

MPSEZ UTILITIES PRIVATE LIMITED

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

NOTICE

NOTICE is hereby given that Third Annual General Meeting of MPSEZ Utilities Private Limited will be held on Saturday, 12th day of June, 2010 at 2:00 p.m. 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 Balance Sheet as on 31st March 2010 and the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Dr. Malay Mahadevia, who retires by rotation but being eligible offers himself for re-appointment.
3. 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

4. To consider and if thought fit to pass, with or without modification(s) 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."

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

"RESOLVED THAT Mr. Pankaj Modi 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



Pankaj Modi
Chairman

MPSEZ UTILITIES PRIVATE LIMITED

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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 in respect of Special Business are annexed hereto.

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

ITEM NO. 4

Mr. B. Ravi was appointed as an Additional Director of the Company w.e.f. 18th November, 2009 by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956, he continues to hold office as Director until the conclusion of the ensuing Annual General Meeting. In view of his proficiency, Board considers it desirable that the Company should continue to avail his services.

Board recommends the resolution to the members for their approval for his appointment as a Director liable to retire by rotation.

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

ITEM NO. 5

Mr. Pankaj Modi 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 continues to hold office as Director until the conclusion of the ensuing Annual General Meeting. In view of his proficiency, Board considers it desirable that the Company should continue to avail his services.

Board recommends the resolution to the members for their approval for his appointment as a Director liable to retire by rotation.

None of the Directors except Mr. Pankaj Modi is interested in the Resolution.

Date: 06.05.2010

Place: Ahmedabad

Regd. Office:

Adani House,
Nr. Mithakhali Six Roads,
Navrangpura,
Ahmedabad - 380 009.

By order of the Board



Pankaj Modi
Chairman

MPSEZ UTILITIES PRIVATE LIMITED

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DIRECTORS' REPORT

To
The Members,

Your Directors present herewith Third Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2010.

Operations:

Your Company is subsidiary of Mundra Port And Special Economic Zone Limited and is engaged in business of providing infrastructure facilities/ utilities like power, gas, water, effluent treatment plant, sewage, transportation etc. at Mundra Special Economic Zone in the Kutch District.

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 for the year ended on 31st March, 2010 is Rs. 5.55 Lacs against Rs. 0.67 Lacs in the corresponding previous year ended on 31st March, 2009.

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.

Directors:

During the year under review Mr. B. Ravi and Mr. Pankaj Modi were appointed as an Additional Directors of the Company. Pursuant to the provisions of Section 260 of the Companies Act, 1956, these Directors hold office upto the date of ensuing Annual General Meeting and being eligible offer themselves for appointment.

As per Section 256 of the Companies Act, 1956; Dr. Malay Mahadevia is liable to retire by rotation and being eligible offer himself for reappointment. Board recommends the appointment of the Director of the Company.

Mr. Ameet Desai has resigned from the Board of Directors of the Company. The Board places on record the deep appreciation for valuable services and guidance provided during the tenure of his directorship.

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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.

MPSEZ UTILITIES PRIVATE LIMITED

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Appreciation and Acknowledgement:

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

For and on behalf of the Board of Directors



Pankaj Modi
Chairman

Date: 06.05.2010

Place: Ahmedabad

AUDITORS' REPORT

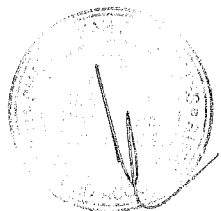
To

The Members,
MPSEZ UTILITIES PRIVATE LIMITED

1. We have audited the attached Balance Sheet of M/s. **MPSEZ UTILITIES PRIVATE LIMITED** as at 31st March 2010 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 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 included examining, on a taste 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), as 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 purpose of our audit;
- (b) In our opinion proper books of accounts as required by the law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance sheet and Cash Flow Statement dealt with 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 section 211 (3C) of the Companies Act, 1956.
- (e) On the basis of the written representations received from the directors as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2010 from being appointed as Directors in terms of Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.



BARODA OFFICE:
815, SIDDHARTH COMPLEX,
NEAR EXPRESS HOTEL,
R.C. DUTT ROAD,
BARODA - 390 005
PHONE : (O) 2335373

SHAH & SHAH ASSOCIATES
CHARTERED ACCOUNTANTS

702, ANIKET,
Nr. MUNICIPAL MARKET,
NAVRANGPURA,
AHMEDABAD - 380 009
PHONE: 26465433
FAX : 079 - 26406983
E-mail: ca@shahandshah.co.in

- (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 the Balance Sheet of the states of affairs of the Company as at 31st March 2010; and
- (b) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Ahmedabad

Date : 6 MAY 2010



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

N. C. Tanna

PARTNER
VASANT C. TANNA
(Membership No. 100422)

Annexure to the Auditors' Report

Re: MPSEZ UTILITIES 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, Sales Tax, Wealth 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 31st March, 2010 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.

