



**Application to**

**Hon'ble Gujarat Electricity Regulatory Commission for**

**"Grant of Distribution Licence for Power Distribution In  
Dholera Special Investment Region "**

**MPSEZ Utilities Pvt Ltd**

**Main Text & Formats**

**Submitted to:**

**Gujarat Electricity Regulatory Commission**

**Submitted by:**

**MPSEZ Utilities Pvt Ltd**

**Ahmedabad**

**BEFORE THE HON'BLE GUJARAT ELECTRICITY REGULATORY  
COMMISSION AT GANDHINAGAR**

**BEFORE THE HON'BLE GUJARAT ELECTRICITY REGULATORY  
COMMISSION AT GANDHINAGAR**

Filing No.: \_\_\_\_\_  
Case No.: LA No. 2 of 2018

**IN THE MATTER OF:** Application for grant of Distribution Licence in Area of  
Dholera Special Investment Region (DSIR), Gujarat.

**AND**

**IN THE MATTER OF:** MPSEZ Utilities Private Limited  
Adani House,  
Nr. Mithakhali Six Roads,  
Ahmedabad-380 009  
.....Applicant

**THE APPLICANT RESPECTFULLY SUBMIT AS UNDER:**

1. The Applicant, MPSEZ Utilities Private Ltd (MUPL) is a company incorporated in 2008 under the companies Act, 1956. The applicant is a 100 % subsidiary company of Adani Ports and Special Economic Zone Limited (APSEZ) and a Co-developer to provide infrastructure facilities for Mundra SEZ area. MUPL is a deemed licensee for distribution of electricity in Mundra SEZ area spread over across 8481 hectares.
2. The Government of India has envisaged the development of Delhi Mumbai Industrial Corridor (DMIC) along the alignment of proposed Multi-modal High Axle Load Western Dedicated Freight Corridor (DFC) between Delhi and Mumbai, covering an overall length of 1483 km. The Delhi Mumbai Industrial Corridor Development Corporation Limited (DMICDCL), a Special Purpose Company, is incorporated to establish, promote and facilitate development of the DMIC project. In phase-1 of the DMIC project, DMICDCL is developing eight industrial cities/nodes. Dholera Special Investment Region (DSIR) is one of the eight such industrial cities in the phase-1 of the project in Ahmedabad, Gujarat.
3. An SPV named Dholera Industrial City Development Limited (DICDL) has been formed with equity participation from Gujarat State Government through Dholera SIR Development Authority and Central Government (DMIC Trust) to implement the project.
4. Dholera Industrial City is envisaged to be a world-class destination with excellent infrastructure. The city will provide opportunities for the setting up of manufacturing units, which will in turn help in increasing the industrial output of the country and create jobs (800,000+). All of this, while aiming to provide an environment to work, live, learn and play. Dholera SIR is a planned smart, sustainable community, which will be the role model for future cities in India. Dholera' s immediate City development area of approximately 5,600 acres is expected to be operational by 2019, while the full city is expected to be developed by 2030. The total delineated area of Dholera SIR is 920 sq. km., out of which 422

sq. km is developable area. The developable area is further divided into 6 town - planning schemes (TP 1 to TP 6).

5. To trigger development of world class infrastructure reliable power supply is the primary need. To achieve target of Dholera' s immediate city development by 2019, tremendous growth in power infrastructure is required to supply reliable power to all entities within SIR region. We, Adani Group, had approached DICDL to operate as a Distribution Licensee in area of Dholera SIR to develop world class infrastructure to supply reliable and economical power to the prospective clients in the DSIR area. DICDL has agreed to extend all support to the Applicant for availing distribution licence under Section 14 of the Electricity Act, 2003 for Dholera SIR.
6. According to the section 14 of the Electricity Act-2003, the authority to grant distribution Licence is vested under the Gujarat Electricity Regulatory Commission. With the enactment of the Act, any person wishing to engage in the business of distribution of electricity requires a Licence under section 14 as mentioned above. The distribution licence application in the specified format is enclosed as attachment to this Application.
7. The Applicant hereby submits this application in six copies and CDs as per the GERC Distribution Licence Regulation.

**Prayer:**

The Applicant respectfully prays to Hon'ble commission may be pleased to:

- a. Admit the application for grant of Distribution Licence in Area of Dholera SIR, Gujarat.
- b. Grant Distribution Licence to the Applicant for distribution of electricity in Dholera Special Investment Region, Gujarat.
- c. Allow additions / alterations / changes modifications to the Application at a future date.
- d. Condone any inadvertent omissions/errors/shortcomings and permit the Applicant to add/change/modify/alter this filing and make further submissions as may be required at a future date.
- e. Pass such order, relief or direction as may be deemed fit and proper in the facts and circumstances of the case

Declaration that the subject matter of the Application has not been raised by the Applicant before any other competent forum, and that no other competent forum is currently seized of the matter or has passed any orders in relation thereto.

MPSEZ Utilities Private Ltd.

Place : Ahmedabad

Dated :





## **INDEX**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page No.</b>
1	Application Form (As prescribed in Schedule 1 of GERC (Distribution Licence) Regulation, 2005)	01
2	Application Fee Receipt – Enclosure (I)	07
3	Affidavit of applicant verifying correctness of the information – Enclosure (II).	09
4	Details of any Group Company Engaged in the business of Generation, Distribution, Transmission or Trading of electricity – Enclosure (III)	11
5	Brief History of Promoters – Enclosure (IV)	16
6	Technical Qualification & Past Experience of Applicant – Enclosure (V).	19
7	Approach and Methodology – Enclosure (VI).	30
8	Business Plan – Enclosure (VII).	47
9	Annexures	
	A-I Notifications of Dholera SIR	64
	A-II A map showing distribution Area	70
	A-III Certificate of Incorporation	72
	A-IV Memorandum of Association and Articles of Association	74
	A-V Board Resolution of the company – MUPL	117
	A-VI Details of Income Tax Registration	119
	A-VII Draft Licence (As prescribed in Schedule II of GERC (Distribution Licence) Regulations, 2005)	121
	A-VIII Annual Report of MUPL	124
	A-IX Certificate of 'Standard' borrowal account	243
	A-X Certificate stating that RBI has not classified the Applicant as a 'wilful defaulter'.	245
A-XI Undertaking by MUPL for requirement of Code of Conduct as per Distribution of Electricity Licence (additional requirements of Capital Adequacy, Creditworthiness and Code of Conduct) Rules, 2005.	247	

# **MPSEZ Utilities Private Limited**

Application Form

For

**Distribution Licence**

## Application form for grant of Distribution Licence

### Particulars of the Applicant

1.	Name of the Applicant:	MPSEZ Utilities Private Limited
2.	Form of Incorporation, if any:	Private Limited Company
3.	Address	Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.
4.	Name, Designation & Address of the contact person:	Mr. Mehul Rupera Associate General Manager, Achalraj, Opp. Mayor Bungalow, Law Garden, Ahmedabad-380 006.
5.	Contact Tel. Nos.:	+91 79 2555 7334
6.	Fax No.	+91 79 2555 8857
7.	E-mail ID:	<a href="mailto:mehul.rupera@adani.com">mehul.rupera@adani.com</a>
8.	Place of Incorporation/Registration:	Ahmedabad
9.	Year of Incorporation/Registration	2007
10.	Geographical Area within which Applicant proposes to undertake distribution:	Total 920 Sq. Km. area wide TP Scheme 1 to 6 of Dholera Special Investment Region as notified by Industries and Mines Department (Government of Gujarat) vide notification no. GHU-14/SIR/112009/253/ (1)/I dated 22-05-2009 and by Gujarat Industrial Development Board (GIDB) vide Notification No. SIRAA /01 /2012/525 dated 10-09-2012. Copies of notifications & maps showing area are attached in Annexure-I & Annexure-II
11.	Following documents are enclosed :	
a)	Certificate of registration / incorporation:	Annexure-III
b)	Certificate for commencement of business	NA
c)	Memorandum of Association and Articles of Association:	Annexure-IV
d)	Original power of attorney of the signatory to commit the Applicant or its promoter	Annexure-V
e)	Details of Income tax Registration	Annexure-VI
f)	Draft licence	Annexure-VII
g)	All the documents mentioned in Regulation 4 (ii) of the Gujarat Electricity Regulatory Commission (Distribution Licence) Regulations, 2004.	Enclosed as under:
a)	a map of the proposed Area of Licence on a scale of not less than 10 cm to a km or, if no such maps are available, of not less than that of the largest scale ordinance maps available or such other scale as may be approved by the Commission in a specific case;	Annexure-II
b)	A list of all the local authorities vested with the administration of any portion of the Area of License;	The Dholera Special Investment Region Development Authority (DSIRDA) has the responsibility of planning and development of DSIR and will encompass the function of administering government land within DSIR. An SPV named Dholera Industrial City Development Limited (DICDL) has been created between the Central Government (DMIC Trust) and the State

		Government (DSIRDA) of Gujarat. DICDL is the administrative authority of the Dholera SIR region.
	c) A statement approximately describing any lands which the Applicant proposes to acquire for the purpose of the Distribution Licence and the means of such acquisition	The land for development of power distribution network and related offices will be allocated by DICDL.
	d) A statement of the capital proposed to be expended in carrying on the Licensed Business in the Area of Licence and such other particulars as the Commission may require	MUPL shall invest capital expenditure required for development of distribution network within proposed area. The total outlay of capital expenditure proposed in distribution area is approx. Rs. 1029 Crs over a span of 5 to 6 years.
	e) A copy of the Memorandum and the Articles of Association of the company, where the applicant is a body corporate and similar applicable documents of incorporation, registration or agreement in case of other business entities	Annexure-III
	f) Annual accounts of the Applicant for the previous three years or other similar documents as may be required	Annexure-VIII
	g) A receipt for payment of the application fee specified in accordance with clause 4(i) of GERC (Distribution Licence) Regulations, 2005.	Enclosure-I
	h) An affidavit by the Applicant verifying the correctness of the information disclosed in the application	Enclosure-II
	i) where the Applicant is a body corporate, details of any group company(ies) engaged in the business of generation, distribution, transmission or trading of electricity, whether within the State of Gujarat or in any other state	Enclosure-III
	j) where the Applicant is not a body corporate, details of any business of generation, distribution, transmission or trading of electricity, whether within the state of Gujarat or in any other State, in which the applicant is directly or indirectly interested	NA
	k) Details of any financial holdings of the Applicant in the power sector	Annual Reports of MUPL is attached herewith which states financial holdings of the Applicant in the power sector.
	l) Brief history of the promoters in case the Applicant is a body corporate	Enclosure-IV
	m) Technical qualification and past experience of the Applicant, which shall be considered by the Commission in order to decide as to whether or not the Applicant can successfully discharge its	Enclosure-V

	obligations under the Distribution Licence and is, therefore, fit for granting of the Distribution Licence.	
--	---	--

### **Details of Financial Data of Applicant**

12.	Net worth (in equivalent Indian Rupees-conversion to be done at the rate of exchange prevailing at the end of each Year) for immediate past 5 (five) financial years. (Specify financial year as applicable)			
	<i>(DD/MM/YY) to DD/MM/YY)</i>	In Home	Exchange rate	In equivalent (Rs. Cr.)
	As on 31 <sup>st</sup> March 2013			66.91
	As on 31 <sup>st</sup> March 2014			70.70
	As on 31 <sup>st</sup> March 2015			82.44
	As on 31 <sup>st</sup> March 2016			80.42
	As on 31 <sup>st</sup> March 2017			65.75
	Copies of Annual Reports or certified audited results to be enclosed in support of above.		Annexure-VIII	

13.	Annual turnover (in equivalent Indian Rupees - conversion to be done at the rate of exchange prevailing at the end of each year) for immediate past 5 (five) financial years. (Specify financial year as applicable)			
	<i>(DD/MM/YY) to DD/MM/YY)</i>	In Home	Exchange rate	In equivalent
	As on 31 <sup>st</sup> March 2013			68.60
	As on 31 <sup>st</sup> March 2014			89.66
	As on 31 <sup>st</sup> March 2015			118.80
	As on 31 <sup>st</sup> March 2016			120.40
	As on 31 <sup>st</sup> March 2017			122.16
	Copies of Annual Reports or certified audited results to be enclosed in support of above.		Annexure-VIII	
14.	Certificate of Credit Rating		NA	
15.	Certificate of 'Standard' borrowal account		Annexure-IX	
16.	Certificate stating that RBI has not classified the Applicant as a 'wilful defaulter'.		Annexure-X	
17.	List of documents enclosed in support of Sl. Nos. (10) and (11) above			
	Name of the documents		Enclosed as mentioned	
	a) A map showing distribution Area		Annexure-II	
	b) Certificate of registration / incorporation:		Annexure-III	
	c) Certificate for commencement of business		NA	
	d) Memorandum of Association and Articles of Association:		Annexure-IV	
	e) Original power of attorney of the signatory to commit the Applicant or its promoter		Annexure-V	
	f) Details of Income tax Registration		Annexure-VI	
	g) Draft licence		Annexure-VII	
18.	a) Whether Applicant himself shall be financing the proposed distribution of electricity fully on its own balance sheet		Yes	
	b) If, yes, proposed equity from the Applicant (i) Amount: (ii) Percentage:		The total capital outlay for the distribution project has been tentatively estimated to be 1029 Crs. The same would be funded through debt and equity in the ratio of	

		70:30. The equity amount will be Rs. 309 Crs. The parent company APSEZ shall infuse equity capital into MUPL as when required.
19	In case the Applicant proposes to tie up with some other Agency for equity, then name & address of such agency:	Not proposed.
	a) Name, designation & Address of reference person of the other Agency:	NA
	b) Contact Tel. No.:	NA
	c) Fax No.:	NA
	d) E-mail ID:	NA
	e) Proposed equity from the other Agency (I) Amount: (II) Percentage of total equity: (III) Currency in which the equity is proposed:	NA NA NA
	f) Consent letter of the other agency to associate with the Applicant for equity participation to be enclosed.	NA
	g) Nature of proposed tie-up between the Applicant and the other agency.	NA
	Details of debt proposed for the distribution activity:	
20	a) Details of lenders:	The Company will approach lenders for debt syndication on being awarded the licence for electricity distribution.
	b) Amount to be sourced from various lenders:	The total capital outlay for the distribution project has been tentatively estimated to be 1029 Crs. The same would be funded through debt and equity in the ratio of 70:30.
	c) Letters from the lenders in support of the above to be enclosed.	MUPL and APSEZ enjoy good reputation with lenders, and hence, will able to source debt for power distribution projects as and when required.
21	Organisational & Managerial Capability of the Applicant: (The Applicant is required to enclose proof of their Organisational & Managerial Capability, in terms of the Gujarat Electricity Regulatory Commission (Distribution Licence) Regulations, 2004, in form of proposed organisational structure & curricula vitae of various executives, proposed office and communication facilities, etc.)	MUPL has deployed persons which possess the relevant skills, experience of Organizational & managerial capacity who can implement and manage Power distribution business. The CV of some persons is enclosed in " <b>Enclosure-V</b> " along with the board organization chart.
22.	Approach & Methodology: (The Applicant is required to describe approach & methodology for setting up its distribution system and conduct of the business of distribution of electricity as proposed by it. This should contain a statement of the Applicant's plan on conduct of the business of distribution of electricity during the first year after the grant of licence and future plans for the said	The details of Approach & Methodology is provided in " <b>Enclosure-VI</b> "

	business during the next five years.)	
	Data relating to the applicant's future business	
23.	a) Five year Business Plan for transmission or distribution of electricity for which the application is being made and funding arrangements for meeting its obligations under proposed licence for maintenance, operation, improvement and expansion for future load growth.	<b><u>Enclosure-VII</u></b>
	b) Five year annual forecasts of costs, sales, revenues and project financing stating the assumptions underlying the figures provided.	<b><u>Enclosure-VII</u></b>

Dated:

(Signature of Applicant)

# **Application Fee Receipt**

(Enclosure: 1)



**A/C. PAYEE'S ONLY**

DATE  
दिनांक 

3	1	0	1	2	0	1	8
D	D	M	M	Y	Y	Y	Y

VALID FOR THREE MONTHS FROM THE DATE OF ISSUE

AHMEDABAD [GJ]

003

MANPAL TECHNOLOGIES LTD., MUM MUMBAI / CTS/2010 / 0917

ON DEMAND PAY GUJARAT ELECTRICITY REGULATORY COMMISSION  
मांगे जाने पर

OR ORDER / या उनके आदेश पर

RUPEES Ten Thousand only  
रुपये

अदा करें

₹ \*\*\*\*\*10,000.00

OT  
OL  
TL  
CC

DD Sr. No. 194691

FOR VALUE RECEIVED

003012100105  
Payable at Par (B2K)

DRAWEE BANK AND BRANCH  
अदा करता बैंक और शाखा

CODE NO.

AUTHORISED SIGNATORY  
प्राधिकृत हस्ताक्षर कर्ता

AUTHORISED SIGNATORY  
प्राधिकृत हस्ताक्षर कर्ता

Please sign above

9  
8  
7  
6  
5  
4  
3  
2  
1

⑈ 194691 ⑈ 380211002⑈

16

**Affidavit of applicant verifying  
correctness of the information**

(Enclosure: II)



**Details of group company (ies)  
engaged in the business of  
Generation, Transmission,  
Distribution or Trading of  
electricity**

(Enclosure: III)

**Details of the group company engaged in the business of generation, distribution, transmission or trading of electricity, whether within the state of Gujarat or in any other State.**

Adani Group has been involved in power Generation, Transmission, Distribution and Power trading businesses in Gujarat as well outside Gujarat.

**Adani Power Limited (APL)**, the power business arm of Adani Group, is the largest private power generator in India with a capacity of 12,272 MW (10440 MW Thermal + 1768 MW Solar + 64 MW Wind). The details of thermal power generating stations are as under:-

<b>Sr. No</b>	<b>Plant Names and Locations</b>	<b>No. of Machines</b>	<b>Installed capacity</b>	<b>Operational Status</b>
1.	Adani Power Limited- Mundra-Gujarat	9	<b>4620 MW</b> (4*330 MW + 5*660 MW)	All Operational
2.	Adani Power Maharashtra Limited-Tiroda	5	<b>3300 MW</b> (5*660 MW)	All Operational
3.	Adani Power Rajasthan Limited-Kawai	2	<b>1320 MW</b> (2*660 MW)	All Operational
4.	Udupi Power Corporation Limited-Karnataka	2	<b>1200 MW</b> (2*600MW)	All Operational
<b>Total No. of Machines &amp; MW</b>		<b>18</b>	<b>10440 MW</b>	All Operational

- Adani Power Ltd has implemented 4620 MW (4 x 330 MW + 5 x 660 MW) thermal power plant near the port city of Mundra in the state of Gujarat. It is the largest privately held thermal power plant at a single location in the India

and fifth largest on an overall basis. APL has implemented India's first 660 MW units based on supercritical technology and is one of the most energy-efficient coal-based thermal power plants in the country. The project is supplying power to Gujarat and Haryana under Long Term Power Purchase Agreements with state DISCOMs.

- Adani Power created history by synchronizing the first super-critical technology based 660 MW generating unit at Mundra. This is not only the first super-critical generating unit in the country but also the fastest project implementation ever by any power developer in the country with synchronization within 36 months from the inception.
- UPCL is the first independent power project (IPP) using 100% imported coal as fuel in the country and was awarded the Gold Shield award for early completion of Thermal power project Unit-1 from Ministry of power, Government of India in FY 2010-11 and also the prestigious Golden Peacock Environment Management Award in FY 2014-15.
- Adani Group is planning for expansion of Udupi Thermal Power Station by addition of 1320 MW (2 X 660 MW) in existing capacity of 1200 MW through its SPV Udupi Power Corporation Limited. In line with group's commitment to the environment, both the units will be based on supercritical technology.
- Adani Group is planning to setup a Thermal Power Project of 1600 MW (2 X 800 MW) based on supercritical technology through its SPV Adani Power (Jharkhand) Limited.
- Adani Power Ltd has an aim to commission 20,000 MW by 2020. Adani Power is having multi-location plants which give a competitive edge over other suppliers.

**Adani Transmission Limited (ATL) is the transmission business arm of Adani Group.**

- Be it Engineering, Construction management or Operation & Maintenance, Adani Transmission Limited has significant presence in the Indian Transmission Sector.
- When the Adani Group entered power generation, power transmission was within the scope of the state and central transmission entities. The team quickly realized that these organizations would never be able to match Adani's speed and would cause a bottleneck when it came to evacuation of the power we generate.
- Well known for its speed of project execution and customer satisfaction, Adani Transmission Limited has established around 5,000 kms of transmission network in less than 4 years to ensure seamless evacuation of power.
- Recently, Adani Transmission Ltd. (ATL) attains a new milestone of transmission assets portfolio of more than 10,000 Ckt Kms by completing the acquisition of WRSSS Operational Transmission Assets of Reliance Infrastructure Limited (R-Infra). With this acquisition, Adani Transmission

becomes the first private company in India to achieve transmission line capacity of more than 10,000 Ckt kms.

- The assets of ATL also include 28 substations with more than 16,200 MVA of transformation capacity across the Country.
- Adani Transmission Limited established India's only Private 1000 km HVDC transmission system for efficient transmission of power to the state of Haryana with maximum evacuation capacity of 2500 MW in 2011.
- Adani Transmission Limited has also a dedicated Operation & Maintenance (O & M) team for effective running of its assets. This becomes even more relevant in the scenario where stringent Availability norms as set by the grid regulators such as CERC & MERC. As against the normative availability figures of 98% for HVAC System and 95% for HVDC systems as stipulated by Grid regulators, Adani Transmission is able to maintain consistently over 99% availability figures for both HVAC and HVDC systems respectively which is a milestone in itself.
- Adani Transmission Limited is the First private company to use a Pre-fabricated steel structure valve hall in India.
- Adani Transmission Limited is First Private Company in India to execute 765 KV Transmission lines & Substations in the state of Maharashtra.
- Adani Transmission Limited is the First Company in the world to have obtained approval for our Transmission line methodology under CDM (Clean Development Mechanism) from UNFCCC.
- Adani Transmission Limited is the First Company to have executed a typical (Pi) shape tower at Sami substation with 6 phases Quad Moose strung on same beam.
- In 2015, Adani Transmission Limited became the first Private Company which built and put in operation the First 765 kV Transmission system from Tiroda-Koradi-Akola-Aurangabad in the state of Maharashtra as a transmission licensee.

