

ANNUAL REPORT 2010-11

MUNDRA INTERNATIONAL AIRPORT PRIVATE LIMITED

DIRECTORS' REPORT

To,
The Members,

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

Financial Highlights:

Your Company is in the project development stage and has not started any commercial operations, hence statement of expenditure is prepared in lieu of Profit & Loss Account. The expenditure incurred for the year ended on 31st March, 2011 is Rs. 92,990/- against Rs. 1,50,728/- in the corresponding previous year ended on 31st 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; Dr. Malay Mahadevia 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 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. Dharmesh Parikh & Co., 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.

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.

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 & on behalf of the Board of Directors

Date: May 02, 2011
Place: Ahmedabad

Dr. Malay Mahadevia
Chairman

COMPLIANCE CERTIFICATE

Registration No. of the Company : U62200GJ2009PTC057726

Nominal Capital: Rs. 5,000,000/-

To,
The Members,
MUNDRA INTERNATIONAL AIRPORT PRIVATE LIMITED
Ahmedabad

We have examined the registers, records, books and papers of MUNDRA INTERNATIONAL AIRPORT PRIVATE LIMITED (the Company) as required to be maintained under the Companies Act, 1956 (the Act) 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 31.03.2011. 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 06.05.10, 12.07.10, 20.08.10, 04.10.10 and 03.03.11 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 Annual General Meeting for the financial year ended on 31.03.2010 was held on 12.06.2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- 7) One extra ordinary general meeting was held on 30th September, 2010 during the financial year.
- 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 – **Not Applicable**
 - 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 no appointment of additional directors, alternate directors and directors to fill casual vacancy 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 not issued any shares, debentures or other securities during the financial year.

- 20) The Company has not bought back shares during the financial year ending 31.03.2011.
- 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 made the borrowings within limits approved by the shareholders at the general meeting held on 30th September, 2010, and complied with the provisions of section 293(1)(d) of the Act.
- 25) The Company has not advanced 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.
- 29) The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
- 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 : May 02, 2011

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 General Meeting

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 31/03/2011:

1. Form No. 23AC & 23ACA Balance Sheet u/s. 220 (1) filed on 03.07.2010 for the year ended 31st March, 2010.
2. Form No. 66 for submission of compliance certificate with the registrar filed on 03.07.2010 for the year ended 31st March, 2010.
3. Form No. 32 for Appointment / Change in designation of Director filed on 03.07.2010 for the year ended 31st March, 2010.
4. Form No. 32 for appointment of additional director on 31.03.2010 filed on 05.04.2010.
5. Form No. 20B Annual Return u/s. 159(1) filed on 10.08.2010 for the year 2009-10.
6. Form No. 23 for registration of resolutions filed on 26.10.2010.

Place : Ahmedabad
Date : May 02, 2011

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

Auditor's Report to the members of

MUNDRA INTERNATIONAL AIRPORT PRIVATE LIMITED

We have audited the attached Balance Sheet of MUNDRA INTERNATIONAL AIRPORT PRIVATE LIMITED, as at 31st March, 2011 and also the Income & Expense Statement and Cash Flow statement for the period ended on that date, which we have signed under reference to this report. 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.

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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 (the 'Order') (as amended), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, (the Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
2. Further to our comments in the annexure referred to above, 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 accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii) The Balance Sheet, Income & Expense statement and Cash-flow statement dealt with by this report are in agreement with the books of account;
 - iv) In our opinion, the Balance Sheet, Income & Expense statement 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 written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 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 read together with the notes thereon/attached thereto and the Statement on Significant Accounting Policies give in the prescribed manner the information required by the Companies Act, 1956 of India ('The Act') give a true

and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2011.
- (ii) In the case of Statement of Expense of the Expenses incurred during the year ended on that date.
- (iii) In the case of Cash Flow Statement, of the cash flows for the period ended on that date.

For **DHARMESH PARIKH & CO.**
Chartered Accountants

PLACE : AHMEDABAD
DATE : MAY 2, 2011

(ANUJ JAIN)
PARTNER
MEMBERSHIP NO. 119140
FIRM REG. NO. 112054W

**ANNEXURE TO THE AUDITORS' REPORT
(Referred to in Clauses 1 of our Report of even date)**

To the MUNDRA INTERNATIONAL AIRPORT PRIVATE LIMITED

- (i) The company does not have any Fixed Assets. Accordingly, the provisions of Clauses 4 (i) (a) to (c) of the Order, are not applicable.
- (ii) During the period, the company does not have any Inventories. Accordingly the provisions of Clauses 4 (ii) (a) to (c) of the Order are not applicable.
- (iii) (a) As informed to us, the company has not granted any loans, secured or unsecured, to any company, firm or other party covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly clause 4 (iii-a) to (iii-d) of the order is not applicable.