Place : Ahmedabad

Dated : 6 MAY 2010



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

N. C. Tanna
PARTNER
(VASANT C. TANNA)
Membership No. 100422

MPSEZ UTILITIES PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010

Particulars	Schedule	Amount Rupees	As at 31/03/2010 Rupees	Amount Rupees	As at 31/03/2009 Rupees
<u>SOURCES OF FUNDS:</u>					
<u>Share Holders' Funds:</u>					
Share Capital	1		100,000		100,000
TOTAL			100,000		100,000
<u>APPLICATION OF FUNDS</u>					
Current Assets Loans & Advances	2	12,589,219		1,386,984	
Less: Current Liabilities & Provisions	3	12,836,589	(247,370)	1,359,928	27,056
<u>Miscellaneous Expenditure :</u>					
(To the Extent not Written Off or Adjusted)	4		347,370		72,944
TOTAL			100,000		100,000
SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF ACCOUNTS	5				

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

N. C. Tanna

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



For, MPSEZ UTILITIES PRIVATE LIMITED


DIRECTOR

DIRECTOR

PLACE : AHMEDABAD

DATED: 6 MAY 2010

PLACE: AHMEDABAD

DATED: 6 MAY 2010

MPSEZ UTILITIES PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010

	For the Year ended on 31/03/2010 (Rs.)	For the Period ended on 31/03/2009 (Rs.)
A Cash Flow from Operating Activities		
<u>Adjustments for:</u>		
Increase in Loans & Advances	(7,446,758)	(25,000)
Increase in Current Liabilities	11,476,661	1,351,501
Depreciation	-	-
Net Cash Flow from Operating Activities	4,029,903	1,326,501
B Cash Flow From Investing Activities		
Preliminary/Pre-operative Expenses incurred	(555,105)	(57,517)
Interest received on Fixed Deposits	280,679	-
Net Cash Flow from Investing Activities	(274,426)	(57,517)
C Cash Flow From Financing Activities		
Share Capital Issued	-	-
Unsecured Loan	-	-
Net Cash Flow from Financing Activities	-	-
Net change in Cash or Cash Equivalent(A+B+C)	3,755,477	1,268,984
Cash and Cash Equivalent at end of the year	5,117,461	1,361,984
Cash and Cash Equivalent at beginning of the year	1,361,984	93,000

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

N. C. Tanna
PARTNER
(VASANT C. TANNA)
Membership No. 100 422



For, **MPSEZ UTILITIES PRIVATE LIMITED**


DIRECTOR

DIRECTOR

PLACE : AHMEDABAD

DATED: 6 MAY 2010

PLACE: AHMEDABAD

DATED: 6 MAY 2010

SCHEDULE FORMING PART OF THE ACCOUNTS

PARTICULARS	AS AT 31/03/2010 RUPEES	AS AT 31/03/2009 RUPEES
SCHEDULE - 1		
SHARE CAPITAL		
Authorised 10,000 Equity Shares of Rs.10/- each	100,000	100,000
Issued & Subscribed: 10,000 Equity Shares of Rs. 10/- each fully paid-up	100,000	100,000
TOTAL	100,000	100,000
(The entire share capital of the company is held by Mundra Port And Special Economic Zone Limited, the holding company)		
SCHEDULE - 2		
CURRENT ASSETS LOANS & ADVANCES:		
{A} CURRENT ASSETS		
Cash and Bank Balances:		
Cash on Hand	3,946	4,845
Balance with Schedule Bank in :		
Current Account	14,917	1,341,345
Fixed Deposit Accounts (incl.interest accrued thereon)	5,098,598	15,794
TOTAL : (A)	5,117,461	1,361,984
{B} LOANS & ADVANCES		
(Unsecured, Considered good)		
Advances recoverable in cash or in kind or for value to be received	7,470,422	25,000
Advance Income Tax & TDS (Net of Tax Provision)	1,336	-
TOTAL : (B)	7,471,758	25,000
TOTAL : (A)+(B)	12,589,219	1,386,984
SCHEDULE-3		
CURRENT LIABILITIES & PROVISIONS:		
Security Deposit and Advances from Consumers	12,820,000	1,350,000
Sundry Creditors (Other than amount due to micro, small & medium enterprise)	16,589	9,928
TOTAL	12,836,589	1,359,928
SCHEDULE-4		
MISCELLANEOUS EXPENDITURE :		
(To the extent not written off or adjusted)		
Preliminary Expenses :		
Balance as per last Balance Sheet	7,000	-
Add: Incurred during the year	-	7,000
	7,000	7,000
Pre-Operative Expenses (Pending Capitalisation)		
Balance as per last Balance Sheet	65,944	8,427
Add: Incurred during the year	274,426	57,517
TOTAL	340,370	65,944
TOTAL	347,370	72,944