With this scale of operations, ATL will enjoy substantial benefits of scale in terms of cost optimization, shared resources and will fortify its position of being the largest private sector transmission company in the Country.

**Mundra Solar PV Ltd (MSPVL)** is the first Indian firm to set up a 1.2 GW solar PV manufacturing plant to produce solar cells and modules, with an aim to backward integrate into Polysilicon, Ingots and Wafers.

- MSPVL is a fully vertically integrated business, backed by the financial strength of our group, which is one of the fastest growing conglomerates in India. Adani's Solar PV manufacturing arm is the first Indian company to vertically integrate businesses that offer services across the spectrum of photovoltaics

manufacturing. Our cutting-edge technology, cost leadership, scale of operations and reliability set us apart from our global competitors.

- Our Electronics Manufacturing Cluster in Mundra, Gujarat, is one of the world's largest to play host to the entire solar manufacturing ecosystem from Polysilicon to modules.
- We aim to become a fully-integrated solar PV manufacturer with a capacity of 3 GW, producing the entire value chain from polysilicon to modules all under one roof, by 2020.including ancillaries and supporting utilities

**Adani Green Energy (AGEL) Limited** was established to build on the Adani Group's success and growth story in the renewable energy space. In a short span of time, AGEL has become India's largest solar generation company.

- The journey began in 2012 with the opening of a modest yet, what was then the largest, thin film technology solar power plant of 40 MW at Bitta in Kutch, Gujarat. This early achievement motivated AGEL to progress swiftly. Present install Solar Generation capacity of AGEL is 1768 MW.
- It commissioned 64 MW of wind power projects in Gujarat and Madhya Pradesh with an additional 100 MW of wind power projects already under various stages of construction in Andhra Pradesh and Rajasthan.
- Its biggest achievement to date has been the setting up of the world's largest solar power plant with a capacity of 648 MW at Kamuthi in Tamil Nadu, India, followed by India's largest Horizontal Single Axis Tracker-based power plant with a capacity of 100 MW in Bathinda, Punjab.

**Adani Enterprises Limited** is holding category 'I' interstate power trading licensee from Central Electricity Regulatory Commission (CERC). Total Energy traded by AEL during FY 2016-17 was 6158 Mus.

**MPSEZ Utilities Private Limited (MUPL)**, a 100% subsidiary of Adani Group, is a distribution licensee for Mundra SEZ area and supplying reliable & dependable electricity to consumers in SEZ area spread over across 8481 hectares. Presently total transmission network of MUPL is around 100.16 Km comprising of 75.18 Km underground and 25.3 Km overhead network. The Company's services encompass to develop, maintain and provide infrastructure facilities, utilities and services in the entire SEZ including but not limited to water and waste management, telecom and transportation services, Distribution of Power and Natural Gas or any other forms of energy.

Adani Group has started its journey in power sector from 2006 and at present within short span of time Adani Group, with an all-round experience in generation, transmission, distribution and power trading has become one of the most experienced power sector players in the country



# **Brief History of Promoters**

(Enclosure: IV)

## **Brief history of the promoters in case the Applicant is a body corporate**

We take this opportunity to introduce **The Adani Group, a globally integrated infrastructure player with business spanning across coal mining, ports, multi-modal logistics, power generation (thermal and solar), transmission, power distribution, power trading, coal trading, agro businesses, Reality and city gas distribution.**

Established in 1988 as a trading Company, the Adani Group's foray into infrastructure building began in 1998. In the span of two decades, the Group has emerged as India's largest ports and logistics business, largest private power and transmission player, largest solar power generation and manufacturing company, largest integrated coal management company, and largest agriculture business. The Adani Group, among other businesses, has four flagship listed companies viz., Adani Enterprises Ltd. (AEL), Adani Power Ltd. (APL), Adani Port and Special Economic Zones Ltd (APSEZ) and Adani Transmission Limited (ATL) with combined assets in excess of US \$ 19 billion, sales turnover of US \$ 12 billion, and employing over 11,000 people.

Mundra Port of APSEZ, promoted by the Adani Group, is operational since 1998 and today it is India's largest port-based Special Economic Zone (SEZ) in India. The company, **Adani Port & Special Economic Zone Limited**, is **India's largest port developer and operating company**; having ten strategically located ports and terminals which represents 24% of the country's port capacity. In financial year 2015-16, Mundra Port continued to be the largest commercial port in India by handling 109.02 MMT of cargo and total cargo handled by the Company is 151.51 MMT. Adani Ports owns and operates longest private railway lines of India for seamless cargo evacuation.

To cater the logistics needs of the country; **Adani Logistics Ltd (ALL)** has been formed to manage logistic business by offering **multimodal logistics services across India**. It provides integrated logistics solutions for movement of commodities with end-to-end services, value added solutions across the storage, transportation & services of Logistics. Adani Logistics is also having all-India license to manage container train operations from Indian Railways.

**Adani Enterprises Ltd.**, The Flagship Company of the Adani Group, engaged in development and operation of mines in India, Indonesia and Australia as well as importing coal from across the world, being known as **Largest Coal trader and Largest Mine Developer & Operator in India**.

In 1996, Adani Power Ltd (APL) had been formed for development of Thermal Power Projects. Adani Power Ltd commissioned India's first super critical 660 MW Unit at Mundra on 22<sup>nd</sup> December, 2010. Presently, APL is **India's largest private power generating company** with a total installed generation capacity of 10,440 MW, which includes which includes **India's largest single location thermal power plant** of 4620 MW (4x330 MW + 5x660 MW) at Mundra, Gujarat. The company also has plants at

Tiroda, Maharashtra (3300 MW (5x660 MW)), Kawai, Rajasthan (1320 MW (2x660)) and Udupi, Karnataka (1200 MW (2x600 MW)).

Besides this, another Adani Group company namely, **Adani Transmission Ltd (ATL)** is **one of the largest power transmission company** operating in the private sector in India and owns, operates and maintains more than 10,000 kms of transmission lines ranging from 400 KV to 765 KV, with a total transformation capacity of more than 16,200 MVA comprises of EHV Sub Stations (HVDC, 765kV & 400kV sub stations) that serves the Northern and Western regions of India.

In order to diversify capacity mix and to contribute towards environment conservation, **Adani Green Energy Limited (AGEL)**, incorporated in 2015, has about 2100 MW of Solar PV based generation capacity under various stages of execution. These projects are spread across Gujarat, Tamil Nadu, Uttar Pradesh, Punjab, Telangana, Jharkhand, Andhra Pradesh, Chhattisgarh and Karnataka states of India. AGEL through its subsidiaries has also developed **World's Largest Solar PV based Power Plant** at Kamuthi, Ramanthpuram, Tamil Nadu. The 648 MW Kamuthi plant has been commissioned and is operational since 31<sup>st</sup> March, 2016.

**Mundra Solar PV Ltd (MSPVL)** is the first Indian firm to set up a 1.2 GW solar PV manufacturing plant to produce solar cells and modules, with an aim to backward integrate into Polysilicon, Ingots and Wafers.

**Adani Gas Ltd., a leading city gas distribution company in India**, is developing Natural Gas distribution projects in various cities across the country for industrial, commercial, transport and domestic consumers. The company has already set up city gas distribution networks in Ahmedabad and Vadodara in Gujarat, Faridabad in Haryana and Khurja in Uttar Pradesh. In addition to that, the development of Allahabad and Chandigarh city gas distribution is awarded to consortium of Adani Gas Ltd and Indian Oil Corporation Ltd.

**Adani Wilmar Limited** is one of the largest food companies in India. Since its inception in 1999, it has consistently endeavoured for excellence, with the flagship brand Fortune becoming the largest edible oil brand in India within twenty months of launch, a position it has retained ever since.

**Adani Realty** is the youngest arm of the Adani Group. The company is developing more than 68.55 million square feet of real estate across the country including Ahmedabad, Gurgaon & Mumbai. The flagship project of Adani Realty is Shantigram which is Gujarat's largest integrated township spread over 600 acres with a development potential of nearly 40 million square feet.

**Through these projects, Adani Group has time and again showed its capability & competence to undertake and successfully deliver projects in diversified infrastructure sectors and thus helped to the cause of Nation Building.**

# **Technical Qualification & Past Experience of Applicant**

(Enclosure: V)

## **Technical Qualification & Past Experience of Applicant**

Adani Group is a team of more than 11,000 people across the globe working for a common purpose of nation building. Human resources management at Adani goes beyond the boundaries of talent acquisition, compensation, performance reviews etc. and we look at employee's well-being holistically. We partner with our employees to ensure timely interventions that help build a career that is long lasting.

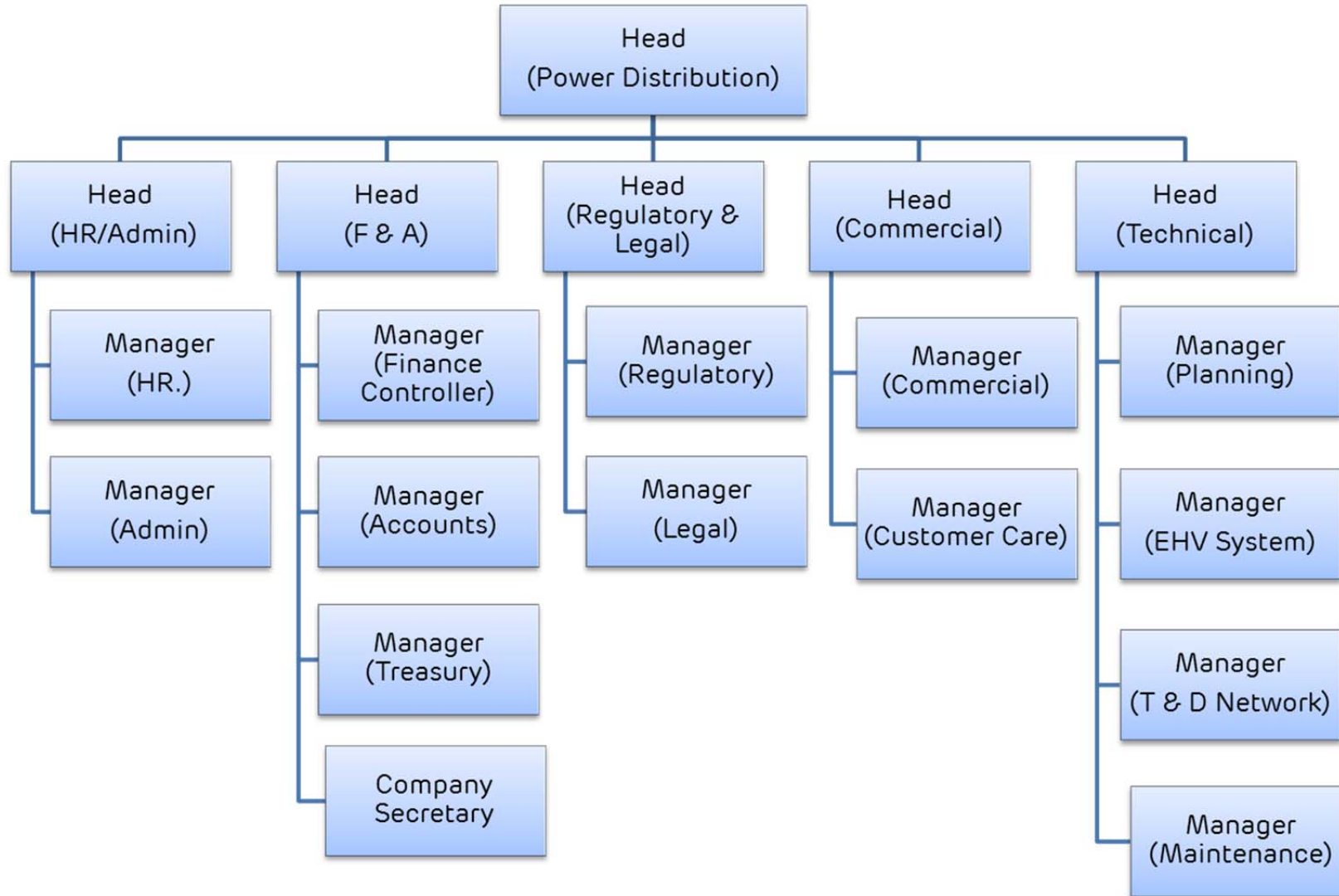
Developing and promoting internal talent is a key part of our people strategy. We assess internal candidates for their potential to take on enhanced responsibilities and leadership roles wherever possible. This strategy ensures that we continue to have a strong talent pipeline across all levels. We engage with our employees and offer opportunities to help build successful careers. Besides this, we have HR policies of the group which are uniform over all business verticals which gives us the flexibility to internally transfer the workforce and quickly meet the requirement from within the organisation.

Adani has some of the most experienced professionals in the power sector. The Adani power team consists of a team of over 3000 qualified, skilled and creative employees in a structured hierarchy. Besides this, we have a total of 7,069 well-trained contract workmen to work at ground level. This team is dedicated to work at the best standards in the power sector covering planning, engineering, procurement, construction, commissioning, operations and maintenance of generation, transmission and distribution systems.

Attached please find a few samples of Curriculum Vitae of such personnel along with proposed organizational structure.

.

## Proposed Organizational Structure



## Curriculum Vitae

Name : Vivek Singla  
Date of Birth : 7<sup>th</sup> October 1968  
Gender : Male  
Address : D – 12 / 3, Model Town II, Delhi – 100 009.  
Contact details : +91 -9871138500  
E-Mail : [viveksingla1@rediffmail.com](mailto:viveksingla1@rediffmail.com)

### Educational Qualification:

Sr. No.	Qualification	University/Institute	Year of Passing
1	BE (Electronics Engg)	Delhi University	1989
2	MBA (Finance)	FMS, Delhi University	1996

### Professional Experience:

Sr. No.	Organization	Designation	Period
1	Bharat Heavy Electricals Ltd.	Assistant Manager	Sep'1989 to Aug'1995
2	Siemens Ltd	Manager - Power Generation Division	Aug'1995 to Apr'1997
3	Modi Mirrlees Blackstone Ltd.	Manager - Comm. & Marketing	May'1997 to Aug'1998
4	BSES Ltd (Reliance Infra Ltd)	Head - Comm. & Marketing	Sep'1998 to Jan'2003
5	Uttarakhand Jal Vidyut Nigam	Executive Director	Sep'2005 to Jun'2007
6	Tata Power Group	CEO (TPJDL)	Jan'2003 to Sep'2005 and Jun'2007 to Dec'2015
7	Adani Group	Jt. President	Jan'2016 to Present

### Area of Exposure:

- Regulatory Compliance, ARR Filing, Tariff Implementation, Business Process Re-engineering, Commercial Policies formulation, Energy Audit and Policy Advocacy
- Power Management including finalisation of PPAs, Power Trading, etc.
- Generation Projects Development & Management
- Development of Hydro Policy of the Uttarakhand
- Joint Venture formations
- Business Plan formulation
- Techno Economic Clearances and achieving Financial Closure
- Marketing & Tendering activities for construction of Power Projects

### Current Job Profile:

- Responsibility of expanding the Transmission Business across the globe and developing the Distribution Business from scratch.
- Business Development, Mergers & Acquisitions, Regulatory functions & Policy Advocacy for the Transmission business.

## Curriculum Vitae

Name : Mehul Rupera  
Date of Birth : 19<sup>th</sup> May 1975  
Gender : Male  
Address : C1/903, The Meadows, Shantigram, Near Vaishnodevi Temple,  
S.G. Highway, Ahmedabad-382421  
Contact details : +91 -90990 02463  
E-Mail : [mehulrupera@gmail.com](mailto:mehulrupera@gmail.com)

### Educational Qualification:

Sr. No.	Qualification	University/Institute	Year of Passing
1	BE (Electrical)	Sardar Patel University, Vallabh Vidhyanagar	1996
2	Energy Auditor & Energy Manager	Certified by Bureau of Energy Efficiency	2005
3	MBA (Finance)	Veer Narmad South Gujarat University, Surat	2010

### Professional Experience:

Sr. No.	Organization	Designation	Period
1	Torrent Power Ltd, Surat	Asst. Manager	Apr1997 to May'2010
2	Adani Group	AGM	Jun'2010 to Present

### Area of Exposure:

- Regulatory
- Power Purchase
- Business Analyst & Business Development
- Technical and Commercial Functions

### Current Job Profile:

- Regulatory functions related to Distribution Business of Mundra SEZ, Tariff Petitions, Sensitivity Analysis related to Tariff and other Regulatory, Legal and Statutory process related to the business.
- Techno - Commercial functions like System Planning, Operational Planning, Distribution Engineering and setting up Strategic Business areas wrt Process, Cost Optimization, Network Planning and Optimization of Losses etc.
- Application processing, Estimation, release of connections, Metering, Billing, Recovery and Customer Care.
- Power Purchase, Demand Forecasting, Load Management, Improvement in scheduling efficiency and Optimizing Power Purchase under UI / DSM Regime.
- Financial aspects of Distribution Business, ARR, CAPEX and Budget Planning.
- Business Development for Adani Power Ltd. Short Term Power Sale and Regulatory Business related to Generation and Transmission Business.



## Curriculum Vitae

Name : Nirav Shah  
Date of Birth : 15<sup>th</sup> Sept 1969  
Gender : Male  
Address : A-501, Royal Nirman Flats, Nr. Shyamal Cross Road, Satellite  
Ahmedabad-380051.  
Contact details : +91 - 8980016108  
E-Mail : [niravshah150969@gmail.com](mailto:niravshah150969@gmail.com)

### Educational Qualification:

Sr. No.	Qualification	University/Institute	Year of Passing
1	BE (Electrical)	L D Collage of Engg (Gujarat University)	1991

### Professional Experience:

Sr. No.	Organization	Designation	Period
1	Erstwhile Gujarat Electricity Board	Junior Engineer	Mar'1992 to Oct'2000
2	Uttar Gujarat Vij Co. Ltd.	Technical Manager	Nov'2000 to Dec'2007
3	Torrent Power Limited	Manager	Jan'2008 to Mar'2011
4	Adani Group	AGM	Apr'2011 to Present

### Area of Exposure:

- Power Distribution Management
- Quality Assurance Management
- Strategic Planning & Management
- Project Management
- Operations Management
- Liaison / Coordination
- Resource Planning
- Manpower Management

### Current Job Profile:

- Projects, planning and O&M of EHV & HV network and transmission & Sub-transmission S/s.
- Finalization of design, engineering, estimation, budgeting of all the projects.
- Finalization of technical specifications, evaluation of technical & commercial bids, finalization of purchase orders & service orders.
- Liaising with Government Authorities, Contractors & external agencies for determining technical specifications, approvals and obtaining statutory clearances.
- Consumer metering & billing, processing application for new connections.
- Budgeting & profit / loss account of power distribution business.

## Curriculum Vitae

Name : Jignesh Langalia  
Date of Birth : 14<sup>th</sup> July 1976  
Gender : Male  
Contact details : +91 – 9099005338  
E-Mail : [Jignesh.langalia@adani.com](mailto:Jignesh.langalia@adani.com)

### Educational Qualification:

Sr. No.	Qualification	University/Institute	Year of Passing
1	BE (Electrical)	Sardar Vallabhbhai Regional College of Engineering and Technology, Surat	1997

### Professional Experience:

Sr. No.	Organization	Designation	Period
1	Torrent Power Limited	Manager	Jun'1997 to Jan'2011
2	Adani Group	AGM	Jan'2011 to Present

### Area of Exposure:

- Erection, Testing & commissioning of LT Distribution system
- Implemented innovative methods of preventive maintenance contributing in reduction of SAIFI & SAIDI.
- Reduction of AT&C loss for high revenue customers
- Business Process Reengineering related to outage management, metering, theft detection, processing of new applications etc.
- Regulatory segment of Distribution and associated with activities of Tariff Filings, PPAs, Short term Power Purchase, Grievance Redressal Mechanism, Consumer Ombudsman etc.

### Current Job Profile:

- Regulatory functions & Policy Advocacy for the Generation and Transmission business.
- Providing comments, suggestion on various draft regulation, discussion paper, policies published by regulatory commissions and/or Government.
- Filling of Tariff and capital cost approval petition for Transmission business.
- Providing regulatory inputs for various litigations.
- To handle Transmission license related issue like grant of licence, amendment or assignment of license.
- Providing regulatory inputs for Merger & Acquisitions process.