(b) According to the information and explanation given to us and the records produced to us for our verification, the company has not taken any loan from any company, firm or party covered in the register maintained under section 301 of the Companies Act, 1956, accordingly the provisions of paragraph 4 (iii) (e) to (iii) (g) of the Order are not applicable. However the company has taken loan from the Holding Company.
- (iv) There has been neither any purchase of inventory, fixed assets nor any sale of goods and services by the company. However, according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) According to the information and explanation provided by the management, there have been no contracts or arrangements during the period that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly the provisions of Clauses 4(v) (a) and (b) of the Order are not applicable.
- (vi) The Company has not accepted any deposits from the public in terms of directives issued by RBI and the provisions of sections 58A, 58AA of the Act and Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of Clause 4 (vi) of the Order are not applicable.
- (vii) As per the information and explanation given to us by the management, the Company's internal control procedures together with the internal checks conducted by the group internal audit team during the period can be considered as an internal audit commensurate with the size and nature of its business.
- (viii) The maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 is not applicable to the Company. Accordingly, the provisions of Clause 4 (viii) of the Order are not applicable.
- (ix) (a) As explained to us and according to the records of the Company produced before us, the Company is generally regular in depositing undisputed applicable statutory dues with

the appropriate authorities. There are no undisputed statutory dues as referred to above as at March 31, 2011 outstanding for a period of more than six months from due date they become payable.

There was no dues on account of cess under section 441A of the Companies Act, 1956 since the date from which the aforesaid section comes into force has not yet been notified by the Central Government.

(b) According to the records of the Company and representation made by the management, there are no dues outstanding of any statutory nature on account of any dispute.

- (x) The Company has not started any commercial activity during the period under review. Accordingly the provisions of Clauses 4 (x) of the Order are not applicable.
- (xi) Based on the audit procedures and the information and explanations given to us, the company has not borrowed any funds. Accordingly the provisions of Clauses 4 (xi) of the Order are not applicable.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly the provisions of Clauses 4 (xii) of the Order are not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Accordingly the provisions of Clauses 4 (xiii) of the Order are not applicable to the Company.
- (xiv) According to the information and explanations given to us, the company does not deal in shares, securities, debentures and other investments. Accordingly the provisions of Clauses 4 (xiv) of the Order are not applicable.
- (xv) According to the information & explanations given to us, the company has not given any guarantee for any loans taken by others from banks or any financial institution. Accordingly the provisions of Clauses 4 (xv) of the Order are not applicable.
- (xvi) According to the information & explanations given to us, the company has not borrowed any funds by way of term loan. Accordingly provisions of Clauses 4 (xvi) of the Order are not applicable.
- (xvii) According to the information and explanation given to us and 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 preferential allotment of shares to any party covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly provisions of Clauses 4 (xviii) of the Order are not applicable.

MUNDRA INTERNATIONAL AIRPORT PRIVATE LIMITED



- (xix) As the Company has not issued any debentures. Accordingly the provisions of Clauses 4 (xix) of the Order are not applicable.
- (xx) During the period, since the Company has not raised money by way of public issue. Accordingly provisions of Clauses 4(xx) of the Order are not applicable.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud on or by the Company has been noticed or reported during the course of our audit for the period ended 31st March, 2011.

For **DHARMESH PARIKH & CO.**
Chartered Accountants

PLACE : AHMEDABAD

DATE : MAY 2, 2011

(ANUJ JAIN)
PARTNER
MEMBERSHIP NO. 119140
FIRM REG. NO. 112054W

BALANCE SHEET AS AT 31ST MARCH, 2011

Particulars	Schedule	As at 31st March 2011 Rupees	As at 31st March 2010 Rupees
SOURCES OF FUNDS			
SHAREHOLDERS' FUND			
Share Capital	1	5,000,000	5,000,000
		5,000,000	5,000,000
LOAN FUNDS			
Unsecured Loans	2	64,500,000	-
TOTAL		69,500,000	5,000,000
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block		-	-
Less: Accumulated Depreciation		-	-
Net Block		-	-
Capital Work in Progress	3	87,138,188	-
INVESTMENTS	4	38,000	-
CURRENT ASSETS, LOANS AND ADVANCES			
Cash and Bank Balances	5	144,319	4,930,658
Loans & Advances	6	245,366	30,490
		389,686	4,961,148
LESS: CURRENT LIABILITIES AND PROVISIONS	7	18,218,393	8,273
NET CURRENT ASSETS		(17,828,707)	4,952,875
MISCELLANEOUS EXPENDITURE (To the extent not written off)	8	-	-
BALANCE OF STATEMENT OF EXPENSES		152,519	47,125
TOTAL		69,500,000	5,000,000