MPSEZ UTILITIES PRIVATE LIMITED

SCHEDULE FORMING PART OF THE ACCOUNTS

SCHEDULE -5

Background:

The company was promoted by Mundra Port & Special Economic Zone Limited and is a subsidiary company of Mundra Port & Special Economic Zone Limited. The Company is in the process of planning, provision, operation, development, maintenance, improvement, of and extension of utility services of every description at Mundra Special Economic Zone in the Kutch District.

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 operations.

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.

Guarantee issued on behalf of the company by its Bankers : Rs.15,000/- (Previous year Rs.15000/-)

- 3 Since the company has yet not commenced the commercial operations , no profit & loss account has been prepared.
- 4 The company has been promoted by Mundra Port & Special Economic Zone Limited as a Special Purpose Vehicle (SPV) to provide infrastructure facilities/utilities like power, gas, water, effluent treatment plant, sewage, transportation etc; in the SEZ being developed by Mundra Port & Special Economic Zone Limited

Further, the company has already received approval from the Department of Commerce, Ministry of Commerce & Industry, Government of India, New Delhi as Co-developer of the said SEZ. Pending implementation of the project, the revenue expenditure incurred up to the date as per following details has been treated as Pre-operative expenses (pending capitalisation)

Particulars	Up to 31.03.2009 Amount Rs.	For The Period ended 31.03.2010	Total Up to 31.03.2010
Audit Fees	16,700	7,600	24,200
Advertisement Expenses	-	57,150	57,150
Stationery & Printing expenses	716	3,019	3,735
Forms & Filing Fees	2,362	3,391	5,753
Legal & Professional Fees	3,655	-	3,655
Miscellaneous Expenditure	1,300	2,891	4,191
Application Fees	30,000	90,000	120,000
Travelling & Conveyance expenses	10,355	1,522	11,877
Bank charges	1,650	232	1,882
Registration Fees	-	(32,000)	(32,000)
Professional Fees	-	203,750	203,750
Printing Charges	-	40,000	40,000
Provision for Income Tax	-	86,750	86,750
	66,738	555,105	621,843
Less: Interest received on Margin Money deposit	794	280,679	281,473
Balance as at the end of the year carried to			
Balance Sheet	65,944	274,426	340,370

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.

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

[2] **Transactions with related parties :**

Nature of Transaction	Amount (Rs.)	
	2009-10	2008-09
Amount Reimbursed	6,736,000	26,000
Deposit Received	1,600,000	

For SHAH & SHAH ASSOCIATES
Chartered Accountants

PARINEK
(VASANT C. TANNA)
Membership No 100 422

For, MPSEZ UTILITIES
PRIVATE LIMITED

DIRECTOR

DIRECTOR

PLACE: AHMEDABAD

DATED:

6 MAY 2010

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

1	Registration Details Registration No. : State Code No. : Balance Sheet Date :	51323 4 31/03/2010
2	Capital raised during the year Public Issue (Issue through the prospectus) : Right Issue : Bonus Issue : Private Placement :	NIL NIL NIL NIL
3	Position of Mobilisation and Deployment of Funds Total Liabilities : Total Assets : Sources of Funds Paid up Capital : Share Application Money (Pending Allotment) : Reserve and Surplus : Secured Loans : Unsecured Loans : Application of Funds Net Fixed Assets : Investments : Net Current Assets : Accumulated Losses : Miscellaneous Expenditure :	100 100 100 - - - - - - (247) - 347
4	Performance of Company : Turnover : Total Expenditure : Profit/(Loss) Before Tax : Profit/(Loss) After Tax : Earning per Share in Rs. : Dividend Rate % :	- - - - NA -
5	Generic Name of Principal Product of Company (as per monetary terms) : Item Code No. : Product Description :	NA NA

Signatures to Schedule 1 to 5

PLACE : AHMEDABAD

DATE : 6 MAY 2010



For, MPSEZ UTILITIES PRIVATE LIMITED

DIRECTOR

DIRECTOR