## Curriculum Vitae

Name : Ghanshyam Bhut  
Date of Birth : 1<sup>st</sup> June 1981  
Gender : Male  
Address : Block No B-24, Quarter No – 5 Samudra townships, Old Port  
Road, Near IOCL, Mundra, Kutch- 370421.  
Contact details : +91 – 8980016036  
E-Mail : ghanshyam\_bhut@yahoo.com

### Educational Qualification:

Sr. No.	Qualification	University/Institute	Year of Passing
1	BE (Electrical)	Saurashtra University	2002

### Professional Experience:

Sr. No.	Organization	Designation	Period
1	Surat Electricity Co. Ltd.	Graduate Apprenticeship	Dec'2002 to Dec'2003
2	System Protection	Testing Engineer	Dec'2003 to Mar'2004
3	Torrent Power Limited	Executive-I	Apr'2004 to Feb'2008
4	ABB Limited	Design Engineer	Feb'2008 to Aug'10
5	Adani Group	Associate Manager	Aug'2010 to Present

### Area of Exposure:

- Layout Engineering
- Installation & Commissioning
- Design for Switchyard
- System Equipment Selections
- Maintenance scheduling
- Maintenance of substation equipment's
- Technical Support

### Current Job Profile:

- Designing of total network as per projected power requirement with location of substation, Feeders, and transformers considering the high reliability of system to minimise the SAIFI and SAIDI.
- Installation Testing and Commissioning of Air insulated Substation up to 220 kV.
- Installation Testing and Commissioning of Gas insulated Substation up to 220 kV.
- Operation & Maintenance of Power network from 220 kV Up to 415 V.

## Curriculum Vitae

Name : Anil Rabadia  
Date of Birth : 28<sup>th</sup> January 1983  
Gender : Male  
Address : B-66/07, Samundra Township, Old Port Road, Mundra (Kutch).  
Contact details : +91 - 99791 05003  
E-Mail : anil.patel044@gmail.com

### Educational Qualification:

Sr. No.	Qualification	University/Institute	Year of Passing
1	BE (Electrical)	Saurashtra University	2006
2	Energy Manager	Certified by Bureau of Energy Efficiency	2014

### Professional Experience:

Sr. No.	Organization	Designation	Period
1	Reliance Industries Ltd	Engineer	Jul'2006 to Dec'2006
2	Adani Group	Deputy Manager	Jan'2007 to Present

### Area of Exposure:

- Project Planning & Management
- Quality Assurance Management
- Operations & Maintenance Management
- Resource Management
- Power network planning
- Process Improvement
- Erection, Testing & commissioning of S/s equipment

### Current Job Profile:

- Scrutiny process & commercial binding for bulk consumer by considering Supply Code & Related Matters Regulation.
- Consumer Satisfaction & Grievance Redressal with respect to company chartered & SOP defined by Regulator.
- Monitoring Business Revenue and identify the areas for reduction of AT&C losses.
- Operation & Revenue budgets, cash flow plans & budgetary controls in business process.
- Adroitly monitoring of 220KV & 66KV Substations (GIS & AIS) and HV/EHV network to achieve Reliability & Availability of power to consumer.
- Executing cost saving techniques and modifications to achieve substantial reduction in various expenditures.
- Development of Power network for Business Growth and Consumer satisfaction.

## Curriculum Vitae

Name : Jayesh Patel  
Date of Birth : 5<sup>th</sup> Dec 1978  
Gender : Male  
Address : At –Mahuvar, Maroli Bajar, Tal - Jalalpore, Dist – Navsari, Gujarat.  
Contact details : +91 – 89800 16107  
E-Mail : [jay\\_9836@yahoo.com](mailto:jay_9836@yahoo.com)

### Educational Qualification:

Sr. No.	Qualification	University/Institute	Year of Passing
1	Diploma(Electrical)	Saurashtra University	1998
2	BE (Electrical)	Sardar Patel University, Vidhyanagar	2002

### Professional Experience:

Sr. No.	Organization	Designation	Period
1	Vasudev Electricals	site in-charge	Apr'2003 to May'2004
2	PGVCL	Junior Engineer	May'2004 to Jun'2007
3	Torrent Power Limited	Executive-I	Jun'2007 to Jun'2010
4	Adani Group	Associate Manager	June'2010 to Present

### Area of Exposure:

- Operations & Maintenance Management
- Project Execution & Commissioning
- Quality Assurance
- Manpower Management

### Current Job Profile:

- To handle preventive and predictive maintenance of all major equipment; carrying out failure analysis and troubleshooting.
- Adroitly monitoring and analysing the equipment to avoid unexpected breakdown and efficiently handle breakdown & modification by applying various efforts.
- Ensuring materials management and inventory control to maintain smooth flow of materials with minimum inventory holding.
- Executing cost saving techniques and modifications to achieve substantial reduction in various expenditures.
- Preparation of maintenance schedule in terms of weekly, monthly, half yearly & yearly and also preparation of daily, weekly, monthly MIS reports.
- Liaising with Electrical Inspector, Local Electricity boards like GETCO.

## Curriculum Vitae

Name : Dipak Gajjar  
Date of Birth : 10<sup>th</sup> Oct 1984  
Gender : Male  
Address : A203, Suramya Status, Opp. Suyogan Flat, Nr. Sola Bhagwat temple, Sola, Ahmedabad - 382470  
Contact details : +91 - 9925369511  
E-Mail : dbgajjar@gmail.com

### Educational Qualification:

Sr. No.	Qualification	University/Institute	Year of Passing
1	BE (Electrical)	Sardar Patel University, Vidhyanagar	2006

### Professional Experience:

Sr. No.	Organization	Designation	Period
1	Torrent Power Ltd	Executive-I	Jul'2006 to Jul'2010
2	Adani Group	Deputy Manager	Aug'2010 to Present

### Area of Exposure:

- Knowledge of Electrical Generation ,Transmission & Distribution
- Energy Audit and Energy Conservation Project Management
- Electrical Energy Trading and Accounting as per India Electricity laws
- Liaison / Coordination
- Regulatory

### Current Job Profile:

- Short Term and Long Term Electrical Load Forecasting of distribution licensee under various regulation of Indian Electrical Market like ABT ,Multi Year Tariff (MYT) and Aggregate Revenue Requirement (ARR)
- Power Purchase from various resources like Generator, Power Trader,exchange
- Daily liaison with govt. Authority for real time operation related aspects
- Accounting of Power Purchase Agreement (PPA) through L&T Software and SAP
- Monthly reading of Consumers through Automatic Meter Reading and Smart grid
- Developed consumer data portal in SAP & Oracle
- Developed Consumer Billing Portal in SAP and integration of AMR into SAP
- Liaison with New Consumers likely to come in licensee area
- Load Flow studies of distribution licensee area and planning for new network development

# **Approach and Methodology**

(Enclosure: VI)

## **Approach and Methodology**

### **❖ Background**

Dholera Special Investment Region (DSIR) is envisaged to be developed as India's first major green field Industrial hub planned and located 100 Km south of Ahmedabad. The project will be the first initiative from DMICDC which is a special purpose company incorporated to establish, promote and facilitate development with proposed Delhi-Mumbai Industrial Corridor along the alignment of Multi Model High Axle Load Dedicated Freight Corridor between Delhi and Mumbai.

It has been planned over an extensive area of 920 Sq. Km and encompassing 22 villages, DSIR will be the largest investment node in modern India developed fully integrated as a Smart City. DMICDC with support of DSIRDA, GIDB and GICC plans to create an economically and socially integrated new age smart city with best of world class infrastructure, highest quality of life standards and sustainability. This new age city aims to have a sustainable urban transportation system (transit oriented development) within and mobile/efficient regional connectivity with neighbouring cities and the rest of the country.

### **❖ Description of Dholera SIR**

The developable area in DSIR is divided into six (6) Town Planning Schemes. Town Planning Schemes 1 and 2 cover the development in Phase-1. Town Planning Scheme-1 (TP1) covers an area of approximately 51 sq. km and Town Planning Scheme 2 (TP2) covers an area of approximately 102 sq. km. For practical implementation purposes, TP2 is broken down into two packages; TP2 (West) and TP2 (East). TP2E covers an area of approximately 57.41 sq km and TP2W covers an area of approximately 43.11 sq. km.

For trigger development of Dholera SIR, an Activation Area is identified as the catalyst for further investment and to attract local and global investors. Activation Area is spread across an area of approximately 22.5 Sq. km. The Activation Area has been carved out of TP2E (18 sq. km) and part of TP4 (4.5 sq.km) based on the maximum availability of Government land. It has approximately 72 kms of roads and has an optimum mix of land use comprising of industrial, residential, mixed use, recreation and tourism. The Activation Area is approximately 4.25% of the total developable area of DSIR. It can cater to a residential population of 1.2 lakhs with an employment of approximately 80,000 persons by 2020. 80% of the Activation Area is in possession of DICDL providing ready to allot plots with all major trunk infrastructure at door step.

The power demand of Activation Area is around 425 MW. From the Activation area, an area admeasuring 6.5 Sq. Km has been identified as Target Area for immediate development. The estimated power demand of the Target Area would be around 140 MW. The load development in the Target Area is envisaged to be happened over period of 2 years.



## ❖ Load Forecasting

The Rolling short - term load forecast shall be prepared annually for a period of five years in the area of supply duly estimating the probable load growth. The forecast thus made shall be updated every year depending on the actual load that has come in that year and the changes in assumption, if any, required for the next years.

MUPL has considered specific power density of various types of load for various categories of consumers in SMART cities, which has been used to calculate connected load of each category of consumers based on land usage area and demand load based on their diversity factors and load factors. MUPL has thus estimated demand load and energy consumption on year on year basis for five years from FY 2018-19 to FY 2022-23.

The power requirements for industrial sector shall be estimated under following three categories, viz:

- a) LT Industries
- b) HT Industries with a demand of less than 3.5 MW
- c) EHT Industries with demand of more than 3.5 MW & above

### **A. Assessment of Load (Power Demand)**

Dholera SIR is an area being developed for setting up of new industries by creating necessary infrastructure and the industrial development is likely to take place gradually over a period of time. Since it is new area it is difficult to carry out projections for number of consumers and power requirement by them accurately. Development is yet to take place and industries will be coming gradually based on overall economic conditions. Hence, it would be very difficult to carry out the Demand and Sales projections accurately and precisely for this area.

The total plots involved in Activation area are divided in following categories/usage.

- a) Residential
- b) High Access Corridor
- c) Industrial
- d) Recreation, Sports and Entertainment
- e) Strategic Infrastructure
- f) Roads
- g) Public Facility Zone
- h) Tourism and Resorts
- i) Village Buffer
- j) Gamtal (original inhabited village)
- k) River/Water Body
- l) Coastal Region Zone (CRZ)

Again, these individual categories have mixed type of usage (i.e. total area of every type of plot is subdivided under different land use) defined as under.

**a) Residential**

Residential plots consist of residential, commercial office/Retail, Leisure and hospitality, Public/Community facility, Local Public open space, local roads, utilities and Information Communication Technology Devices usage.

**b) High Access Corridor**

High Access corridor plots consist of residential, commercial office/Retail, Leisure and hospitality, Public/Community facility, Local Public open space, local roads, utilities and Information Communication Technology Devices usage.

**c) Industrial**

Total Industrial plots are primarily divided into actual industry type as describe above. Again, industries plots consist of Industrial, Public/Community facility, Local Public open space, local roads and Information Communication Technology Devices usage.

**d) Recreation Sports and Entertainment**

Recreation Sports and Entertainment plots consist of Leisure and hospitality, Local Public open space, Recreation Sports & Entertainment, local roads, utilities and Information Communication Technology Devices usage

**e) Strategic Infrastructure**

Strategic Infrastructure plots consist of utilities and Information Communication Technology Devices usage only.

**f) Roads**

Roads consist of Residential, Commercial offices/Retails, Leisure and hospitality, Public/ Community facilities, Local Public open space, local roads, utilities and Information Communication Technology Devices usage.

**g) Public Facility Zone**

Public Facility Zone plots consist of Education, Public/community facilities usage

**h) Tourism and Resorts**

Tourism and Resorts plots consist of Leisure and hospitality, Public/community facilities, and local Road usage

**i) Village Buffer**

Village Buffer plots consist of Residential, Public/community Facilities and Local road usage.

**j) Gamtal**

Gamtal Plots consist of 100% Residential usage.

**k) River/Water Body**

River/Water Body plots consist of Leisure and hospitality, Local Public open space, Recreation Sports & Entertainment, local roads, utilities and Information Communication Technology Devices usage

**l) Coastal Region Zone**

Coastal Region Zone consists of local Road usage only.

**To calculate the total load requirement of Activation Area following methodology is adopted.**

Connected load for different type of plots are calculated on the basis of various categories of loads. These categories include lighting load, Power load, HVAC load, lift load, workstation load, and load for common area/parking. Individual load factor is considered for each type of usage to calculate the Demand load for each type of plot/facility. The load calculation tabulated as under:

Table 6.1: Load Demand Estimation for Activation Area on Usage (Residential, Commercial Offices/Retail etc.)

Type	Lighting Load			Power Load			Work Station			HVAC			Lifts			Common Area / Parking			Total Wattage (W/m2)
Components of Broad Land Use	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	
Residential	4.63	1	4.63	90.38	4	22.60	-	-	-	43.04	1.5	28.69	3.23	2	1.62	1.08	1.5	0.72	<b>58.3</b>
Commercial Offices / Retail	7.53	1	7.53	-	-	-	17	1.2	14.167	107.6	1	107.6	3.23	1.2	2.69	2.15	1.5	1.43	<b>133.4</b>
Leisure / Hospitality	9.68	1	9.68	4.09	1.5	2.73	-	-	-	49.5	1	49.5	3.23	1.5	2.15	1.08	1.5	0.72	<b>64.8</b>
Light Service Industry	-	-	-	32.28	1	32.28	-	-	-	-	-	-	-	-	-	-	-	-	<b>32.3</b>
Industry	-	-	-	164.21	1	164.21	-	-	-	-	-	-	-	-	-	-	-	-	<b>164.2</b>
Education	7.53	1	7.53	-	-	-	17	1.2	14.17	37.66	1	37.66	3.23	1.2	2.69	2.15	1.5	1.43	<b>63.5</b>
Public Facility / Community Facility	9.68	1	9.68	4.09	1.5	2.73	-	-	-	10.76	1	10.76	3.23	1.5	2.15	-	-	-	<b>25.3</b>
Local Public Open Space	1.08	1	1.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>1.1</b>
Recreation Sports & Entertainment	10.78	1	10.78	4.09	1.5	2.73	-	-	-	19.37	1	19.37	3.23	1.5	2.15	2.15	1.5	1.43	<b>36.5</b>
Roads	1.08	1	1.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>1.1</b>
Utilities	-	-	-	1.08	1	1.08	-	-	-	-	-	-	-	-	-	-	-	-	<b>1.1</b>

Demand Load = Connected Load / Load Factor

As mentioned above every allocated plot has a different type of usage and to arrive at exact power demand in Watt per square meter based on mix type of usage following methodology is adopted.

Built up area (BUA) of each plot is available and same is calculated based on Floor Space Index (FSI) norms. At this stage it is uncertain that particular plot will be dedicated for the specific purpose. Hence, it is difficult to calculate the Wattage per square meter based on specific use of individual plot. It is better to calculate the Wattage per Square meter on the basis of mixed plot usage and same can be arrived by working a methodology of Weighted Arithmetic Mean.

For example assume a Residential zone which is allotted for 54% residential, 2% commercial offices, 1 % leisure & hospitality, 10% community, 10% local public open space, 22% local roads, 1% utilities. Let the total Sq. m area under residential be denoted by "Y".

Table 6.2 Allocation of Residential plot under different product mix

<b>Residential Area (Mix Plot)</b>		
<b>Area under consideration</b>	<b>% area occupation</b>	<b>Watt/Sq. m</b>
Residential	54%	58.3
Commercial offices	2%	133.4
Leisure/Hospitality	1%	64.8
Community facilities	10%	25.3
Local public open space	10%	1.1
Local roads	22%	1.1
Utilities	1%	1.1
<b>Total</b>	<b>100%</b>	

$$\text{Uniform Watt/sq. m by means of Weighted Arithmetic Mean (WAM)} = \frac{(54\%*Y*58.3 + 2\%*Y*133.4 + 1\%*Y*64.8 + 10\%*Y*25.3 + 10\%*Y*1.1 + 22\%*Y*1.1 + 1\%*Y*1.1)}{Y}$$

The same methodology is adopted for arriving at uniform WAM for all other type of plots such as industrial, commercial, leisure and hospitality, Recreation sports and Entertainment etc.

Adopting the Weighted Arithmetic Mean (WAM) method, the wattage per square meter for mixed type of plot usage is calculated as in Table below:

Table 6.3: Arrival of Watt/Sq. m based under different product mix

Broad Land Use Vertical	Residential	Commercial Offices/Retail	Leisure/Hospitality	Light Service Industry	Industry	Education	Public Facility / Community Facility	Local Public Open Space	Recreation Sports & Entertainment	Roads	Utilities	Watt / sq.m
<b>Watts / Sq.m</b>	<b>58.3</b>	<b>133.4</b>	<b>64.8</b>	<b>32.3</b>	<b>164.2</b>	<b>63.5</b>	<b>25.3</b>	<b>1.1</b>	<b>36.5</b>	<b>1.1</b>	<b>1.1</b>	
<b>Components of Broad Land Use</b>												
Residential	54.00%	2.00%	1.00%	0.00%	0.00%	0.00%	10.00%	10.00%	0.00%	22.00%	1.00%	37.66
High Access Corridor	38.00%	6.00%	3.00%	5.00%	0.00%	0.00%	15.00%	10.00%	0.00%	22.00%	1.00%	37.85
industrial	0.00%	0.00%	0.00%	0.00%	79.00%	0.00%	3.00%	1.00%	0.00%	12.00%	5.00%	130.68
Recreation Sports & Entertainment	0.00%	0.00%	0.00%	30.00%	0.00%	0.00%	0.00%	14.00%	43.00%	12.00%	1.00%	25.65
Strategic Infrastructure	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	1.08
Roads (DP)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	1.08
Pubic Facility Zone	0.00%	0.00%	0.00%	0.00%	0.00%	2.00%	8.00%	0.00%	0.00%	0.00%	0.00%	28.31
Tourism & Resorts	0.00%	0.00%	0.00%	61.48%	0.00%	0.00%	33.20%	0.00%	0.00%	5.27%	0.00%	28.31
Village Buffer	33.73%	0.00%	0.00%	0.00%	0.00%	0.00%	53.18%	0.00%	0.00%	13.09%	0.00%	33.26
Gamtal	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	58.25
River / Water Body	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	1.08
Costal Region Zone	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.19%	0.00%	0.06

Below table shows the exact total load of Activation Area along with group diversity factor for various plots calculated based on the Weighted Arithmetic Mean.

Table 6.4: Arrival of Maximum Demand Power Consumption Activation Area

Areas	Total Connected Load (MW)	Diversity Factor (%)	Maximum Power Demand (MW)
Residential	100.43	80%	80.30
High Access Corridor	7.08	80%	5.70
Industrial	291.12	90%	262.00
Recreation Sports & Entertainment	10.74	70%	7.50
Strategic Infrastructure	0.00	0%	0.00
Roads (DP)	0.00	40%	0.00
Public Facility Zone	1.50	90%	1.30
Tourism & Resorts	11.63	90%	10.50
Village Buffer	0.00	0%	0.00
Gamtal	1.01	70%	0.70
River / Water Body	0.03	40%	0.00
Coastal Region Zone	0.01	60%	0.00
<b>Total Demand (MW)</b>	<b>424</b>		<b>368</b>

Based on derived total demand of Dholera Activation Area, consumer-wise annual power requirement as per GERC nomenclature is tabulated as under:

Table 6.5: Consumer category-wise annual power requirement for activation area

Dholera Activation Area consumer Mix	Annual power requirement ( MU)
Residential General Purpose (RGP)	480
GLP	--
Non RGP	43
LTMD	22
Public works	46
Agriculture	--
Public lighting	6
Industry HT	1932
Railway Traction	--
<b>Total</b>	<b>2528</b>

Considering the development plan of DSIR, it has been considered that the Targeted Area of 6.50 Sq. km would be developed by FY 2019-20 whereas Activation Area of 22.5 Sq. km would be developed by FY 2022-23 and accordingly, estimated power demand would be nearly 125 MW and 370 MW by

FY 2019-20 and FY 2022-23 respectively. The Projected load development is expected as per below table.

Table 6.6: Year wise maximum demand of Activation Area

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Power Demand	60 MW	125 MW	195 MW	280 MW	370 MW

The demands for electricity in Dholera SIR Area have been forecast based upon estimates of the quantum and location of load requirements within the SIR area. Since these are new consumers the exact load-pattern cannot be forecast with full accuracy and the same is on the basis of inputs and projections received from DICDL.

Projected the energy to be procured after adding Transmission & Distribution losses is tabulated as under:

Table 6.7: Summary of Energy requirement for Activation Area

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Energy Requirement (MU)	412	859	1340	1924	2528
Distribution losses (%)	4.50%	4.50%	4.50%	4.50%	4.50%
Distribution losses (MU)	19	40	63	91	119
Energy requirement after Dist. Losses (MU)	432	899	1403	2015	2647
Transmission loss (%)	4.00%	4.00%	4.00%	4.00%	4.00%
Transmission loss (MU)	18	37	58	84	110
<b>Total Energy for Procurement (MU)</b>	<b>450</b>	<b>937</b>	<b>1462</b>	<b>2099</b>	<b>2758</b>

## ❖ Power Supply Management

It has been planned to construct two number of 220/66 kV receiving substations within the Activation Area for meeting the load demand of Activation area. These substations will be independently receiving power from nearby substations of GETCO, namely Limbadi/Chorania and Fedra respectively at 220 kV voltage level. It is envisaged to construct 400 kV D/C transmission line with twin "ACSR/AAAC Moose" conductor, over a length of 70 Km and 30 km respectively from the Limbdi and Fedra Substations respectively. These lines will be initially charged at 220 kV level and later on it will be charged at 400 kV level subsequent to the development of TP2W. The proposed 220/66 kV substations shall be interconnected through 220 kV D/C underground cables to form a ring main.