NOTES FORMING PART OF THE ACCOUNTS

9

AS PER OUR ATTACHED REPORT OF EVEN DATE

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

For and on behalf of the Board

Dr. Malay Mahadevia
Director

(ANUJ JAIN)
Partner
M. No. 119140

B. Ravi
Director

PLACE : AHMEDABAD
DATE : MAY 2, 2011

PLACE : AHMEDABAD
DATE : MAY 2, 2011

Statement of Expenses for the Year ended on 31st March 2011

Particulars	2010-2011 Rupees	For the period from 7th August 2009 to 31st March 2010 Rupees
Income		
Interest Income (Gross) (TDS-P.Y.Rs.17535)	-	133,603
Total (a)	-	133,603
Expenditure		
Payment to Auditors	20,000	9,928
Bank Charges	5,260	-
Documentation & Stamp Fees	5,640	-
Filing Fees	1,000	-
Licence Fees	50,000	-
Professional Fees	6,750	-
Printing, Stationery & Xerox Exps.	3,540	-
Travelling Expense	800	-
Preliminary Expenses written off	-	140,800
Total (b)	92,990	150,728
Excess of Expenses before Provision for Taxation	(92,990)	(17,125)
Less : Short Provision for Taxation of earlier period	(12,404)	-
Less: Provision for Income Tax	-	(30,000)
Excess of Expenses	(105,394)	(47,125)
Balance Brought forward from Previous period	(47,125)	-
Balance Carried to Balance Sheet	(152,519)	(47,125)
Basic and Diluted Earning Per Share of Rs. 10 Each for the year/period	(0.21)	(0.15)

**NOTES FORMING PART OF THE ACCOUNTS
AS PER OUR ATTACHED REPORT OF EVEN DATE**

For, DHARMESH PARIKH & CO.

Chartered Accountants
Firm Regn. No. : 112054W

(ANUJ JAIN)

Partner
M. No. 119140

PLACE : AHMEDABAD

DATE : MAY 2, 2011

For and on behalf of the Board

Dr. Malay Mahadevia
Director

B. Ravi
Director

PLACE : AHMEDABAD

DATE : MAY 2, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

	PARTICULARS	2010-2011 Rupees	For the period from 7th August 2009 to 31st March 2010 Rupees
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Excess of Expense	(92,990)	(17,125)
	Adjustment for :		
	Interest Income	-	(133,603)
	Short Provision of Taxation	-	140,800
	Misc. Expenses w/off	-	
	Operating profit before working capital changes	(92,990)	(9,928)
	Adjustment for :		
	Trade payables and other liabilities	18,210,120	8,273
	Misc. Expenses	-	(140,800)
	Increase in Loans and Advances	(230,565)	
	Cash generated from operations	17,886,565	(142,455)
	Direct taxes paid (net)	(11,671)	(15,535)
	Cash generated from operating activities	17,874,894	(157,990)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Increase in Capital Work in Progress(Net of Interest)	(87,138,188)	
	Interest Received	14,955	118,648
	Purchase of Investments	(38,000)	
	Net cash used in investing activities	(87,161,233)	118,648
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase/(Decrease) in Unsecured Loan	64,500,000	
	Issue of Equity Share Capital	-	5,000,000
	Net cash used in financing activities	64,500,000	5,000,000
	Net increase/(Decrease) in cash and cash equivalents (A+B+C)	(4,786,339)	4,960,658
	Cash and Cash Equivalent at beginning of the year	4,930,658	-
	Cash and cash equivalents as at year end	144,319	4,930,658
D	Component of Cash and Cash equivalents		
	Cash on Hand	1,002	-
	Balance with Schedule Banks :		
	On Current Accounts	143,317	530,658
	On Deposit Accounts *	-	4,400,000
	Cash and Bank Balances as per Schedule 7	144,319	4,930,658

Notes :

1. The Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statements notified by Company Accounting Standard Rules, 2006.
2. Figures in brackets represents Cash Outflow
3. Previous year's figures have been regrouped where necessary to confirm to this year's classification.

AS PER OUR ATTACHED REPORT OF EVEN DATE

For, DHARMESH PARIKH & CO.

