosure in respect of Related party transaction in accordance with AS 18.

<b>[1] Name of the related Party</b>	<b>Nature of Relationship</b>
Mundra Port and Special Economic Zone Ltd.	Holding Company

<b>[2] Transactions with related parties :</b>	<b>Amount (Rs.)</b>	<b>Amount (Rs.)</b>
<b>Nature of Transaction</b>	2010-11	2009-10
NA	NIL	NIL

For **SHAH & SHAH ASSOCIATES**  
Chartered Accountants

For, **RAJASTHAN SEZ PRIVATE LIMITED**

**PARTNER**  
(VASANT C.TANNA)  
Membership No. 100 422

**B. RAVI**  
(DIRECTOR)

**PANKAJ MODI**  
(DIRECTOR)

**PLACE: AHMEDABAD**  
**DATED: MAY 02, 2011**

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

(Amount in Rs. thousand)

1	<b>Registration Details</b> Registration No. : State Code No. : Balance Sheet Date :	52722 4 31/03/2011
2	<b>Capital raised during the year</b> Public Issue (Issue through the prospectus) : Right Issue : Bonus Issue : Private Placement :	NIL NIL NIL NIL
3	<b>Position of Mobilisation and Deployment of Funds (Rs. in thousands)</b> Total Liabilities : Total Assets :  <b>Sources of Funds</b> Paid up Capital : Share Application Money (Pending Allotment) : Reserve and Surplus : Secured Loans : Unsecured Loans :  <b>Application of Funds</b> Net Fixed Assets : Investments : Net Current Assets : Accumulated Losses : Miscellaneous Expenditure :	100 100  100 - - - -  - - 61 - 39
4	<b>Performance of Company</b> : Turnover : Total Expenditure : Profit/(Loss) Before Tax : Profit/(Loss) After Tax : Earning per Share in Rs. : Dividend Rate % :	- - - - - NA
5	<b>Generic Name of Principal Product of Company</b> (as per monetary terms) : Item Code No. : Product Description :	NA NA

For, RAJASTHAN SEZ PRIVATE LIMITED

**B. RAVI**  
DIRECTOR

**PANKAJ MODI**  
DIRECTOR

PLACE : AHMEDABAD  
DATE : MAY 02, 2011