220/66 kV Receiving substations will receive required 425 MW power supply at 220 kV from 400 kV Limbadi / Chorania and Fedra Substation of Gujarat Energy Transmission Corporation (GETCO). This arrangement will afford reliable supply to Activation area even when one source is totally not available. To be precise the two circuits will be able to cater 425 MW power. The estimated loads of 425 MW shall



comprise 240 MW load at 220/66 kV receiving substation location-1 and 185 MW load at 220/66 kV receiving substation location-2.

The Power Distribution Network (PDN) shall comprise of 220/66 kV Sub Stations, 66/11 kV Sub Stations, 11 kV Ring Main Units (along with 11/0.415 kV distribution transformers), Advance Distribution Management System, Advance Metering System, Smart Grid, Substation Automation System, SCADA and other smart city practices.

Table 6.8: Details of Substations Planned for Activation Area in DSIR

<b>Details of Substations Planned for Activation Area in DSIR</b>	
<b>List of Substations</b>	<b>No of Substations</b>
220/66kV Substation	2
66/11 kV Substation	3
11 kV RMUs (including 11/0.415KV distribution transformers)	133

All the substations and RMUs will be VCB/GIS and all the transmission network of 66 kV, 11 kV and 0.415 kV will be underground. The 400 kV Double circuit lines will be overhead and terminate at respective 220 kV receiving stations. The 220 kV interconnection will be running along the median of 70m & 55m roads.

The location of each voltage class substation has been decided considering the load centers envisaged at different voltages.

Similarly the locations of 66 kV sub transmission substations and 11 kV RMUs are decided based on the criteria specified in Supply Code notified by Hon'ble GERC for supply voltage levels corresponding to the power demand by the consumer. All the residential, industrial, commercial and public utility loads such as water works, sewerage, street light, traffic light etc. will be supplied using these norms.

## **APPROACH & METHODOLOGY FOR PLANNING**

The following guidelines have been used for planning the approach and methodology of the Distribution System.

- i. Technical and Design criteria
- ii. Connectivity Conditions
- iii. Quality of Power supply
- iv. Service area of a distribution network
- v. Standardization of design of distribution transformer
- vi. Standardization of substation layouts
- vii. Reactive Compensation
- viii. Metering Cubicles
- ix. Security Standards.

### **1.0 TECHNICAL AND DESIGN CRITERIA**

MPSEZ Utilities Pvt Ltd. (MUPL) shall plan and develop its Distribution System on the basis of the following technical and design criteria:

The load demand of all Users seeking connection shall be taken into consideration. Being new development of SMART city, various Users would require power initially for the construction activity and then for various other requirements based on infrastructure development. All the Apparatus and Circuits shall have adequate capacity to cater to their needs of electricity in a safe, economical and reliable manner.

MUPL shall assess and forecast load demand of each category of Consumers in the area of supply on annual basis or more frequently as required by Hon'ble GERC.

The optimum Circuit loading and the maximum number of Circuits at any electrical interface between the Distribution and Transmission Systems shall conform to the Distribution System Planning and Security Standard.

The various parameters of equipment and system designs shall be standardized to facilitate easy replacement and reduction of inventories of spares in stores. The planning of Distribution System shall always be carried out keeping in view the cost effectiveness and reduction in energy losses without sacrificing the requirements of Security Standards and Safety Standards for the Distribution System.

## 2.0 CONNECTIVITY CONDITIONS

The Connectivity Conditions specify minimum technical and design criteria, which shall be complied by any agency seeking connection to the Distribution System, which shall be ensured by the Distribution Licensee as a pre-requisite for the establishment of an agreed connection.

The Connectivity Conditions shall ensure basic rules for connections by all agencies in such a way that new connection shall not suffer unacceptable effects due to its connection to the Distribution System or any other connected agency. The responsibility for all the equipment shall be clearly specified in a schedule for every site, where a connection is made.

The design and construction of all the equipment connected to the Distribution System shall satisfy relevant Indian Standard to the maximum extent possible. In case Indian Standard does not exist, the appropriate IEC or IEEE or other International Standard shall apply.

The Distribution Licensee shall specify Connection Point/Interface Point and supply voltage, along with the metering and protection requirements.

**EHT/HT Consumers:** The supply voltage may be 220kV / 66kV / 11kV or voltage as agreed by the Distribution Licensee. The substations shall be owned by the Users. The boundary shall be the feeder entry in the premises of the Users or when so provided it shall be the busbar between breakers of the Distribution Licensee and the EHT/HT Consumers.

**Low Voltage:** The incoming terminal of the cut out circuit breaker installed by the Consumer is the boundary of low voltage Consumers. The tariff metering shall be provided before a fuse unit / circuit breaker of the Consumer. The metering equipment shall be provided at the entry point of Consumer Premises in a safe location or in a common passage on ground floor for easy access for meter reading, maintenance, repair, inspection etc. The meter equipment shall be provided inside a box sealed by the Distribution Licensee. The Consumer shall not disturb the sealed metering equipment and shall take reasonable care for protecting the meter and equipment.

Any User seeking use of Distribution System would submit an application for connection to the Licensee as per procedures and formats prescribed under Supply Code.

## 3.0 QUALITY OF SUPPLY

- 3.1 **Frequency:** The rate frequency shall be 50 Hz. All possible efforts shall be made to ensure that the grid frequency remains within the bandwidth of 49.2 - 50.5 Hz. MUPL shall schedule and reschedule its load requirement in such a

way that it always support Grid to maintain system frequency close to the rated value.

- 3.2 **Voltage:** The voltage at any point of the system under normal operating conditions shall not depart from the declared voltage by more than 5%. MUPL shall ensure that by real time remote monitoring of system voltage at delivery ends and control that within the limits by way of reactive compensation and on-load tap change of Power Transformer/Distribution Transformer through automated/remote operations.
- 3.3 **Harmonic content:** Total harmonic content in the supply voltage for sensitive loads shall not exceed 2 percent. MUPL shall monitor total harmonics distortion for current at each connection point as specified in Supply Code and ensure that it shall be within permissible limit.

#### **4.0 SERVICE AREA OF A DISTRIBUTION NETWORK**

The service area of a distribution network is an area in which the load is supplied by a substation by one or more number of feeders, as required. The Distribution Network fed from the distribution transformers and the substations from which the 11 kV feeders emanate shall be planned as ring type distribution networks within the respective service to ensure 24X7 power supply availability. The design of distribution system shall incorporate features to enable their augmentation in future, with minimum interruption to power supply.

Suitable measures shall be taken sufficiently in advance, to augment the capacity of the feeders in the event the voltage regulation limit is exceeded within the area.

Appropriate software to compute the design of the distribution network shall be used to obtain lowest possible energy losses for different loading conditions for the following:

- I. The location and the capacity of the distribution transformers.
- II. Routing of LV and HV networks.
- III. The sizes of conductors.
- IV. The ratio of the lengths of HT and LT distribution lines for the new lines planned shall be optimized to reduce the distribution losses.
- V. The voltage regulation limits for all loading conditions.

#### **5.0 STANDARDISATION OF DESIGN AND RATING OF DISTRIBUTION TRANSFORMERS**

The design and rating of distribution transformers shall be standardized. As an initial step, the various technical parameters required for the design shall be incorporated in the specifications based on the experience on performance gained among the various designs so far adopted. Later, standard designs of the

transformers and their detailed construction drawings shall be evolved based on the performance of these transformers. These shall be adopted for future procurement. This also ensures the inter-changeability of components of similar transformers manufactured by any manufacturer.

A good quality assurance plan shall be aimed at the following:

- I. Good quality raw materials
- II. Quality control during manufacturing and routine tests
- III. Acceptance tests at the time of taking delivery
- IV. Inspection and tests on transformers received at stores on random sampling

## **6.0 STANDARDISATION OF SUB-STATION LAYOUTS**

MUPL shall develop standard layouts following relevant standards, manuals and provisions of Electricity Act, 2003. MUPL shall also adopt latest technology based on its experience about power distribution in Mundra SEZ area.

MUPL shall use Gas Insulated Sub-stations at all the voltage levels with Gas compartments in such a way that any maintenance activity in any of the Bay would not require shutdown of any adjacent Bay.

The layout and earth grid of Sub-stations shall be worked out considering future augmentation. All the Sub-stations shall be unmanned and all the equipment associated with Sub-stations shall be monitored and controlled remotely from Central Control Room.

## **7.0 REACTIVE COMPENSATION**

MUPL shall install shunt capacitors of un-switched/switched type at appropriate locations in the Distribution System for power factor improvement, maintaining satisfactory voltage profile and reduction of T&D losses.

The automated switching and remote monitoring shall be adopted to avoid over compensation and thereby any over voltages at light load periods.

MUPL shall have endeavoured to maintain unity power factor at all network component but in no case power factor shall be less than 0.90 at any instant.

## **8.0 METERING CUBICLES**

MUPL shall follow CEA Regulations about Installation and Operation of Meters. SMART Meters with all related features shall be used for tariff metering. In addition to tariff meters at consumers' ends and interface meters

for import of power, audit meters on all 66 kV feeders, 11 kV feeders and LT feeders shall be installed for energy auditing and calculating T&D losses. The real time clock of all the meters shall be synchronized so that T&D losses of each component of distribution network and as a whole can be available for each time slot. SMART Meters shall also give alert on real time basis to the Central Control Room and or others in case of any tamper event.

The HT metering cubicle shall be suitable for cable entry on both sides or at least on one side. No fuses shall be permitted in secondary circuits of the instrument transformers. The metering shall be painted with suitable epoxy paint for installation in coastal areas such as DSIR. The instrument transformers shall be of fixed ratio and shall not have any taps. The primary current rating of the current transformers shall match with the normal full load current and saturation point of the core shall be higher than the maximum current that may occur due to simultaneous full load operation of all the connected equipment and machinery. The meter & secondary connections with test terminal block shall be housed in a compartment and other secondary apparatus such as instrument transformers shall be housed in a separate compartment. These compartments shall be properly locked / sealed to prevent any tampering.

The EHT metering shall be done by connection between secondary terminals of instrument transformers and meter through armoured control cable. The cable shall be free from any joints and shall be preferably pass through metal conduit. The control cable used for secondary wiring shall be of appropriate size & length so that total burden of secondary circuits shall remain within the limits of rated burden of associated instrument transformers and therefore, the length of control cable shall be limited to 10 meters. The secondary terminal boxes of instrument transformers and weatherproof metering panel shall be locked / sealed properly.

The metering for 230 V single phase supply shall be provided on a suitable board located in such a place protected from sun and rain. It shall be in a convenient position for taking reading. The terminals of the meters shall be made tamper proof and sealed. The meters and associated metering equipment including connections shall be enclosed in a suitable taper proof box for 400 V three phase supply. The tamper proof box shall be of sufficient strength and design with locking and sealing devices. It shall have adequate provision for heat dissipation with required electrical clearances. The design shall permit readings to be taken without access to the meter or its connection.

## **9.0 SECURITY STANDARDS**

MUPL shall plan and maintain Distribution System in such a way that it follows all the security standards except under Force Majeure conditions beyond reasonable control.

The feeders, either HT or LT, feeding power to important loads such as hospitals, crematoria, airports, railway stations etc. shall be planned to have a selective switching system so that selective switching can be operated either manually or automatically to transfer load on to an alternative healthy feeder. The feeders connected to important industries which are very sensitive to interruption of even short duration shall be planned to have automatic switchover to an alternate healthy feeder in case of failure of supply.

The loading in any current carrying element of the Distribution System shall not exceed 75% of their respective thermal limit.

The rupturing capacity of the switchgear employed in the system shall have at least 25% more capacity than the short circuit level computed even considering future development of the system.

The provision shall be made for every feeder either primary or secondary to manually switch over to the immediately available HT feeder of same voltage class in the vicinity. The provision shall be made in the design itself for any HT feeder to share at least 50% of the loads in the adjacent feeder during emergencies.

MUPL shall consider N-1 redundancy at Sub-station level and therefore, in case of failure of any equipment there, it shall not affect power supply to any element of secondary distribution system.

There shall be adequate standby capacity in the system.

The design of the Distribution System shall accommodate arrangements in such a way that the electricity supply shall not be interrupted for more than specified duration in Standard of Performance of Licensee.

# **Business Plan**

(Enclosure: VII)



## Business Plan

### ❖ Introduction

#### **A. Dholera Special Investment Region**

The Government of India has envisaged the development of Delhi Mumbai Industrial Corridor (DMIC) along the alignment of proposed Multi-modal High Axle Load Western Dedicated Freight Corridor (DFC) between Delhi and Mumbai, covering an overall length of 1,483 km. The Delhi Mumbai Industrial Corridor Development Corporation Limited (DMICDC), a special purpose company, is incorporated to establish, promote and facilitate the development of the DMIC Project. In phase-1 of the DMIC project, DMICDC is developing eight industrial cities/nodes. Dholera Special Investment Region (DSIR) is one of the eight such industrial cities in the phase-1 of the project in Ahmedabad, Gujarat.

In fact, Dholera Industrial City Development Limited (DICDL) has been formed as an SPV under Companies Act 2013 with equity participation from Gujarat State Government through Dholera SIR Development Authority and DMIC Trust. DICDL is entrusted for the development of trunk infrastructure and day to day management of all projects in the Dholera SIR. To develop DSIR as futuristic smart city with 'state-of-art' power distribution infrastructure, the standards and specification of the Power distribution infrastructure has been set at par or even above with similar international cities.

#### **B. Location, composition of industry and Opportunities**

Dholera is situated in Ahmedabad District on the Gulf of Khambhat, about 100Km away from Ahmedabad. DSIR has been planned over an extensive area of land measuring approximately 920 Sq. kms, encompassing 22 villages of Dholera Taluka in the Ahmedabad District and will be built in 3 phases of 10 years each. This will be, by far, the largest of investment nodes planned along the influence of DFC in the DMIC region. This node is strategically located between the industrial cities of Vadodara, Ahmedabad, Rajkot, Surat and Bhavnagar urban agglomerates. The nearest international airport is at Ahmedabad and Government of Gujarat through the Dholera International Airport Company Limited (DIACL) has plans to develop another international airport in the Northeast of the proposed investment region.

The developable area in DSIR is divided into six (6) Town Planning Schemes. Town Planning Schemes 1 and 2 cover the development in Phase-1. Town Planning Scheme 1 (TP1) covers an area of approximately 51 sq. km and Town Planning Scheme 2 (TP2) covers an area of approximately 102 sq. km. For practical implementation purposes, TP2 is broken down into two packages; TP2 (West) and TP2 (East). TP2E covers an area of approximately 57.41 sq. km and TP2W covers an area of approximately 43.11 sq. km.

For trigger development of Dholera SIR, an Activation Area is identified as the catalyst for further investment and to attract local and global investors. Activation

Area is spread across an area of approximately 22.5 Sq. km. The Activation Area has been carved out of TP2E (18 sq. km) and part of TP4 (4.5 sq.km) based on the maximum availability of Government land. It has approximately 72 kms of roads and has an optimum mix of land use comprising of industrial, residential, mixed use, recreation and tourism. The Activation Area is approximately 4.25% of the total developable area of DSIR.

Dholera offers large contiguous land parcels suitable for establishing a defence ecosystem including but not limited to Manufacturing, Research & Development, Vendor Parks, Logistics & availability of skilled workforce. DSIR envisages development of industries encompassing the following sectors:

- Defence
- Heavy Engineering
- Automobiles and Auto Ancillary
- Electronics, Hitech and Emerging technologies / high value add industries
- Pharmaceuticals & Biotechnology
- Metals & Metallurgical Products
- Agro and Food Processing
- IT/ITeS
- General Manufacturing

### **C. Power Supply Arrangement**

MPSEZ Utilities Pvt Ltd. (MUPL) is applying for the Distribution Licence for distribution of electricity in the entire area of DSIR. UGVCL is the deemed licensee of this area.

Initially, to fulfil the requirement of the activation area, MUPL has considered the GETCO substation at Fedra and Limbdi as the source of power supply for DSIR, being the nearest source. The Fedra substation is under construction by GETCO and work is expected to be completed in FY 2019-20.

For the purpose of setting up the distribution network, MUPL has made a detailed study regarding the location of various units and their power demand within the activation area. Looking at the location as well as current and future power demand of various units, the voltage level for the Main Receiving Stations (MRSS) is planned at 400 kV. This MRSS will be independently receiving power from Fedra at 220kV voltage level. It is envisaged to construct 400kV D/C transmission line with twin "ACSR/AAAC Moose" conductor, over a length of 30 km from Fedra Substations. This line will be initially charged at 220kV level and later on it will be charged at 400kV level subsequent to the development DSIR area.

## ❖ Statutory and Regulatory Framework

MPSEZ Utilities Private Limited (MUPL) is a 100 % subsidiary company of Adani Ports and Special Economic Zone Limited (APSEZ) and a Co-Developer to provide infrastructure facilities for Mundra SEZ area. MUPL was incorporated primarily to cater the infrastructure and utility services to the area of Mundra Port and Special Economic Zone in District Kutch, Gujarat. The Company's services encompass to develop, maintain and provide infrastructure facilities, utilities and services in the entire SEZ including but not limited to water and waste management, telecom and transportation services, Distribution of Power and Natural Gas or any other forms of energy.

DICDL has agreed to extend all support to the Applicant for availing distribution licence under Section 14 of the Electricity Act, 2003 for Dholera SIR.

The Distribution Business is governed and regulated under following Act, Policy and Regulations:

- Electricity Act 2003
- National Electricity Policy
- National Tariff Policy
- GERC (Distribution Licence) Regulations, 2005

### A. National Level Regulatory Framework

#### a) Electricity Act 2003

The Electricity Act, 2003 is based on the principles of promoting competition, protecting consumers' interests and providing power to all.

The salient features of The Electricity Act 2003 are:

- The Central Government to prepare a National Electricity Policy and Tariff Policy in consultation with State governments. (Section 3)
- Thrust to complete the rural electrification and provide for management of rural distribution by Panchayats, Cooperative Societies, non-Government organisations, franchisees etc. (Sections 4, 5 & 6)
- Provision for licence free generation and distribution in the rural areas notified by the State Government (Section 14)
- Provisions for Procedure for grant of licence; Amendment and revocation of Licensee (Section 15 to 20)
- Introduction of Open Access in Transmission and Distribution (Sections 38 – 42)
- Formation of State Electricity Regulatory Commission and Appellate Tribunal (Sections 82, 110,111 and 112)
- Tariff Principles (Sections 61 and 62)

- Consumer Protection (Sections 57-59, 166)

## **b) National Tariff Policy**

In compliance with section 3 of the Electricity Act 2003, the Central Government notified the Tariff Policy on 6<sup>th</sup> January, 2006. Further amendments to the Tariff Policy were notified on 31<sup>st</sup> March, 2008, 20<sup>th</sup> January, 2011 and 8<sup>th</sup> July, 2011. In exercise of powers conferred under section 3(3) of Electricity Act, 2003, the Central Government notifies the revised Tariff Policy with effect from 28<sup>th</sup> January 2016.

The objectives of this tariff policy are to:

- Ensure availability of electricity to consumers at reasonable and competitive rates;
- Ensure financial viability of the sector and attract investments;
- Promote transparency, consistency and predictability in regulatory approaches across jurisdictions and minimise perceptions of regulatory risks;
- Promote competition, efficiency in operations and improvement in quality of supply.
- Promote Generation of Electricity from Renewable Sources.
- Promote Hydroelectric Power generation including Pumped Storage Projects (PSP) to provide adequate peaking reserves, reliable grid operation and integration of variable renewable energy sources.
- Evolve a dynamic and robust electricity infrastructure for better consumer service
- Facilitate supply of adequate and uninterrupted power to all categories of consumers.
- Ensure creation of adequate capacity including reserves in generation, transmission and distribution in advance, for reliability of supply of electricity to consumers.

The NTP deals with the general approach to tariffs, wherein it talks about issues such as return on investment and equity norms to be abided by project developers. It discusses various other norms for charging depreciation and cost of debt. It lays down certain operating norms to be followed in order to improve efficiency. Besides, it revisits various parameters like renovation and modernisation costs, and multi-year tariffs (MYT).

The policy states the MYT framework is to be adopted for any tariffs to be determined and initial control period may be for 3 years.

The policy also states implementation of Multi Year Tariffs, framework for revenue requirement and costs, about the Tariff Designs and its linkage to cost of service, cross subsidy surcharge and additional surcharge for open access.

It also indicated that the distribution licensee should, in future, procure power through competitive bidding except in cases of expansion of existing projects or where there is a company owned or controlled by the State Government as an identified developer and where regulators will need to resort to tariff determination based on norms provided that expansion of generating capacity by private developers for this purpose would be restricted to one time addition of not more than 100% of the existing capacity. Provided further that the Appropriate Commission, as defined in the Electricity Act, 2003 shall ensure that in case of expansion of such projects, the benefit of sharing of the infrastructure of existing project and efficiency of new technology is passed on to consumers through tariff.

Provided also that the State Government can notify a policy to encourage investment in the State by allowing setting up of generating plants, including from renewable energy sources out of which a maximum of 35% of the installed capacity can be procured by the Distribution Licensees of that State for which the tariff may be determined under Section 62 of the Electricity Act, 2003.

Provided also that the State Government can notify a policy to encourage investment in the State by allowing setting up of generating plants, including from renewable energy sources out of which a maximum of 35% of the installed capacity can be procured by the Distribution Licensees of the State for which the tariff may be determined under Section-62 of the Electricity Act, 2003

## **B. State Level Regulatory Framework**

### **a) GERC (Distribution Licence) Regulations, 2005**

In exercise of the powers conferred under Section 181 read with Section 15, 16 and 18 of the Electricity Act, 2003 (36 of 2003) and Section 65 of the Gujarat Electricity Industry (Reorganisation and Regulation) Act, 2003 (Gujarat Act No. 24 of 2003) read with Section 20 and 22 thereof and all powers enabling it in that behalf, the Gujarat Electricity Regulatory Commission notified GERC (Distribution Licence) Regulations, 2005.