Chartered Accountants
Firm Regn. No. : 112054W

(ANUJ JAIN)

Partner
M. No. 119140

PLACE : AHMEDABAD

DATE : MAY 2, 2011

For and on behalf of the Board

Dr. Malay Mahadevia
DirectorB. Ravi
Director

PLACE : AHMEDABAD

DATE : MAY 2, 2011

Schedules 1 to 8 forming part of the Balance Sheet for the Year ended on 31st March 2011

Particulars	As at 31st March 2011 Rupees	As at 31st March 2010 Rupees
SCHEDULE -1		
<u>SHARE CAPITAL</u>		
AUTHORISED		
5,00,000 Equity Shares of Rs. 10/- Each	5,000,000	5,000,000
	5,000,000	5,000,000
ISSUED, SUBSCRIBED & PAID UP		
5,00,000 Fully Paid up Equity Shares of Rs. 10/- Each (All the above shares are held by its Holding Company Mundra Port And Special Economic Zone Limited and its nominees)	5,000,000	5,000,000
	5,000,000	5,000,000
SCHEDULE - 2		
<u>Unsecured Loan</u>		
From Holding Company	64,500,000	-
	64,500,000	-
SCHEDULE - 3		
<u>FIXED ASSETS</u>		
Capital Work in Progress - Air Strip at Kawai		
Project Stock	490,913	
CWIP Air Strip (Kawai)	64,059,949	-
CWIP Boundary Wall & Fencing (Kawai)	14,389,963	
CWIP Horticulture Around Air Strip (Kawai)	5,919,089	
CWIP Rerouting of 11KV Trans.Line(Kawai)	258,274	
Project Development Expenditure	2,020,000	
	87,138,188	-
SCHEDULE - 4		
<u>INVESTMENTS</u>		
Long Term Investments (Non Trade) (Unquoted)		
Government Securities		
In 6 Years National Saving Certificate (Lodged with Government Department)	38,000	-
	38,000	-
SCHEDULE - 5		
<u>CASH AND BANK BALANCES</u>		
Cash on Hand	1,002	-
<u>BALANCES WITH SCHEDULED BANKS</u>		
In Current Accounts	143,317	530,658
In Fixed Deposit Account	-	4,400,000
	143,317	4,930,658
	144,319	4,930,658

Schedules 1 to 8 forming part of the Balance Sheet for the Year ended on 31st March 2011

Particulars	As at 31st March 2011 Rupees	As at 31st March 2010 Rupees
SCHEDULE - 6		
<u>LOANS AND ADVANCES</u>		
(Unsecured, Considered Good)		
Excise Duty Receivable	148,453	-
Service Tax Receivable	82,112	-
Interest Accrued but not due	-	14,955
Advance Payment of Income Tax (Net of Provision)	14,801	15,535
	245,366	30,490
SCHEDULE - 7		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
(A) Current Liabilities		
Sundry Creditors	17,744,487	8,273
Others Liabilities	473,906	-
	18,218,393	8,273
SCHEDULE - 8		
<u>MISCELLANEOUS EXPENDITURE</u>		
(To the extent not written off)		
Preliminary Expenses	-	140,800
Less: Written off during the period	-	140,800
	-	-

SCHEDULE “9”

NOTES FORMING PART OF THE ACCOUNTS

(A) SIGNIFICANT ACCOUNTING POLICIES adopted by the Company in the preparation and presentation of the Accounts:-

(1) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statement have been prepared and presented under the historical cost convention using the accrual basis of accounting and comply with all the mandatory Accounting Standards as specified in the Companies (Accounting Standard) Rules 2006 and the relevant provision of the Companies Act, 1956.

(2) USE OF ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

(3) CASH FLOW STATEMENT

The Cash Flow Statement is being prepared in accordance with the indirect method as prescribed under Accounting Standard-3 of the Companies (Accounting Standard) Rules 2006.

(4) REVENUE RECOGNITION

Interest revenues are recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

(5) FIXED ASSETS (CAPITAL WORK IN PROGRESS)

- (a) Fixed Assets are stated at cost of acquisition including any attributable cost for bringing the assets to its working condition for its intended use, less accumulated depreciation.
- (b) All direct cost attributable to respective assets are capitalized to the assets.
- (c) Project Development expenses are capitalized and apportioned to the asset.

(6) INVESTMENTS

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried 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 recognise a decline other than temporary in the value of the investments.

(7) RELATED PARTY TRANSACTIONS

Disclosure of transactions with Related Parties, as required by Accounting Standard 18 “Related Party Disclosures” has been set out in a statement given in part B. Related

parties as defined under clause 3 of the Accounting Standard have been identified on the basis of representations made by key managerial personnel and information available with the Company.