GERC (Distribution Licence) Regulations, 2005 defines detailed procedure to be followed by Applicant for Grant of Distribution Licence within state of Gujarat and general conditions to be followed after grant of Distribution Licence.

The application for grant of Distribution Licence shall be submitted to the Commission in the form specified in Schedule-I of the Regulations along with annexures and enclosures specified in the Regulation, and shall be accompanied by application fee as prescribed by the State Government.

Upon receipt of the application for grant of Distribution Licence, if the Secretary finds that the application and the accompanying documents are complete in all respects and after the Applicant has complied with the

procedure prescribed for validly submitting an application, the Secretary shall certify that the application is complete for being considered for the grant of a Distribution Licence in accordance with the procedure provided in the Electricity Act read with the State Act and this Regulations.

The Distribution Licence shall commence from such date as the Commission may specify and shall be valid for a period of twenty-five years from the date of its commencement, unless it is duly suspended or revoked by the Commission.

After grant of Distribution License, The Distribution Licensee shall have the duty to develop and maintain an efficient, co-ordinated and economical distribution system in its Area of Licence for the purpose of supplying electricity to end consumers.

## ❖ Demand Forecast

As per the Clause 96 of the GERC (Multi Year Tariff) Regulation, 2016 the distribution company shall submit a forecast of the estimated sales to each tariff category / sub-category and to each tariff slab within such tariff category/sub-category to the Commission for approval along with the Business Plan, as specified in these Regulations. Relevant extract is reproduced below

*"96.1 The Distribution Licensee shall submit a forecast of the expected sales of electricity to each tariff category/sub-category and to each tariff slab within such tariff category/sub-category to the Commission for approval along with the Multi-Year Aggregate Revenue Requirement for the entire Control Period, as specified in these Regulations.*

*96.2 The sales forecast shall be based on past data and reasonable assumptions regarding the future:*

*Provided that where the Commission has stipulated a methodology for forecasting sales to any particular tariff category, the Distribution Licensee shall incorporate such methodology in developing the sales forecast for such tariff category."*

Projection of sale of electricity is an important component of the business plan of any electricity distribution business. It is also a key aspect of the MYT filing.

Dholera SIR is an area being developed for setting up of new industries by creating necessary infrastructure and the industrial development is likely to take place gradually over a period of time. Since it is new area it is difficult to carry out projections for number of consumers and power requirement by them accurately. Development is yet to take place and industries will be coming gradually based on overall economic conditions. Hence, it would be very difficult to carry out the Demand and Sales projections accurately and precisely for this area.

### **A. Assessment of Load (Power Demand)**

The total plots involved in Activation area are divided in following categories/usage.

- a) Residential
- b) High Access Corridor
- c) Industrial
- d) Recreation, Sports and Entertainment
- e) Strategic Infrastructure
- f) Roads
- g) Public Facility Zone
- h) Tourism and Resorts
- i) Village Buffer
- j) Gamtal (original inhabited village)
- k) River/Water Body
- l) Coastal Region Zone (CRZ)

Again, these individual categories have mixed type of usage (i.e. total area of every type of plot is subdivided under different land use) defined as under.

**a) Residential**

Residential plots consist of residential, commercial office/Retail, Leisure and hospitality, Public/Community facility, Local Public open space, local roads, utilities and Information Communication Technology Devices usage.

**b) High Access Corridor**

High Access corridor plots consist of residential, commercial office/Retail, Leisure and hospitality, Public/Community facility, Local Public open space, local roads, utilities and Information Communication Technology Devices usage.

**c) Industrial**

Total Industrial plots are primarily divided into actual industry type as describe above. Again, industries plots consist of Industrial, Public/Community facility, Local Public open space, local roads and Information Communication Technology Devices usage.

**d) Recreation Sports and Entertainment**

Recreation Sports and Entertainment plots consist of Leisure and hospitality, Local Public open space, Recreation Sports & Entertainment, local roads, utilities and Information Communication Technology Devices usage.

**e) Strategic Infrastructure**

Strategic Infrastructure plots consist of utilities and Information Communication Technology Devices usage only.

**f) Roads**

Roads consist of Residential, Commercial offices/Retails, Leisure and hospitality, Public/ Community facilities, Local Public open space, local roads, utilities and Information Communication Technology Devices usage.

**g) Public Facility Zone**

Public Facility Zone plots consist of Education, Public/community facilities usage.

**h) Tourism and Resorts**

Tourism and Resorts plots consist of Leisure and hospitality, Public/community facilities, and local Road usage.



**i) Village Buffer**

Village Buffer plots consist of Residential, Public/community Facilities and Local road usage.

**j) Gamtal**

Gamtal Plots consist of 100% Residential usage.

**k) River/Water Body**

River/Water Body plots consist of Leisure and hospitality, Local Public open space, Recreation Sports & Entertainment, local roads, utilities and Information Communication Technology Devices usage.

**l) Coastal Region Zone**

Coastal Region Zone consists of local Road usage only.

**To calculate the total load requirement of Activation Area following methodology is adopted.**

Connected load for different type of plots are calculated on the basis of various categories of loads. These categories include lighting load, Power load, HVAC load, lift load, workstation load, and load for common area/parking. Individual load factor is considered for each type of usage to calculate the Demand load for each type of plot/facility. The load calculation tabulated as under:

Table 7.1: Load Demand Estimation for Activation Area on Usage (Residential, Commercial Offices/Retail etc.)

Type	Lighting Load			Power Load			Work Station			HVAC			Lifts			Common Area / Parking			Total Wattage (W/m2)
	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	Connected Load (W/m2)	Load Factor	Demand Load (W/m2)	
Residential	4.63	1	4.63	90.38	4	22.60	-	-	-	43.04	1.5	28.69	3.23	2	1.62	1.08	1.5	0.72	<b>58.3</b>
Commercial Offices / Retail	7.53	1	7.53	-	-	-	17	1.2	14.167	107.6	1	107.6	3.23	1.2	2.69	2.15	1.5	1.43	<b>133.4</b>
Leisure / Hospitality	9.68	1	9.68	4.09	1.5	2.73	-	-	-	49.5	1	49.5	3.23	1.5	2.15	1.08	1.5	0.72	<b>64.8</b>
Light Service Industry	-	-	-	32.28	1	32.28	-	-	-	-	-	-	-	-	-	-	-	-	<b>32.3</b>
Industry	-	-	-	164.21	1	164.21	-	-	-	-	-	-	-	-	-	-	-	-	<b>164.2</b>
Education	7.53	1	7.53	-	-	-	17	1.2	14.17	37.66	1	37.66	3.23	1.2	2.69	2.15	1.5	1.43	<b>63.5</b>
Public Facility / Community Facility	9.68	1	9.68	4.09	1.5	2.73	-	-	-	10.76	1	10.76	3.23	1.5	2.15	-	-	-	<b>25.3</b>
Local Public Open Space	1.08	1	1.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>1.1</b>
Recreation Sports & Entertainment	10.78	1	10.78	4.09	1.5	2.73	-	-	-	19.37	1	19.37	3.23	1.5	2.15	2.15	1.5	1.43	<b>36.5</b>
Roads	1.08	1	1.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>1.1</b>
Utilities	-	-	-	1.08	1	1.08	-	-	-	-	-	-	-	-	-	-	-	-	<b>1.1</b>

Demand Load = Connected Load / Load Factor

As mentioned above every allocated plot has a different type of usage and to arrive at exact power demand in Watt per square meter based on mix type of usage following methodology is adopted.

Built up area (BUA) of each plot is available and same is calculated based on Floor Space Index (FSI) norms. At this stage it is uncertain that particular plot will be dedicated for the specific purpose. Hence, it is difficult to calculate the Wattage per square meter based on specific use of individual plot. It is better to calculate the Wattage per Square meter on the basis of mixed plot usage and same can be arrived by working a methodology of Weighted Arithmetic Mean.

For example assume a Residential zone which is allotted for 54% residential, 2% commercial offices, 1 % leisure & hospitality, 10% community, 10% local public open space, 22% local roads, 1% utilities. Let the total Sq. m area under residential be denoted by "Y".

Table 7.2 Allocation of Residential plot under different product mix

<b>Residential Area (Mix Plot)</b>		
<b>Area under consideration</b>	<b>% area occupation</b>	<b>Watt/Sq. m</b>
Residential	54%	58.3
Commercial offices	2%	133.4
Leisure/Hospitality	1%	64.8
Community facilities	10%	25.3
Local public open space	10%	1.1
Local roads	22%	1.1
Utilities	1%	1.1
<b>Total</b>	<b>100%</b>	

$$\text{Uniform Watt/sq. m by means of Weighted Arithmetic Mean (WAM)} = \frac{(54\%*Y*58.3 + 2\%*Y*133.4 + 1\%*Y*64.8 + 10\%*Y*25.3 + 10\%*Y*1.1 + 22\%*Y*1.1 + 1\%*Y*1.1)}{Y}$$

The same methodology is adopted for arriving at uniform WAM for all other type of plots such as industrial, commercial, leisure and hospitality, Recreation sports and Entertainment etc.

Adopting the Weighted Arithmetic Mean (WAM) method, the wattage per square meter for mixed type of plot usage is calculated as in Table below:

Table 7.3: Arrival of Watt/Sq. m based under different product mix

Broad Land Use Vertical	Residential	Commercial Offices/Retail	Leisure/Hospitality	Light Service Industry	Industry	Education	Public Facility / Community Facility	Local Public Open Space	Recreation Sports & Entertainment	Roads	Utilities	Watt / sq.m
<b>Watts / Sq.m</b>	<b>58.3</b>	<b>133.4</b>	<b>64.8</b>	<b>32.3</b>	<b>164.2</b>	<b>63.5</b>	<b>25.3</b>	<b>1.1</b>	<b>36.5</b>	<b>1.1</b>	<b>1.1</b>	
<b>Components of Broad Land Use</b>												
Residential	54.00%	2.00%	1.00%	0.00%	0.00%	0.00%	10.00%	10.00%	0.00%	22.00%	1.00%	37.66
High Access Corridor	38.00%	6.00%	3.00%	5.00%	0.00%	0.00%	15.00%	10.00%	0.00%	22.00%	1.00%	37.85
industrial	0.00%	0.00%	0.00%	0.00%	79.00%	0.00%	3.00%	1.00%	0.00%	12.00%	5.00%	130.68
Recreation Sports & Entertainment	0.00%	0.00%	0.00%	30.00%	0.00%	0.00%	0.00%	14.00%	43.00%	12.00%	1.00%	25.65
Strategic Infrastructure	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	1.08
Roads (DP)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	1.08
Pubic Facility Zone	0.00%	0.00%	0.00%	0.00%	0.00%	2.00%	8.00%	0.00%	0.00%	0.00%	0.00%	28.31
Tourism & Resorts	0.00%	0.00%	0.00%	61.48%	0.00%	0.00%	33.20%	0.00%	0.00%	5.27%	0.00%	28.31
Village Buffer	33.73%	0.00%	0.00%	0.00%	0.00%	0.00%	53.18%	0.00%	0.00%	13.09%	0.00%	33.26
Gamtal	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	58.25
River / Water Body	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	1.08
Costal Region Zone	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.19%	0.00%	0.06

Below table shows the exact total load of Activation Area along with group diversity factor for various plots calculated based on the Weighted Arithmetic Mean.

Table 7.4: Arrival of Maximum Demand Power Consumption Activation Area

Areas	Total Connected Load (MW)	Diversity Factor (%)	Maximum Power Demand (MW)
Residential	100.43	80%	80.30
High Access Corridor	7.08	80%	5.70
Industrial	291.12	90%	262.00
Recreation Sports & Entertainment	10.74	70%	7.50
Strategic Infrastructure	0.00	0%	0.00
Roads (DP)	0.00	40%	0.00
Public Facility Zone	1.50	90%	1.30
Tourism & Resorts	11.63	90%	10.50
Village Buffer	0.00	0%	0.00
Gamtal	1.01	70%	0.70
River / Water Body	0.03	40%	0.00
Coastal Region Zone	0.01	60%	0.00
<b>Total Demand (MW)</b>	<b>424</b>		<b>368</b>

Based on derived total demand of Dholera Activation Area, consumer-wise annual power requirement as per GERC nomenclature is tabulated as under:

Table 7.5: Consumer category-wise annual power requirement for activation area

Dholera Activation Area consumer Mix	Annual power requirement ( MU)
Residential General Purpose (RGP)	480
GLP	--
Non RGP	43
LTMD	22
Public works	46
Agriculture	--
Public lighting	6
Industry HT	1932
Railway Traction	--
<b>Total</b>	<b>2528</b>

Considering the development plan of DSIR, it has been considered that the Targeted Area of 6.50 Sq. km would be developed by FY 2019-20 whereas Activation Area of 22.5 Sq. km would be developed by FY 2022-23 and accordingly,

estimated power demand would be nearly 125 MW and 370 MW by FY 2019-20 and FY 2022-23 respectively. The Projected load development is expected as per below table.

Table 7.6: Year wise maximum demand of Activation Area

Year	2018-19	2019-20	2020-21	2021-22	2022-23
Power Demand	60 MW	125 MW	195 MW	280 MW	370 MW

Further, the clause 8.2.1(1) of the National Tariff policy states that the actual level of the sales should be grossed up with the normative T&D Loss to arrive at the power purchase. Relevant extract is reproduced below:

*".....Actual level of retail sales should be grossed up by normative level of T&D losses as indicated in MYT trajectory for allowing power purchase cost subject to justifiable power purchase mix variation (for example, more energy may be purchased from thermal generation in the event of poor rainfall) and fuel surcharge adjustment as per regulations of the SERC."*

The demands for electricity in Dholera SIR Area have been forecast based upon estimates of the quantum and location of load requirements within the SIR area. Since these are new consumers the exact load-pattern cannot be forecast with full accuracy and the same is on the basis of inputs and projections received from DICDL.

Projected the energy to be procured after adding Transmission & Distribution losses is tabulated as under:

Table 7.7: Summary of Energy requirement for Activation Area

Particulars	2018-19	2019-20	2020-21	2021-22	2022-23
Energy Requirement (MU)	412	859	1340	1924	2528
Distribution losses (%)	4.50%	4.50%	4.50%	4.50%	4.50%
Distribution losses (MU)	19	40	63	91	119
Energy requirement after Dist. Losses (MU)	432	899	1403	2015	2647
Transmission loss (%)	4.00%	4.00%	4.00%	4.00%	4.00%
Transmission loss (MU)	18	37	58	84	110
<b>Total Energy for Procurement (MU)</b>	<b>450</b>	<b>937</b>	<b>1462</b>	<b>2099</b>	<b>2758</b>

## ❖ Capital Investment Plan

Availability of quality and reliable power to the unit holders would be the most important element for successful development of Dholera SIR. Without such availability the investors may not prefer setting up their production units in Dholera SIR Area.

Keeping this in mind, MUPL has planned to establish the state of the art distribution network along with build-in redundancies for ensuring uninterrupted quality power to the unit holder in SIR area.

MUPL has considered Activation Area of DSIR for the development during next five years up to FY 2022-23 and accordingly, prepared CAPEX Roll out Plan.

MUPL has proposed to develop distribution network as a Ready to Serve Network i.e. Network is proposed to be established till the front end of consumer premises. The network of 66 kV, 11 kV and 0.415 kV is proposed to be developed with underground cables in RCC power duct located at both sides of the Road.

MUPL has proposed capital expenditure to meet safety, supporting infrastructure and other requirements.

Following major considerations have been taken in to account for preparing CAPEX Roll out Plan of Activation Area.

1. All EHV Sub-stations shall be Gas Insulated Sub-stations (GIS).
2. All interconnections between EHV Sub-stations shall be through EHV class cables.
3. All EHV Sub-stations shall be unmanned and same shall be monitored and operated from Central Control Room (CCR).
4. All EHV Networks shall be covered by line differential protection system.
5. All HT Ring Main Units (RMUs) shall have fault passage indicators (FPIs) and motorized isolators & circuit breakers.
6. The RMUs shall be integrated with CCR through RTUs and HT Ring shall have capabilities of Self-healing to control SAIDI.
7. All the elements of SMART Grid shall be considered for better reliability, quality of power supply and services.
8. The cost as per present value has been considered.
9. The cost of utility duct and land cost have not been considered.
10. All Distribution Transformers have been considered Dry type.

### Year wise tentative CAPEX plan for 2018-19 to 2022-23

Table 7.8: Summary of Year wise tentative CAPEX plan for Activation Area (Rs. Crores)

Sr No.	Particular/Year	2018-19	2019-20	2020-21	2021-22	2022-23	Total
<b>A</b>	<b>EHV (220 KV &amp; 66KV)</b>						
1	EHV Transmission Line	83	0	193	0	0	275
2	EHV Transmission Cable	11	17	28	143	28	228
3	EHV Substation	107	25	90	46	60	328
4	Land Cost	0	0	0	0	0	0
5	Civil Cost	17	5	11	0	8	41
	<b>Total (A)</b>	<b>217</b>	<b>47</b>	<b>322</b>	<b>190</b>	<b>96</b>	<b>873</b>
<b>B</b>	<b>HT (11KV) NETWORK</b>						
1	11KV HT Cable Network	6	6	11	11	11	45
2	11/0.440 KV HT Substation	5	5	9	9	9	36
3	Land Cost	0	0	0	0	0	0
4	Civil Cost	2	2	4	4	4	17
	<b>Total (B)</b>	<b>12</b>	<b>12</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>98</b>
<b>C</b>	<b>Others</b>						
1	Automation & SCADA	3	1	2	0	1	7
2	Testing & Measuring Equipment	2	1	3	1	1	9
3	IT & AMR	1	0	1	0	0	3
4	Building & Other Civil Work	19	7	12	0	1	39
	<b>Total (C)</b>	<b>25</b>	<b>10</b>	<b>18</b>	<b>1</b>	<b>4</b>	<b>58</b>
	<b>Total (A+B+C)</b>	<b>255</b>	<b>69</b>	<b>365</b>	<b>216</b>	<b>124</b>	<b>1029</b>



**Annexure-I**  
**Notification of Dhoelra SIR**

©



सत्यमेव जयते

# The Gujarat Government Gazette

PUBLISHED BY AUTHORITY

Vol. L] THURSDAY, JUNE 4, 2009/JYAISTHA 14, 1931

[No. 23

Separate paging is given to this Part in order that it may be filed as a Separate Compilation.

## PART IV-B

Rules and Orders (other than those published in Part I, I-A and I-L) made  
by the Government of Gujarat under the Gujarat Acts.

## INDUSTRIES AND MINES DEPARTMENT

## Notification

Sachivalaya, Gandhinagar, 22nd May, 2009.

## GUJARAT SPECIAL INVESTMENT REGION ACT, 2009.

No. GHU-14/SIR/112009/253/(1)/I :- In exercise of the powers conferred by section 3 read with section 4 of the Gujarat Special Investment Region Act, 2009 (Guj. 20 of 2009), the Government of Gujarat hereby,-

- (i) Declares the areas specified in column 4 of the Schedule appended hereto to be the Special Investment Region which shall be known as "Dholera Special Investment Region"; and
- (ii) Determines the areas within the boundaries of revenue villages specified in column 4 of the said Schedule to be the geographical area of the said Special Investment Region, measuring 879.3377 sq. kms in total.

## SCHEDULE

Sr. No.	Name of the District	Taluka	Name of the Revenue Village			
			Sr. No.	Name of Village	Total survey nos.	Total Area of lands in sq.km.
1	2	3	4			
1	Ahmedabad	1. Dhandhuka	1	Bavaliyari	1204	111.2724
			2	Bhadiyad	1908	49.7331
			3	Bhangadh	620	83.0777
			4	Bhimalav	223	7.4042
			5	Dholera	969	45.8145
			6	Gorasu	1219	31.1763
			7	Kadipur	648	27.3509
			8	Khun	227	38.2968
			9	Mahadevpura	179	22.5431
			10	Mingalpur	261	33.0813
			11	Mundi	316	17.8054
			12	Otariya	801	18.0975
			13	Panchi	360	13.9638
			14	Rahatalav	336	63.4464
			15	Sandhida	517	18.6401
			16	Zankhi	389	22.0941
			17	Ambli	1084	55.2044
			18	Cher	464	16.2436
			19	Gogla	385	55.4426

Sr. No.	Name of the District	Taluka	Name of the Revenue Village			
1	2	3	4			
			Sr. No.	Name of Village	Total survey nos.	Total Area of lands in sq.km.
	Ahmedabad	2. Barwala	1	Hebatpur	1086	72.6594
			2	Sangasar	790	35.4928
			3	Sodhi	588	40.4975
		<b>Total</b>			<b>14574</b>	<b>879.3377</b>

By order and in the name of the Governor of Gujarat,

**MAHESHWAR SAHU,**  
Principal Secretary to Government.

-----

**SPECIAL INVESTMENT REGION (APEX AUTHORITY)  
GUJARAT INFRASTRUCTURE DEVELOPMENT BOARD  
BLOCK NO. 18, 8<sup>TH</sup> FLOOR, UDYOG BHAVAN, SECTOR-11, GANDHINAGAR**

**NOTIFICATION**

**Date: 10-09-2012.**

**THE GUJARAT SPECIAL INVESTMENT REGION ACT, 2009**

**NO.SIRAA/01/2012/525** WHEREAS, the Dholera Special Investment Regional Development Authority (hereinafter referred to as "the said Authority") prepared, submitted and published a Draft Development Plan with General Development Control Regulations (hereinafter referred to as "the said Draft Development Plan") in respect of the area included within its limits under the provisions of Section 15 (3) (ii) and Section 17 (1) and Section 17 (3) of the Gujarat Special Investment Region Act-2009 (herein after referred to as "the said Act-2009) and under the provisions of the Gujarat Town Planning and Urban Development Act,1976 ( President's Act no 27 of 1976) (herein after referred to as "the said Act-1976)

AND WHEREAS The said Draft Development Plan was submitted to Apex Authority (GIDB) under section 9(1) of the said Act,1976 on dtd. 24-12-2010.

AND WHEREAS the said Draft Development Plan was published under section 13 of the Act-1976. Notice regarding publication of the said Draft Development Plan for calling objections or suggestions, if any, with respect to the said Development Plan was published in the Part II Extra Ordinary Gazette of the Gujarat Government Gazette on dtd. 05-01-2011;

AND WHEREAS the modifications made in the said Draft Development Plan were extensive and substantial nature the said modifications were published U/s Section 15 of the Act-1976. Notice regarding publication of the said Draft Development Plan for calling objections or suggestions, against modifications, if any, with respect to the said Development Plan was



published in the Part II Extra Ordinary Gazette of the Gujarat Government Gazette on dated. 05-01-2012;

AND WHEREAS the said Authority has submitted the said Draft Development Plan to the Apex Authority (GIDB) as required under the provisions of section 16 of the said Act-1976 on dated. 31/05/2012;

NOW THEREFORE, in exercise of the powers conferred by proviso of clause IV subsection 2 of section 6 and sub section (2) of section 17 of said Act-2009 and proviso to sub clause (i) of clause (a) of sub-section (1) of section 17 of the said Act-1976, the Apex Authority (GIDB) hereby :-

- (a) Sanctions the said Draft Development Plan with the General Development Control Regulations. The Draft Development Plan with General Development Control Regulation so sanctioned shall be called the Final Development Plan.
- (b) Specifies that the Final Development Plan shall come into force from the date of this notification;



By order

( A. K. Sharma )

Chief Executive Officer  
to the Apex Authority

Gujarat Infrastructure Development Board

**Copy forwarded with compliments to:**

- (1) The Secretary to Hon'ble Chief Minister, New Sachivalaya, Gandhinagar. (By letter)
- (2) The P.S. to Hon'ble Minister of State (Ind. & Mines) New Sachivalaya, Gandhinagar. (By letter)
- (3) The Chief Secretary Government of Gujarat, New Sachivalaya, Gandhinagar. (By letter)
- (4) Chairman, Dholera Special Investment Regional Development Authority, Gandhinagar.
- ✓ (5) Chief Executive Officer, Dholera Special Investment Regional Development Authority, Gandhinagar.



- (6) Chief Executive Officer, Gujarat Infrastructure Development Board Gandhinagar.
- (7) Chief Town Planner, Gujarat Infrastructure Development Board Gandhinagar.
- (8) The Industries and Mines Department, New Sachivalaya, Gandhinagar.
- (9) The Revenue Department, New Sachivalaya, Gandhinagar.
- (10) Industries Commissioner, Gandhinagar.
- (11) The Collector, Ahmedabad. Dist. Ahmedabad
- (12) The District Development Officer Ahmedabad, Dist. Ahmedabad.
- (13) The Director of Information, Gandhinagar- with request to issue a suitable press notes.
- (14) The Manager, Government Central Press, Gandhinagar - With a request to publish the aforesaid notification in Part IV-B central Section, in the Gujarat Government Extra Ordinary Gazette of Dated..... and forward 10 printed copies of the same to this department. The Gujarati version of the Notification will be forwarded shortly to you by the Legislative and Parliamentary Affairs Department, Sachivalaya, Gandhinagar.
- (15) The Legislative and Parliamentary Affairs Department, Sachivalaya, Gandhinagar - with request to send Gujarati version of the said Notification directly to the Manager, Government Central Press, Gandhinagar for its publication in the official gazette urgently.

ધોલેરા સ્પેશ્યલ ઇન્વેસ્ટમેન્ટ  
રીજીયનલ ડેવલપમેન્ટ  
ઓથોરીટી, ગાંધીનગર.  
ઇન્વર્ડ નંબર... 6059  
તારીખ : 11/09/12  
સહી : *[Signature]*

CTP  
11.9  
Rohan M  
સુભાષ ચંદ્ર બોસ્  
સુભાષ ચંદ્ર બોસ્  
સુભાષ ચંદ્ર બોસ્  
સુભાષ ચંદ્ર બોસ્

## **Annexure-II**

**A map showing distribution Area**
















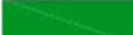
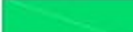
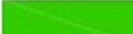








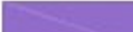
DHOLERA SPECIAL INVESTMENT REGIONAL DEVELOPMENT AUTHORITY, GANDHINAGAR

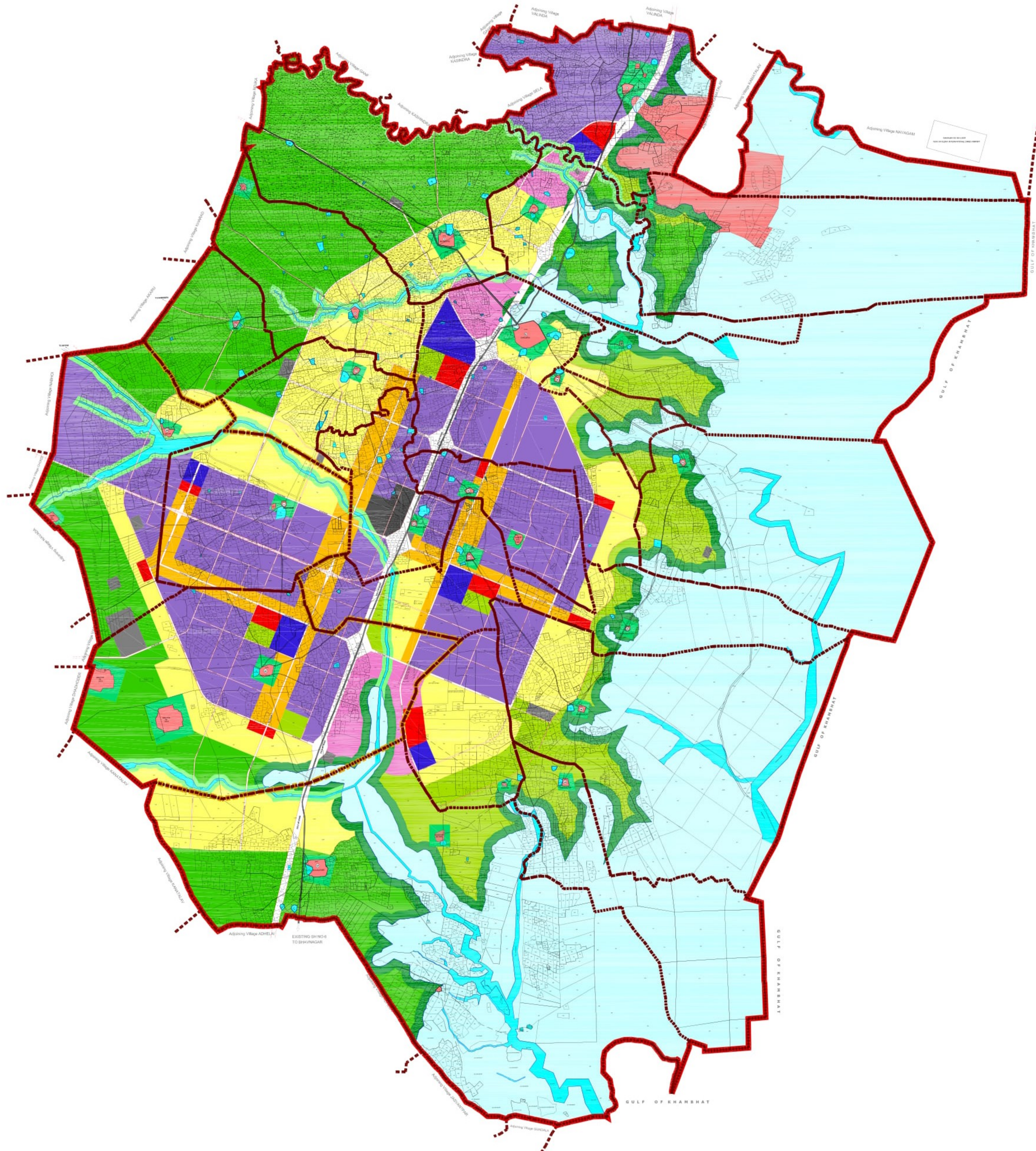
DRAFT DEVELOPMENT PLAN

PROPOSED LANDUSE PLAN : 2010-2040

SANCTIONED BY APEX AUTHORITY (GIDB)  
ON 10/09/2012 AND CAME INTO  
FORCE ON 10-09-2012

LEGEND

-  DSIRDA BOUNDARY
-  TALUKA BOUNDARY
-  VILLAGE BOUNDARY
-  GAMTAL
-  SURVEY NUMBER BOUNDARY
-  EXISTING STATE HIGHWAY
-  EXISTING ROADS
-  RIVER / CANAL
-  TALAV / LAKE
-  PROPOSED ROADS
-  COASTAL REGULATION ZONE
-  GREEN SPACE
-  RECREATION, SPORTS AND ENTERTAINMENT ZONE
-  TOURISM: RESORTS
-  VILLAGE BUFFER
-  AGRICULTURE
-  STRATEGIC INFRASTRUCTURE
-  CITY CENTRE
-  LOGISTICS
-  HIGH ACCESS CORRIDOR
-  RESIDENTIAL
-  SOLAR PARK
-  PUBLIC FACILITIES ZONE
-  KNOWLEDGE AND I.T.
-  INDUSTRIAL



NOT TO SCALE

DHOLERA SPECIAL INVESTMENT REGIONAL  
DEVELOPMENT AUTHORITY, GANDHINAGAR  
DSIRDA



**Annexure-III**  
**Certificate of Incorporation**



प्रारूप 1  
पंजीकरण प्रमाण-पत्र

कार्पोरेट पहचान संख्या : U45209GJ2007PTC051323

2007 - 2008

मैं एतदद्वारा सत्यापित करता हूँ कि मैसर्स

MPSEZ Utilities Private Limited

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अंतर्गत आज किया जाता है और यह कम्पनी प्राइवेट लिमिटेड है।

यह निगमन-पत्र आज दिनांक तेरह जुलाई दो हजार सात को मेरे हस्ताक्षर से अहमदाबाद में जारी किया जाता है।

Form 1  
Certificate of Incorporation

Corporate Identity Number : U45209GJ2007PTC051323

2007 - 2008

I hereby certify that MPSEZ Utilities Private Limited is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is private limited.

Given under my hand at Ahmedabad this Thirteenth day of July Two Thousand Seven.



(SHASHI RAU DARA)

ASST- कम्पनी रजिस्ट्रार / Registrar of Companies  
गुजरात, दादरा एवं नगर हवेली  
Gujarat, Dadra and Nagar Havelli

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

MPSEZ Utilities Private Limited  
Adani House., Nr. Mithakhali Six Roads, Navrangpura,  
Ahmedabad - 380009,  
Gujarat, INDIA

For, MPSEZ Utilities Pvt. Ltd.

Company Secretary

**Annexure-IV**

**Memorandum of Association and  
Articles of Association**

---

MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF

MPSEZ UTILITIES PRIVATE LIMITED

---

For, *MPSEZ Utilities Pvt. Ltd.*

  
Company Secretary



प्रारूप 1  
पंजीकरण प्रमाण-पत्र

कार्पोरेट पहचान संख्या : U45209GJ2007PTC051323

2007 - 2008

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

MPSEZ Utilities Private Limited

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अंतर्गत आज किया जाता है और यह कम्पनी प्राइवेट लिमिटेड है।

यह निगमन-पत्र आज दिनांक तेरह जुलाई दो हजार सात को मेरे हस्ताक्षर से अहमदाबाद में जारी किया जाता है।

Form 1  
Certificate of Incorporation

Corporate Identity Number : U45209GJ2007PTC051323

2007 - 2008

I hereby certify that MPSEZ Utilities Private Limited is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is private limited.

Given under my hand at Ahmedabad this Thirteenth day of July Two Thousand Seven.

(SHASHI RAJ DARA)

कम्पनी रजिस्ट्रार / Registrar of Companies

गुजरात, दादरा एवं नगर हवेली  
Gujarat, Dadra and Nagar Havelli

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

MPSEZ Utilities Private Limited  
Adani House,, Nr. Mithakhali Six Roads, Navrangpura,  
Ahmedabad - 380009,  
Gujarat, INDIA

For, MPSEZ Utilities Pvt. Ltd.

Company Secretary

**THE COMPANIES ACT, 1956**  
**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**MPSEZ UTILITIES PRIVATE LIMITED**

- I. The name of the Company is "MPSEZ Utilities Private Limited".
- II. The Registered Office of the Company will be situated in the "State of Gujarat".
- III. The object for which the Company is established are:
  - A. THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**
    1. To carry on the business of the planning, provision, operation, development, maintenance, improvement and extension of utility services of every description, including those relating to water supply, waste water management, solid waste management, effluent treatment, fire safety facilities, disaster related facilities, electrical power distribution, natural gas distribution, telecom services including internet, broadband, WI FI, cable television, bus transportation services, transportation infrastructure such as roads, bridges, flyovers, traffic islands, parking bays, freight stations, railway stations for railways, metro, monorail and other utilities services and to act as suppliers, developers, promoters of recreational, sporting and leisure services, facilities and activities, whether or not connected with the use of water or land associated with water.
    2. To carry on all or any of the businesses of running, operating, managing, supplying, servicing, repairing and generally dealing in Telecommunication systems, systems of other kinds for the conveyance by any means of sounds, visual images, signals; data processing, information retrieval systems, computers, computer programs, software, computer bureaux and database, services, facilities and equipment ancillary to, or for use in connection with, any of the same.

**B. THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS ARE:**

1. To carry on all or any of the businesses of inspectors, maintainers, repairers, reconditioners, cleaners, clearers, servicers, coaters, designers, developers, manufacturers, constructors, installers, layers, fitters, hirers, letters on hire, suppliers, distributors, importers and exporters of, and dealers in, mains, sewers, drains, pipes, pipelines, equipment ancillary to the operation or use of any of them, installations and facilities of all kinds, tools and machinery of every description, plumbing, engineering and other equipment, plant, components, accessories and supplies of every description.
2. To carry on business as a general commercial company.
3. To carry on all or any of the businesses of consultants, advisers and suppliers of management, personnel and training services, whether generally or in respect of one or more of the types of business or activity which the company has power to carry on, and to provide training and educational courses, instruction and materials, of every description, for employees of the company and for other persons.
4. To carry on all or any of the businesses of, and provide services associated with, plumbers, engineers (including, without limitation, water, sewerage, mechanical, gas, electrical, heating, ventilation, civil construction, chemical and telecommunications engineers), mechanics, technicians, geologists, draughts men, designers, surveyors, architects, builders, painters and decorators.
5. To carry on all or any of the businesses of developers of, and dealers in, property, real or personal, and interests and rights in such property, and of estate agents.
6. To carry on all or any of the businesses of nurserymen, gardeners, landscapers and funeral undertakers.
7. To provide and supply laboratory, scientific, biological, biochemical, technological, analytical and environmental services of all kinds.
8. To carry on business as inventors, researchers and developers, to conduct, promote and commission research and development in connection with the activities of the company and its subsidiaries, to establish and maintain research stations, laboratories, workshops, testing and proving grounds, facilities and establishments and installations and to exploit and turn to account the results of any research and development carried out by or for it.
9. To invent, design, develop, construct, manufacture, produce, erect, assemble, test, alter, install, maintain, repair, renovate, refurbish, recondition, utilize, operate, manage, purchase, sell, hire, hire out, import, export, supply and otherwise deal in all kinds of equipment, apparatus, plant, machinery, appliances, articles, furniture, things, accessories, components, fittings, tools, materials, substances, products, systems, computers, computer programs and software which are required or are likely to be required by the company for the purposes of, or in connection with, any of its businesses, or by other persons, or which in the opinion of the directors may be conveniently or advantageously dealt with by the company in connection or association with any of its objects or the objects of any of its subsidiaries.
10. To purchase, charter, lease, take or let on hire, operate, use, employ or turn to account, build, equip, service, repair, maintain, supply and deal in ships and vessels and craft of every description (including, without limitation, submersible craft), hovercraft, motor vehicles, aircraft, airships, railway locomotives, wagons, trucks and any means of transport and parts and accessories of all kinds for any of the same.

11. To enter into, carry on and participate in financial transactions and operations of all kinds, and to undertake, carry on and execute all kinds of financial, commercial, trading, trust, agency and other operations, including, without limitation, acting as agents for the collection, receipt or payment of money.
12. To establish, acquire, produce, transmit, broadcast, publish, print and reproduce in any form whatsoever (including, without prejudice to the generality of the foregoing, visual or audible form and forms capable of being used by, in, or in connection with, computers), and to buy, sell, supply and otherwise deal in brochures, manuals, journals, periodicals, magazines, newspapers, books, pictures, photographs, stationery and other documents, sound and visual recordings, tapes, films, and programmes for radio, television, cinema and other means of communication.
13. To carry on any other business or activity which the directors consider is, or may be capable of being carried on directly or indirectly for the benefit of the company.
14. To acquire by any means and hold and deal with any real or personal property or rights whatsoever and, without prejudice to the generality of the foregoing, to purchase, take on lease or in exchange, hire or otherwise acquire and hold any real property and any estate or interest in such property, including, without limitation and lands, buildings installations, structures, servitudes, easements, rights, privileges and concessions and to exploit and develop the same.
15. To subscribe for, underwrite, purchase or otherwise acquire, and to hold, and deal with, any shares, stocks, debentures, bonds, notes and other securities, obligations and other investments of any nature whatsoever and any options or rights in respect of them; and otherwise to invest and deal with the money and assets of the company.
16. To borrow or raise money or secure or discharge any debt or obligation (whether of the company or of any other person) in such manner as the company thinks fit and in particular (but without prejudice to the generality of the foregoing) by the creation or issue, upon such terms as to priority or otherwise as the company thinks fit, of securities of any kind or mortgages or charges (fixed or floating) founded or based upon all or any part of the undertaking, property, assets and rights (present and future) of the company, including its uncalled capital, or without any such security; and to receive money on deposit and advance payments with or without allowance of interest thereon.
17. To insure any property, asset, matter or interest and against any potential liability or loss of the company or of any other person and the life or health of any person for the benefit of the company.
18. To enter into and carry into effect any arrangement for partnership or joint working or joint venture in business or for the sharing of profits or for amalgamation with any other person.
19. To enter into any arrangements with any governments or authorities (national, municipal, local, international, or otherwise), or any corporations, companies, public bodies, or persons that may seem conducive to the company's objects or any of them, and to obtain from any such government, authority, corporation, company, body or person any charters, contracts, decrees, rights, privileges and concessions which the company may think desirable, and to carry out, exercise and comply with any such charters, contracts, decrees, rights, privileges and concessions.
20. To carry out the business of planning, provision, operation, maintenance, development, financing improvement, extension of urban transportation services including bus, sub urban trains metro, monorail, etc. subject to the prevalent laws, regulations and statute as applicable.



21. To undertake business of provision of customer services such as billing payment collection, compliant management etc.
22. To undertake such activities which may be required either by applicable law, rules, statute or regulations or otherwise, for the effective delivery of utility services covered under the main object of the company.
23. To generate electrical power by conventional, non-conventional methods including coal, gas lignite, oil, bio-mass, waste, thermal, solar, hyuel, geo-hydel, wind and tide waves.
24. To promote, own acquire, erect, construct, establish, maintain, improve, manage, operate, alter, carry on, control, take on hire/lease power plants, co-generation power plants, Energy conservation projects, power houses, transmission and distribution systems for generation, distribution, transmission and supply of electrical energy and buy, sell, supply, exchange, market, function as a license and deal in electrical power, energy to the State Electricity Board, State Government, Appropriate Authorities, licences, specific industrial units and other consumers for industrial, commercial, agricultural, household and any other purpose in India and elsewhere in any area to be specified by the State Electricity Boards and any other competent authority in accordance with the provisions of India Electricity Act, 1910 and/or Electricity (Supply) Act, 1948 or any statutory modifications or re-enactment thereof and rules made thereunder.
25. To establish captive power plants on a cooperative basis for a group of industrial and other consumers and supply power to the participants in the cooperative effort either directly or through the transmission lines of the State Electricity Boards or other authorities by entering into appropriate arrangements.
26. To acquire, build, construct, improve, develop, give or take in exchange or on lease, rent, hire, occupy, allow, control, maintain, operate, run, sell, dispose off, carry out or alter as may be necessary or convenient any leasehold or freehold lands, movable or immovable properties, including building, workshops, warehouses, stores, easement or other rights, machineries, plant work stock in trade, industrial colonies, conveniences to getherwith all modern amenities and facilities such as housing, schools, hospitals, water supply, sanitation, townships and other facilities or properties which may seem calculated directly or indirectly to advance the Company's objects and interest either in consideration of a gross sum of a rent charged in cash or services.
27. To apply for, purchase, acquire and protect, prolong and renew in any part of the world any patent rights d'invention, licences, protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend money in experimenting upon and testing and improving or seeking to improve any patents, inventions or rights which the Company may acquire or proposes to acquire.
28. To establish, provide maintain and conduct or subsidies research laboratories and experimental workshops for scientific and technical researches, experiments and tests of all kinds and devices and/or to sponsor or draw out programmes for promoting scientific, social, economic and educational research and development and assist in the execution and promotion of such programmes either directly or through an independent agency or in any other manner, directly or indirectly and to secure such approvals, exemptions and/or recognitions under the Income Tax Act, 1961 and any other law for the time being in force and to promote studies and researches both scientific and technical investigations, endowing or assisting laboratories, workshops libraries, lectures, meetings and conferences and by providing or contributing to the

award of scholarships, prizes, grants to students and generally to encourage, promote invention of any kind that may be considered useful to the Company.