(8) EARNING PER SHARE

Earning per share is calculated by dividing net profit for the year attributable to equity shares outstanding during the year.

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

(9) PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurements are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(10) MISCELLANEOUS EXPENDITURE

Miscellaneous Expenditures are written off in the year in which it is incurred.

- (11)** Though other Accounting Standards also apply to the company by virtue of the Companies (Accounting Standard) Rules, 2006, no disclosure for the same is being made as the Company has not done any transaction to which the said Accounting Standards apply.

(B) NOTES ON ACCOUNTS

1. The main object of the company is to engaged in the business of Establishing, Developing, Maintaining, Operating Airports and Airports infrastructure.
2. Since the company is in the Project Development stage and has not started any commercial operations Statement of Expenditure is prepared in lieu of Profit and Loss Account.
3. By virtue of withdrawal of Guidance note on Treatment of Expenditure during construction period and adoption of AS-26 Intangible Assets, all attributable indirect expenditure incurred on above project are treated as “ Project Development Expenditure” and is disclosed under the head “Fixed Assets” which would be capitalized and apportioned to the Assets.
4. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of the amount considered reasonably necessary.

5. Contingent Liabilities not provided for - NIL

6. Capital Commitments

PARTICULARS	AS AT 31-03-2011	AS AT 31-03-2010
Estimated amounts of contracts remaining to be executed and not provided for (Net of Advances)	2,85,97,974	Nil

7. Pursuant to the Accounting Standard (AS - 18) – Related Party Transactions, the disclosure relating to transactions entered into with related parties at arms length basis by the company, as identified by the management are disclosed as under:

A. List of Related Parties & Relationships

a) **Ultimate Holding Company**

- Adani Enterprises Limited. [Holding Company of Mundra Port And Special Economic Zone Ltd.]

b) **Holding Company:**

- Mundra Port And Special Economic Zone Ltd.

c) **Fellow Subsidiary Company: ----**

(With whom transactions has been entered during the year)

- Adani Infra (India) Pvt. Ltd.

d) **Key Management Personnel**

1. Dr. Malay Mahadevia
2. Mr. B. Ravi
3. Mr. Rajeeva Ranjan Sinha

B. Nature and Volume of transactions with Related Parties

(In Rupees)

Nature of Transaction	Holding Company		Fellow Subsidiary	
	2010-11	2009-10	2010-11	2009-10
Funds received towards Share Investment	-	50,00,000/-		
Reimbursement of Expenses	-	1,33,800/-	-	-
Unsecured Loan- Due to Holding Company	6,45,00,000/-	-	-	-
Reimbursement of Expenses		-	20,56,290/-	-

13. Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956.
Balance Sheet Abstract and Company's General Business Profile: -

I.	Registration Details: -		
	Registration No.	:	U62200GJ2009PTC057726
	State Code	:	04
	Balance Sheet Date	:	31-03-2011
II.	Capital Raised during the year: - (Amount in Rs Thousand)		
	Public Issue -NIL		Right Issue - NIL
	Bonus Issue -NIL		Private Placement - NIL
III.	Position of Mobilization and Deployment of Funds (Amount in Rs. Thousand)		
	Total Liabilities	:	69500
	Total Assets	:	69500
	Sources of Funds:		
	Paid –up Capital	:	5000
	Reserves & Surplus	:	---
	Secured Loans	:	---
	Unsecured Loans	:	64500
	Deferred Tax Liability (Net)	:	---
	Application of Funds:		
	Net Fixed Assets – Work in Progress	:	87233
	Investments	:	38
	Net Current Assets	:	(17829)
	Miscellaneous Expenditure	:	---
	Income & Expense Statement	:	(109)
IV.	Performance of Company (Amount in Rs. Thousands)		
	Turnover (Including other Income)	:	
	Total expenditure	:	(93)
	Income/(Expenditure) before tax	:	(93)
	Income/(Expenditure) after tax	:	(109)
	Earning per share (Rs.)	:	(0.21)
	Dividend Rate %	:	---
*V.	Generic Names of Three Principal products / services of Company		
	Item Code No. (ITC Code)	:	Not Applicable
	Product Description		Maintain, Operate and Build Airport
	Item Code No. (ITC Code)	:	Not Applicable
	Product Description		
	Item Code No. (ITC Code)	:	Not Applicable
	Product Description		
*Note: -As the company has not started any commercial activity, the clause is not applicable.			
Signature to Schedules “1” to “6”.			

For and on behalf of the Board.

Place: Ahmedabad
Date May 2, 2011

Dr. Malay Mahadevia
Director

B. Ravi
Director