29. To form, incorporate, promote, purchase, acquire, undertake or takeover, the whole or any part of the business, profession, goodwill, assets, properties (movable or immovable), contracts, agreements, rights, privileges, effects, obligations and liabilities of any person, firm, or company or companies carrying on all or any of or proposing to carry on or ceasing to carry on any business, profession or activities which the Company is authorised to carry on or the acquisition of all or any of the properties, rights and assets of any company or subject to the provisions of the Companies Act 1956 the control and management of the undertaking of the acquisitions of any other objects which in the opinion of the Company could or might directly or indirectly be beneficial or advantageous to the Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation or takeover or acquisition or in obtaining subscription of the placing of any shares, stock, bonds, debentures, obligations or securities of any such company or companies, subject to the provisions of the Companies Act, 1956.
30. To procure registration, incorporation or recognition of the company in any country, state or place and to establish and regulate agencies for the purpose of the Company's business and to apply or join in applying to any parliament, local government, municipal or other authority or body, Indian or foreign for any rights or privileges that may seem conducive to the Company's objects or any of them and to oppose any bills, proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interest.
31. To enter into partnership or any arrangement for sharing or pooling profits, amalgamations, union of interest, cooperation, joint venture, reciprocal concessions or to amalgamate with any person or company carrying in or engaged in or about to carry on or engaged in any business, undertaking or transactions which this Company is authorised to carry on or engaged in, any business, undertaking or transactions which may seem capable of being carried on or conducted, so as directly or indirectly, to benefit the Company.
32. To amalgamate, merge or absorb, with any other company or companies or to form, promote subsidiaries having object altogether or in part similar to those of this Company.
33. To manage, sell, dispose of, deal, let, mortgage, exchange, redeem, underlet grant leases, licences, easements or turn to account or deal with in any manner the whole of the undertaking or any properties (movable or immovable) assets, rights, and effects of the Company or any part thereof, on such terms and for such purposes and for such consideration as the company may think fit and in particular for shares, debentures, or securities of any other company having objects altogether or in part similar to those of the Company and in the event of winding up of the Company to distribute among the members in specie or kind any properties or assets of the Company or any proceeds of sale or disposal of any properties of the company, subject to the provisions of the Companies Act, 1956.
34. To enter into arrangements with any government or authorities municipal, local or any persons or company in India or abroad that may seem conducive to the objects of the Company or any of them and to apply for, secure, acquire, obtain from any such government, authority, persons or company, any rights, privileges, powers, authority, charters, contracts, licences, concessions, grants, decrees, rights which the Company may think desirable.

35. To pay all costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital and charges in connection therewith and to remunerate or make donations (by cash or other assets or to remunerate by allotment of fully or partly paid shares or by a call or option on shares, debentures, debenture-stocks of this or any other company or in any other manner, whether out of the company's capital or profits) or any person, firm, company or assisting to place or guaranteeing the subscription of shares, debentures, debentures-stock or other security of the company or in or about the formation or promotion of the company or for any other reason which the Company may think fit subject to the provisions of the Companies Act, 1956.
36. To promote or join in the promotion of any company or companies including subsidiary companies (wholly owned or partly owned) for the purpose of acquiring all or any of the properties, right and liabilities of the Company or for any other purposes which may seem directly or indirectly calculated to benefit to the Company and to underwrite shares and securities therein.
37. Subject to Section 58A of the Companies Act, 1956 and the rules framed thereunder and the directives issued by the Reserve Bank of India, to receive money or deposits or on loans or as grants and/or to invest, advance, deposit or lend money to any person, firm, association, society, company or corporation or any government or semi government agencies on interest and on such security as may seem expedient or without any security and in particular to members or customers and others having or likely to have dealing with the Company and to guarantee the performance of contracts by and such persons or companies.
38. Subject to Section 58A of the Companies Act, 1956 and the rules framed thereunder and the directives issued by the Reserve Bank of India, to borrow or raise money, or to receive or to take money on loan on interest from banks, financial institutions, government agencies, cooperative societies, persons, ~~companies~~, firms in such manner as the Company may think fit and in particular by the issue of debentures, debenture stock, perpetual including debentures or debenture stock converted into shares of this Company or perpetual annuities and security of any such money borrowed, raised or received, to mortgage, pledge, hypothecate, or charge the whole or any part of the properties (movable or immovable) assets or revenue of the Company present or future including its uncalled capital by special assignments or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may be deemed expedient and to purchase, redeem or pay off any such securities. The Company shall not carry on any banking or insurance business which may fall within the preview of Banking Regulation Act, 1949 or the Insurance Act, 1938, respectively.
39. To make, draw, accept, endorse, discount, execute, negotiate, assign and issue cheques, promissory notes, drafts, hundies, bonds, railway receipts, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
40. To guarantee the payment of money secured or unsecured by or payable under or in respect of any promissory notes, bonds, debenture stocks, contracts, mortgages, charges, obligations, instruments, and securities of any company or of authority, central, state, municipal, local or of any person whomsoever whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts of obligations.
41. To guarantee or become liable for the performance of the obligations and the payment of interest on any debentures or securities of any company, corporation or association or persons in which such guarantees may be considered beneficial or

advantageous, directly or indirectly to further the objects of the Company or the interest to the members.

42. Subject to the provisions of the Companies Act, 1956 to accumulate funds and to invest or deal in with and invest money belonging to the Company in any deposits, shares, stocks, debenture stocks, bonds, obligations or securities by original subscription in syndicates having similar objects and to tender, purchase, exchange and to subscribe for the same conditionally and to guarantee the subscription thereof and to exercise and enforce all the rights and powers conferred by or incidental to the ownership thereof.
43. To open and operate current, overdrafts, loan, cash credit or deposit or any other type of accounts with any banks, company, firm, association or person.
44. To establish, continue and support or aid in the establishment of cooperative societies, association and other institutions, funds, trusts, amenities and conveniences calculated to benefit or indemnify or insure employees or ex-employees of the Company or Directors or ex-Directors of the Company or the dependant or connections of such persons and at its discretion to construct, maintain, buildings, houses, dwelling or chawls or grant bonus pensions and allowance and to make payments towards insurance and to pay for charitable or benevolent objects, also to remunerate or make donations by cash or other assets or to remunerate by the allotment of shares credited as fully or partly for services rendered to be placing or assisting to place any shares in the Company's capital or any debentures, debenture stock or other securities of Company in or about the formation or promotion of the Company or the conduct of its business.
45. To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare or uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner.
46. To undertake, carry out, promote and sponsor or assist any activity for the promotion of any growth of national economy and for the discharging social and moral responsibilities of the Company to the public or any section of the public as also any activity to promote national welfare or social, economic and without prejudice to the generality of the foregoing undertake carry out, promote and sponsor any activity for publication of any books, literature, newspapers or for organizing lecture or seminars likely to advance these objects or for giving merit awards or scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institution, funds or trusts having any one of the aforesaid objects as one of its objects by giving donations and/or contributions, subsidies and/or grants or in any other manner.
47. To donate, gift, contribute, subscribe, promote, support or aid or assist or guarantee money to charitable, benevolent, religious, scientific, national public or to other institutions, funds or objects or for any public, general or other objects and to accept gifts, bequests, devices and donations from any firm, company or persons as may be thought appropriate or conducive to the interest of the Company.
48. To create any depreciation fund, reserve fund, sinking fund, insurance fund or any other special funds whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures redeemable preference shares or gratuity or pension or for any other purpose conducive to the interest of the Company.

49. Subject to Section 78 of the Companies Act, 1956, to place, reserve, distribute as dividend or bonus or to apply as the Company may from time to time determine any moneys received by way of premium on shares or debentures issued at a premium by the Company.
50. To engage, employ, train, either in India or elsewhere suspend, and dismiss any agents, managers, superintendents, assistants, clerks, coolies and other employees and to remunerate any such persons at such rate as shall be thought fit and to grant pensions or gratuities to any such person or to his widow or children and generally to provide for the welfare of employees.
51. To refer or agree to refer any claims, demands, disputes or any other question by or against Company or in which the Company is interested or concerned and whether between the Company and the member or members or his or their representative's or between the Company and third party to arbitration in India or at any place outside India and to observe, perform and to do all acts, deeds, matters and things to carry out or enforce the awards.
52. To use trademarks, trade names or brand names for the products and goods and adopt such means of making known the business and products in which the Company is dealing as may seem expedient and in particular by advertising on radio, television, newspapers, magazines, periodicals, by circulars, by opening stalls and exhibition, by publication of books and periodicals, by distributing samples and by granting prizes, rewards and awards.
53. To undertake the payment of all rent and the performance of all covenant's contracts, conditions and agreements contained in and reserved by any lease that may be granted or assigned or assigned to or acquired by the Company.
54. To become members of or to enter into any agreement with any institution, association or company carrying on or which may carry on research, and other scientific work of investigation in connection with any business of Company or other trades or industries allied therewith or ancillary thereto and to acquire shares in any such institutions, association or company and contribute towards the capital or funds, thereof.
55. To undertake and execute any trust which may benefit to the Company directly or indirectly.
56. To insure properties, assets, undertakings, contracts, guarantees, liabilities, risks or obligations of the Company of every nature and kind.
57. To receive donations, gift, contributions, subsidies, grants and other mode of receipts of money for the furtherance of the objects of the Company.
58. To invest the funds of the Company not immediately required in Government of Semi Government corporations, companies, firm.
59. To pay a share in the profit of the Company or commission to brokers, sub-agents, agents or any other company, firm or persons including the employees of the Company as may be thought fit for services rendered to the Company.
60. To employ experts, to investigate and examine into the conditions prospects, value, character and circumstances of any business concerns and undertaking and generally of any assets concessions, properties and or rights.
61. To open establish, maintain and to discontinue in India or overseas any offices, branch offices, regional offices, trade centres, exhibition centres, liaison offices, and to keep local or resident representative in any part of the world for the purpose of promoting

the business of the Company.

62. To enter into arrangement for technical collaboration and/or other form of agreement including capital participation with a foreign or Indian company for the purpose of manufacture, quality control and products improvements and for marketing of the products which the Company is empowered to manufacture and/or market and to pay or to receive for such technical assistance or collaborations, royalties or other fees in cash or by allotment of shares of the Company credited as-paid up or issue of debenture stock, subject to the provisions of laws for the time being in force.
63. To secure contract for supply of the products manufactured by the Company to Military, Civil and other departments of the Government or Semi Government bodies, corporations, public or private contractors, firm, persons and to recruit, trained persons including persons retired from defense, police, military and paramilitary forces, to employ detectives, to keep dogs dog handlers and other animals and to use different types of weapons.
64. To take part in the management supervision and control of the contracts, rights, turnkey jobs, operations or business of any company or undertaking to carry on.
65. To do all or any of the above things in India or in any part of the world as principals, agents, contractors or trustees and either alone or in conjunction with others.

**C. OTHER OBJECTS:**

1. To carry on the business of a holding company and to co-ordinate and regulate the activities and businesses of subsidiary and associated companies for the time being and the financing of the companies.
2. To acquire and hold either in the name of the company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes and other securities, obligations and other investments of any nature whatsoever issued, created or guaranteed by any company constituted or carrying on business in any part of the world or by any government, sovereign ruler, commissioners, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world.
3. To acquire any such shares, stocks, debentures, debenture stock, bonds, notes, securities, obligations and investments by original subscription, contract, tender, purchase, exchange, participation in syndicates or otherwise, and whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit.
4. To exercise and enforce all rights and powers conferred by or incidental to the ownership of any such shares, stocks, debentures, debenture stocks, bonds, notes, securities, obligations and investments.
5. To provide any form of capital for and take part in the formation, management, supervision or control of the business or operations of any company or undertaking and for such purposes to appoint and remunerate any directors, accountants or other experts, advisers or agents and to act as agents for and to manage supervise or control and provide services to the business, property or operations of any person, company or undertaking, or any property in which the company may be interested.
6. To carry on all or any of the businesses of suppliers, distributors, manufacturers, producers, processors, importers and exporters of, and dealers in, chemicals, pharmaceuticals, fertilisers, compost and foodstuffs.
7. To carry, on the business as manufacturers, producers, processors, buyers, sellers, importers, exporters and dealers in every kind and description of Food and Foodstuff

whether vegetarian or non-vegetarian milk, and milk products including cream, butter, ghee, cheese condensed milk, malter milk powder, skimmed milk, ice-cream, milk foods, canned foods, fish and fish preparation, meat and meat preparation and the foods made from any substances of animal and birds and the business of poultry farming.

8. To carry on the business of farming, Agriculture in its branches and to grow produce, manufacture, process, prepare, refine, extract, manipulate, hydrolize, buy, sell, market or deal in all kinds of Agricultural, horticultural, dairy, poultry and farm produces and products including foodgrains, cereals, seeds soyabeans, corn, corn oils, cash crops, plants, flowers, vegetables, edibles, oils, meat, fish, eggs, animal and human foods and food products.
9. To cultivate any plantation or other agricultural produces in all its branches and carry on the business as cultivators, buyers and dealers in vegetables, grains, vanaspaties and all other agricultural produces and to prepare, manufacture and render marketable any such produces and to sell, market, dispose off or deal in any such produces either in its prepared, manufactured or raw state and to purchase, hold, develop, cultivate any agricultural, barren land for the purpose herein mentioned.
10. To carry on the business as travel agents, buying agents, marketing agents, commission agents, advertising agents, clearing and forwarding agents, estate agents, carrying agent, insurance agent, brokers or representative of any company, corporation, firm or individual and to transact and to carry on all kinds of agency business.
11. To carry on the business of booksellers, publishers, stationers, printers, lithographers, stereotypers, electrotypers, photographic printers, photographers, chromolithoengravers, block makers, die-makers, envelop makers, book binders, type foundries.
12. To establish, maintain, conduct, provide and make available services as consultant, advisers of every kind including commercial, statistical, financial, accountancy, computer expert programmer, technical services for the purposes and to undertake for consideration on behalf of any client the work of examining, inspecting and carrying out tests on any products and to issue certificates in respect of such products.
13. To perform and undertake activities and carry on business pertaining to leasing, giving on hire or hire purchase, warehousing, factoring, providing financial assistance by means of leasing, giving on lease, hire or hire purchase ~~leasing~~, reselling or disposing off all forms of immovable and movable properties and assets including buildings, godown, warehouses and real estate or any kind, nature or user and all types of agricultural, industrial, office and other plants, equipments and machineries including heavy or medium agricultural, industrial machinery, computers, electronic data processors tabulators, air-conditioners, medical equipment, domestic equipments or appliances or any system or products whether industrial or consumer and all types of automobiles, vehicles and ships.
14. To carry on the business as photographers, manufacturers, dealers and designers in playing, visiting, railways, festives, complementary and fancy cards, tickets, stamps and parchments.
15. To carry on the business of storing of goods, articles, food stuffs, commodities of all kinds in refrigerators, ice chambers, deep freeze, cold storage of warehouses and for the purpose to construct, purchase, hire take on hire, take on lease, develop warehouses, premises, buildings or units in refrigerators ice-chambers, deep freeze, cold units.

16. To carry on the business of textile engineers and manufacturers and dealers in textile machinery and to manufacture, produce, repair, alter, convert, recondition, resale, hire, import, export, market, let on hire, trade and deal in spares, plant, accessories, fittings, engineering goods, rolling stock, hardware required for textile industries.
17. To carry on business as manufacturers, buyers, sellers, dealers, distributors, stockists, importers, exporters, resellers, clearing agents, transporters, processors in all kinds of cement including ordinary, white, coloured, portland, lime cement and cement products of all kinds including pipe fittings, poles, roofs, bricks, prefabricated walls, blocks, tiles, covers, asbestos sheets and by products and joint products thereof.
18. To carry on the business as manufacturers, buyers, sellers, dealers, distributors, stockists, importers, exporters, resellers, transporters, clearing agents, processors of lime, bauxite, gypsum, asbestos, limestones, bricks, fixing materials, sand, plasters, jute bags, paper bags, gunny bags, HDPE/PP woven bags, plastic bags, pottenes, earthenwares, sanitary wares, refractories, ceramicwares and products thereof.
19. To carry on in India or elsewhere the business of mining, gaurries and to prospect for, search for, find, get, work, process, crush, smelt, manufacture, refine, blend, clean, convert, store, transport, buy, sell, import, export, distribute, market and deal in mineral oil of all kinds, mineral gases of all kinds, mineral of all kinds, fuel of all kinds, their by-products, derivatives, mixtures, semifinished products and ores.
20. To manufacture, buy, sell, exchange, alter, improve, import, export, market or deal in all kinds of cables, wires, bars and conductor including insulated cables and wires, cable type sheathed wires, PVC cables and wires, flexible cables and wires, flexible cords, cotton or silk braided cable and wires, conduct wires and cables, low and high tension power cables, telegraph and telephone cables, low and high tension paper, rubber or bitumen insulated lead covered power cables, armoured or un-armoured extra high tension shielded or belted cables, long distance cables, signal ling cables, copper conductors, aluminum conductors, Copper bars, aluminum bus bars and their accessories.
21. To manufacture buy, sell, distribute, import, export, market and deal in welding electrodes, welding machines, gases of all kinds, welding fluxes, gas-cylinders of all types and sizes, power batteries and cells, torches, cooking range and other domestic appliances.
22. To carry on business as timber merchants and timber growers and to buy, sell, grow, process, prepare for, market, manipulate, import export, market and deal in timber and woods of all kinds and to manufacture and deal in wooden articles such as furniture fixtures, toys, wooden packing cases, domestic appliances, agricultural implements, windows, doors, articles required for construction work, wooden plants and machineries, houses, Carriages, sport equipments, chairs, stage materials, exhibition materials, coaches, vehicle bodies and to buy, clear, work, develop and deal in timber estates.
23. To carry on in India or elsewhere, the business of producing, processing, manufacturing, formulating, using, selling, acquiring, storing, refining, packing, marketing, transporting, distributing, importing, exporting and dealing in every kind and description of fertilizers, manures, chemicals, organic or inorganic chemicals, flouro chemicals, heavy chemicals, fine chemicals, speciality chemicals, acids, alkalis, agrochemicals, industrial chemicals, laboratory chemicals, fatty acids, cellulose derivatives, furfural and its derivatives, starch derivatives, nitrates, flouroides, sulphates, sulpher salts, tanins, chemical auxiliaries, disinfectants, PVC compound, fibre glass, all kinds of gums and gums derivatives, carbon black, caustic soda, soda ash, conductive polymers, triopolymers, cellulose polymers, ethyl cellulose, hydroxy



ethyl cellulose, nitro cellulose, carboxy methycellulose and its salts, micro crystalline cellulose powers, heavy waters, radio isotopes, nuclear reactors and atoms.

24. To carry on the business as manufacturers, purchasers, sellers, processors, refiners, exporters, importers and dealers in every kind or description of gases including oxygen, hydrogen, nitrogen argon, acetylene and its compounds, by-products, joint products, ancillary products and its derivatives.
25. To carry on in India or elsewhere the business of producing, processing, converting, manufacturing, formulating, factoring, using, buying, acquiring, storing, refining, packaging, selling, marketing, transporting, distributing, importing, exporting and dealing in all kinds and description of petro-chemical petroleum products, its by products, joint products, ancillary products and derivatives thereof whether in liquid, solid, flake or gaseous form.
26. To carry on in India or elsewhere the business of processing, converting, producing, manufacturing, using, buying, acquiring, storing, packing, selling, marketing, transporting, importing, exporting and disposing off all types and description of drugs, intermediates, synthetic drug, medicines, vitamins, antibiotics, basic drugs, pharmaceuticals, biological products, foodstuffs for human and animal use, gelative capsules, sugar, agro- chemicals, pesticides, fungicides, germicides, insecticides, weedicides, colours, acids, varnishes, paints, synthetic resins, plasticizers, cosmetics, powders creams, preparation for the teeth, toilet requisites, detergents, surface active agents, cleaning agents, soaps, glasses, pottery, terracotta,- artificial stones, cokes, explosives, photographic materials and industrial chemicals.
27. To carry on the business of investment company and to buy, underwrite, invest in and acquire and hold shares, stocks, debenture stocks, bonds, obligations and securities issued or guaranteed by and company, firm, person, government, local authority or institution whether in India or elsewhere and to deal in with and turn to account the same.
28. To provide package of investment services by acting as managers to the public issue of shares, debentures, debenture bonds, securities by underwriting and to act a brokers, issue houses, portfolio management and investment in various avenues like shares, debentures, fixed deposit, securities, saving certificates and to pass on the benefits of portfolio investments to the investors as dividends, bonus, interest.
29. To carry on business as manufacturers, buyers, sellers, dealers, distributors, exporters, importers, hirers, stockists, surveyors, velures, agents, clearing agents, processors, assemblers, repairers, erection and commissioning of agricultural implements, equipments and machineries of all types and sizes either power driven on hand operated including harvesters, thrashers, winnowers, cultivators, seeds and fertilizer drillers, sprinklers, dairy machines, elevating machines, conveying machines, transmission machines, incubators, sprayers, hullers hand industrial blowers, drilling machines, oil engines, kerosene engines, petrol engines, internal combustion engines and their raw materials, components, semifinished goods, accessories and spareparts.
30. To carry on the business as manufacturers and dealers in all types of electrical, electronic, mechanical, micro processor based, electo-mechanical computerised equipments including X-ray machines, ultra sound machines, scanners ECG machines, echo cardiographic machines, electro surgical instruments and digital instruments required for medical surgical operations, hospitals, dispensaries, medical centre, research laboratories, institutions, educational institutions, scientific and other institutions, educational institutions, scientific and other institutions or organisations or companies.

31. To carry on the business as electroplaters, nicklplaters, chromium platers, metalsprayers, oxidisers, anodisers and metalplaters, general painters, varnishers, lacquerers, enamellers, polishers, welders braziers, gliders, goldsmiths, silversmiths, watchmakers and jewellers.
32. To carry on the business as manufacturer and dealers in metal wares, glass wares, leather-wares, research equipments and appliances.
33. To carry on in India or elsewhere the business of manufacturing, producing, processing, crimping, twisting, texturising, blending, mixing, purchasing, selling, importing, exporting, marketing and dealing in all kinds natural and man made fibres, fibre yarns, fibre cords, cotton yarns, polyster staple fibres, jute, wool, silk, core, art silk, nylon fibres, staple fibres, fabrics, plastic fabrics, synthetic and other fibrous materials, cloths, dressing materials, furnishing materials, handicrafts, khadi uniforms, readymade garments, apparels, carpets, carpet banking, blankets, padding, knitted goods, decorative materials, woven bags, hosiery, gloves, sewing threads, ropes, covers and packing materials.
34. To set up, operate, fabricate, market and deal in steel furnace, steel rolling mills, steel rolling plant and to re-roll mild, low, medium, high carbon and alloy steel and alloy, cold, rolled and hot rolled strips, refine alloy and manufacture ingors, skeiped billets of special steels and alloy steels and to act as steels makers, steel converters and to manufacture metallurgical products in all forms and to carry on business of setting up of ministeel plants and ship breaking units.
35. To manufacture, produce, trade, export, import, market and deal in rerolled sections of all sizes and specifications of ferrous and non ferrous including angles, bars, flats, plates, rods, rounds, octagons, hexagons, joint channels, strips, plates and cold twisted bars and other structurers, steel extruded sections, forgings and to manufacture and deal in household goods made up of any metals and to manufacture and deal in steel and aluminium furniture and foils manufactured form alluminium and other ferrous and non-ferrous metal.
36. To carry on the business of manufacturers, fabricators, exporters of and dealers in wrought iron, pig iron, copper, brass, alluminium and other metals, metal alloys and scrap metals, skull scrap and metallic residue and mineral substances or compounds or products of any kind or description whatever.
37. To carry on India or elsewhere the business of designing, engineering, fabricating, manufacturing, assembling, marketing, importing, exporting, selling, purchasing, leasing, distributing, supplying ortrunkey basis or servicing, maintaining, erecting and commissioning repairing and dealing in earth moving machineries, road making and construction machineries including paver plants, road rollers, mixer machine and weight lifting machineries including chainpully blocks, graded chains, mobile crane, overhead cranes, fork lift, passenger lift, elevators, vibrators, hydraulic jacks, excavators, air compressor, reduction gears, speed reducers, fire fighting equipments and plants, machinery and structures required for refining, processing, testing, storing, converting and transporting of all types of mineral oils their by-products, joint products and ancillary products.
38. To carry on in India or elsewhere the business as manufacturers, producers, fabricators, processors, buyers, sellers, assemblers, importers, exporters and dealers in electrical, electronic or electro-mechanical or mechanical equipments, appliances, machineries, their components, accessories, spare parts and systems required for industrial, agricultural, domestic or other purposes including all types of meters, measuring instruments, testing instruments, calibrating instruments, protection,

auxiliary and other relays, sonic or ultra sonic equipments, radars, computer, minicomputers, data processors equipments, micro processor based equipments, microwave equipments control system or equipments required for atomic reactors and space applications control systems, audio visual communication equipments, image and document production equipments, broadcasting and cinematographic equipments, testroom equipments, scientific instruments, medical and surgical equipments, oscilloscopes, electric motors of all types electric furnaces, cremation furnaces, instrument transformers, current transformers potential transformers, power line carrier communication equipments, switches, switch and control boards, control panels, time switch, radio control switches, circuit breaker of all types, switch gears and control gears, procelain insulators, boosters, rectifier, low and high voltage transformers, vacuum gauges, television sets, tape recorders, video games, receiver sets, amplifiers, audio systems, calculators, electronic components including capacitors, transistors, electric and electro-mechanical parts, printed circuit boards, diodes, resistors, indicators, transformers, ferritss tubes, television tubes, picture tubes incandecent lamp miniature lamps and tubes, integrated circuits, thyristors lamination sheets stamping, all types of insulating materials, fuses, floppy disc, magnetic tapes, magnetic disc, record players, changers, zip fasteners, watches water filters valves pressure vessels and guages, heat exchangers, dehumidiflers and corrosion control equipments arms and ammunition required for defence.

39. To carry on the business as transporters, couriers of every kind and description of goods, materials, luggages, merchandise, animals or passengers, boxes, covers, cards, papers and valuable article from place to place either by air or by land or river or sea or partly by sea or river and partly by land or air and for the purpose own, hire, take on rent, given on rent, sell, purchase, market and deal in motor vehicles, aeroplanes, animal drawn vehicles, car, ship, steamer, truck, buses, minibuses and to carry on the business of general carrier railway and forwarding agents, clearing agents, warehousment, storekeepers, bonded caremen and common caremen and for the purpose to won, hire, lease, take on rent, give on rent any buildings, warehouse or other facilities and to operate, establish own and maintain garages, service stations, workshops, terminal freight point and to store, repair, rent and lease motors, buses, automobiles or other vehicles.
40. To carry on the business of designing, engineering, fabricating, manufacturing, assembling, marketing, importing, exporting, selling, purchasing, leasing, distributing, supplying on trunkey basis or servicing, maintaining, erecting and commissioning, repairing and dealing in all kind, description of industrial plants, petro-chemical plants, cement plants including rotary kilns and fluxo packers fertilizer plants, chemical vessels, sugar plants, edible and non-edible oil extraction plants, pulp and paper manufacturing plants, polution control equipments, crystalliser plants, bottling plants, drying plants, power plants, coal and material handling plants, dairy plants, plastic processing machinery, cement machinery, beverage machinery, air conditioning and refrigeration plants and their machineries, components, accessories, ancillary equipments, instruments and appliances.
41. To carry on the business as manufacturers, buyers, purchasers, sellers, processors, producers, importers, exporters, researchers, developers, consultants, advisors and dealers in every kind and description of ceramics, ceramic products, technical alumina, alumina products, their raw materials, by-products, joint products, auxiliary products and allied products including alumina, titania and ceramic, textile thread guides, alumina ceramic seals, alumina nozzles, alumina and zircon granules, industrial grade ceramic wool, ceramic deburring and grinding media, ceramic coating, ceramic cutting tools, oxide ceramics of boron-nitril, titania alumina and zircon based ceramics, assorted alumina products and potteries.

42. To carry on the business of extracting, refining, processing, blending, dealing, purchasing, selling, edible or non-edible oils, rasa, rasayana, fats, basic substances, elements or ingredients from all types of oil seeds, cash crops, seed, food grains, cereals, nuts, cakes, agricultural produces, vegetables, leaves, roots, flowers, herbs, plants, shrubs and trees and for the purpose to run or carry on extraction plants, processing or refining plants and all other allied activities and to deal in purchase, sell, export, import, or market such resultant products or produces and their derivatives, by-products, joint products, finished products, raw materials or semi-processes materials.
43. To carry on the business as buyers, exchangers, importers, exporters, assemblers, distributors, repairers or dealers in all the accessories, raw materials, spare parts and components required for the purpose of the business of the Company.
44. To manufacture, fabricate, assemble, buy, sell, market, let on hire, import, export, repair, maintain and deal in all kinds and description of automobile, whether propelled or assisted by means of petrol, spirit, gas, mineral, oil, electricity, animal, atomic or anykind of fuel or power or energy including autocyclus, motorcycles, scooters, mopeds, scooter rater, motor cars, auto rickshaws, trucks, tractors, delivery vans, tankers, lorries, buses, minibuses, metador, tempo, motor boats, motor launches or other vehicles and their spareparts, components, accessories and ancillary equipments, including automotive equipments, axles, hydraulic jacks, airbrake equipments, suspension units, pressed steel cabs, beating, piston rings, crank shafts, truck bodies, tyres and tubes.
45. To carry on the business as manufacturer, fabricator, assembler, processor, finisher, repairer, buyer, seller, importer, let on hire purchase and dealers in any kind of machine, tools, including drilling boring and tapping machines, milling machines, lathe machines, grinding machines, gear cutting and gear grinding machines and tools for metal cutting and metal working hammer, and forging machines, welding machines and equipments, welding electrodes, press, sheet, metal shaping machines and equipments, wire working and converting machines, weighing machines and weights, printing machines, cutting machines, wood working machines, sewing machine and machine tools of all types, sizes and description.
46. To undertake, carry on, act as or take up business as consultants in civil engineering, mechanical engineering, electrical engineering, electronic engineering, architect, structural engineering and contractors for any national and international agency whether private, public, government, railways, ports, defence, corporation, company, syndicate, association of persons, trusts and also to provide technical consultancy services in concrete, R.C.C. and pre-stressed concrete products, ancilliaries, plants and machineries and appliances for R & D work.
47. To manufacture, buy, import, export, sell, distribute, process, mould, bond, fabricate cement concrete, R.C.C. pre-stressed concrete products, like pipes, poles, overhead masts, slippers, tiles, structure and slabs.
48. To carry on the business in India and elsewhere as manufacturers, producers, buyers, sellers, dealers, traders, suppliers, exporters, importers, factors, agents, consignors, consignees, distributors, advertisers, marketing agents, stockists, suppliers of any brand and of all classes, kinds and types of galies, detergent, cakes, toilet soaps, laundry soaps, marine soaps, industrial soaps, detergent powder, detergent liquid, clearing powder, washing powder, neel, whitener, slury, benzyne, washing materials, toilets requisites and preparation.
49. To carry on business of running nurshing homes, clinics, pharmacies, indoor, or outdoor hospitals, medical, anatomical, orthopaedic, surgical and TXU Ray units, laboratories research establishments, nature cure centers and hospitals for eye, throat and nose deceases and to acquire land, buildings, plants, equipments, accessories,

instruments, gadgets, furniture and fittings and other facilities for treatment and nursing of patients of various types of disease ailments, sickness, illness and other body or mental troubles and to act as consultant in any and all branches of medical sciences.

50. To carry on in India or elsewhere the business to establish, form, promote, manage, organise, handle, sponsor, operate, supervise or to float an asset management company to manage all sorts of assets of mutual funds through a duly constituted trust under the Indian Trust Act in all its branches whether open ended, close ended, or other schemes as may be approved by Securities & Exchange Board of India or other authorities from time to time under prevailing laws, rules and guidelines, and to change such management and advisory fees and incidental expenses from mutual funds floated by its and to do all such acts and things necessary for the attainment of forgoing objects.
51. To organise and effect exports from India or such goods and commodities as are manufactured, produced or otherwise available in the State of Gujarat and elsewhere in the Country and to import into the Country such goods and commodities as the Company may from time to time determine.
52. To undertake or direct the constructions and the maintenance of and to acquire by purchase, lease, exchange, hire on otherwise and or property, building and estate of any tenure of any interest therein, to sell, lease, let mortgage of otherwise dispose of the same and to purchase and sell for any person free hold or lease hold land, house, property, building, offices, factories, workshops, godowns, farm houses, farms or any share/interests therein and to carry on the business of land estate agent on commission on commission or otherwise without commission.
53. To carry on the business of and act as promoters, organisers and developers of land, estate, properties, cooperative housing schemes, shopping-office complexes, township, farms, farm houses, holiday resorts, hotels, motels and to finance with or without security for the same and to deal with and improve such properties either as owner or as agents.
54. To undertake and carry on the business of shippers, ship owners, ship-breakers, shipping agents, ship managers, tug owners, loading brokers, freight contractors, barge owners, lightment, dredgers and forwarding agents, engineers, ship store merchants, ship husbands, stevedores, salvors, ship builders and ship repairers, ship breaking yards, and to carry on business of breaking cutting, dismantling of ship, steamers, trailers, steam launches, ocean going vessels playing on water either by company itself or through other arrangements whether on contract or job work basis.
55. To carry on in India or elsewhere the business of managing public issues of shares and securities in all its branches and to act as advisor, broker, sub-broker, remiser, market maker, representative, investor, underwriter, sub-underwriter, merchant banker, manager to issue, co-manager to issue, portfolio managers, consultants, share transfer agents, registers of shares, advertising and publicity agents, printers or other intermediaries of capital market and to sale, purchase, exchange, subscribe, acquire, undertake and hold all types of shares, securities, stocks and bonds, including all types of shares, securities, stocks and bonds, including equity shares, preference shares, cumulative convertible preference shares, fully convertible debentures, partly convertible debentures, non-convertible debentures, debenture stocks, warrants, premium notes and other similar instruments whether issued in India or in any foreign country.
56. To apply for and become in India or abroad member of any Stock Exchange, Securities and Exchange Board of India. Over the Country Trading and exchange of India, National Stock Exchange and any other similar authority, body or institution as may be

established from time to time by public, government, financial institutions or any other person or group of persons and to do all incidental acts and things necessary for the attainment of foregoing objects.

57. To carry on in India or elsewhere the business to act as consultant, advisor, representative, advocate, signatories, attorneys, liaisoner, agent, serviceman, middleman, arbitrator, conciliator, auctioneer, liquidator, secretary and solicitor in all its branches such as legal commercial, industrial, manufacturing, production, engineering, personnel, marketing, advertising, publicity, sales promotion, public welfare, corporate management, business management, company law, taxation, investment, portfolio management, agriculture, animal husbandry, poultry, fisheries, power generation, energy savings, insurance, banking, loan syndication, import and exports, research and development, software developments, computer applications, equity control, technical knowhow, geology and mining, medicine and surgery, merchant banking, underwriting, secretarial services, financial management, construction, transport and on other similar subjects and to make evaluations, feasibility studies, techno economic feasibility studies, project reports, forecasts, surveys and rehabilitation packages and for the purpose to run, establish, maintain, provide, operate, manage, supervise, arrange and take on hire all necessary services, facilities, conveniences, equipments etc. and to supply trunk projects in all industries, utilities, commercial and welfare fields and to do all incidental acts and things necessary for the attainment of foregoing objects.
58. To carry on in India or elsewhere the business in all its branches of managing public issue and to act as broker, agent, sub-broker, underwriter, lead manager, co-manager, consultant, advisor, share transfer agent, register of share, advertising and publicity agent, printer, portfolio manager, merchant banker, odd lot dealer or other intermediaries and to buy, sell, exchange, adjust, subscribe, acquire, undertake, hold, invest or otherwise deal in all kinds of shares, securities, stocks, bonds, fully convertible debentures, partly convertible debentures, non convertible debentures, warrants, premium notes and other similar instruments as may be prevailing from time to time.
59. To apply for and become member in India or elsewhere of any stock exchange, national stock exchange securities and exchange board of India (SEBI) Over the Counter Trading and Exchange of India (OCTEI) and any other similar institution, authority, body or association and to do all such incidental acts and things necessary for the attainment of foregoing objects.
60. To carry on in India or elsewhere the business to manufacture, produce, process, prepare, commercialize, cut, polish, set, design, display, exchange, examine, finish, grind, grade, assort, import, export, buy, sell, resale, demonstrate, market and to act as agent, broker, indenter, liaisoner, adatia, representative, C & F agents, export house, valuer, sale promoter, supplier, provider, merchant, stockists, distributor, wholesaler, retailer or otherwise to deal in all shapes, sizes, varieties, description, specifications, applications and designs of rough, raw, cut, uncut, polished or processed, natural and man made precious semiprecious and natural stones such as diamonds, ruby, pearls, gemstones, blue sapphires, cat's eye stone, coral, topaz, opal, zircon, tourmaline, jade, spinal ruby, acquamarine, turquoise, peidot, agate, garnet, corundum, amethyst, malachite, citrine, alexendrite, smoky quartz, lapis lazuli, rock crystal, onyx, moon stone, jasper, blood stone, gold stone, bismuth, jet, diopside, tiger eye, sunstone, spinal, jews stone, load stone, sardonex, touch stone, amber and their ornaments, jewelleryes, articles, goods, or things, made in the combination of gold, silver, platinum, or other metals, and alloys thereof and for the purpose to act as goldsmith, silversmith, jewellers, gem merchant, electroplaters, polishers, purifiers, and to do all incidental acts.

IV. The Liability of the Members is Limited.

V. The Authorised Capital of the Company is Rs. 13,15,00,000 (Rupees Thirteen Crores Fifteen Lacs only) divided into 1,31,50,000 (One Crore Thirty One Lacs Fifty Thousand) Equity shares of Rs. 10/-each.

We, the several persons, whose names, addresses and description are hereunder subscribed, are desirous of being formed into a Company in pursuance of this Memoranda of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names,

Sr. No.	Name of Subscribers Address, description and occupation	No. of equity shares taken by each Subscriber	Name, Address, description and Signature of Witness
1	<p>For and on behalf of M/s Mundra Port And Special Economic Zone Limited having its registered office at Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad - 380009 through its authorised person vide Board Resolution passed on 27<sup>th</sup> June 2007.</p> <p>Mrs. Dipti Y. Shah W/o Mr. Yogesh N. Shah residing at 601, Shailraj Tower, Nehru Park, Vastrapur, Ahmedabad - 380 015</p> <p>Occupation : Service Sd/-</p>	<p>9900 (Nine Thousand Nine Hundred only)</p>	<p>Common witness for all subscribers Kamlesh P. Bhagia S/o Prabhudas V. Bhagia K-11 Gangaram Flat, Dharamnagar, Sabarmati, Ahmedabad - 380 005. Company Secretary (Service) ACS No. 19198 Sd/-</p>
2	<p>For and on behalf of Rajesh S. Adani S/o Shantilal B. Adani residing at 15 Suryaja Bungalow, Behind Sunrise Park, Near Amaltas Bungalow, Vastrapur, Ahmedabad - 380 054 through his Power of Attorney holder vide Special Power of Attorney dated July 12, 2007</p> <p>Mrs. Dipti Y. Shah W/o Mr. Yogesh N. Shah residing at 601, Shailraj Tower, Nehru Park, Vastrapur, Ahmedabad - 380 015</p> <p>Occupation : Service Sd/-</p>	<p>100 (One Hundred only)</p>	
<b>Total</b>		<p><b>10,000</b> <b>(Ten Thousand)</b></p>	

Place: Ahmedabad

Dated: 12<sup>th</sup> July, 2007



THE COMPANIES ACT, 2013  
[COMPANY LIMITED BY SHARES]

ARTICLES OF ASSOCIATION

OF

**MPSEZ UTILITIES PRIVATE LIMITED**  
(Incorporated under the Companies Act, 1956)

The following regulations comprised in these Articles of Association were adopted pursuant to the members' resolution passed at the Annual General Meeting of the company held on 8<sup>th</sup> August, 2014 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

**PRELIMINARY AND INTERPRETATION**

1. [1] The Regulations contained in Table "F" in Schedule I of the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

[2] (a) The marginal notes used in these Articles shall not affect the construction thereof.

(b) In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context

"Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the Companies Act 1956, so far as may be applicable.

"Articles" means these articles of association of the Company or as altered from time to time.

"Board of Directors" or "Board" means collective body of Directors of the Company.

"Company" means "MPSEZ UTILITIES PRIVATE LIMITED".

"Depository" means and includes a Company as defined in the Depositories Act 1996.

**"Rules"** means the applicable rule for the time being in force as prescribed in relevant sections of the Act.

**"Seal"** means Common Seal of the Company.

**"Secretarial Standards"** means standards provided by the Institute of Companies Secretaries of India.

**"Securities"** means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act 1956.

- (c) Words importing the masculine gender also include, where the context requires or admits, the feminine and neuter gender.
- (d) Words importing the singular number also include, where the context requires or admits, the plural number and vice-versa.
- (e) Unless the context otherwise requires, words or expression contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.

#### **PRIVATE COMPANY**

- 2. The Company is Private Company Limited by Shares within the meaning of Section 2(68) of the Act, and accordingly,
  - [a] restricts the right to transfer its shares, in the manner and to the extent as hereinafter provided.
  - [b] limits the number of its members to 200 [Two Hundred] but not including :
    - (i) persons who are in the employment of the Company.
    - (ii) persons who having been formerly in the employment of the Company were members of the Company while in that employment and have continued to be the members after the employment ceased; provided that where two or more persons hold one or more shares in the Company jointly, they shall, for the purpose of this Article, be treated as a single member.
  - [c] prohibits any invitation to the public to subscribe for any securities of the Company.
  - [d] The Company is having paid up capital of Rs. 1,00,000/- [Rupees One Lac Only] or higher amount as may be provided.

#### **SHARE CAPITAL AND VARIATION OF RIGHTS**

- 3. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at par or at a premium or at consideration otherwise than in cash and at such time as they may from time to time think fit. The Company may issue equity with voting rights and/or with differential rights as to dividend, voting or otherwise in accordance with the Rules and preference shares.

4. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue provide,-
  - (a) one certificate for all his shares without payment of any charges; or
  - (b) several certificates, each for one or more of his shares, upon payment of such sum as may be prescribed for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
5. Every holder of or subscriber to Securities of the Company shall have the option to receive security certificates or to hold the Securities with a depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any Securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.
6. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of indemnity or such other documents as may be prescribed by the Board, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.
- (ii) The provisions of the foregoing article relating to issue of certificates shall mutatis mutandis apply to debentures or other securities of the company.
7. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
8. (i) The company may exercise the powers of paying commissions conferred under the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required under the Act and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under the Act.

- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
9. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply.
10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
11. Subject to the provisions of the Act, any preference shares may be issued on the terms that they are to be redeemed or converted into equity shares on such terms and in such manner as the company before the issue of the shares may, determine.
12. The Board or the Company as the case may be, may, by way of right issue or preferential offer or private placement or any other manner, subject to and in accordance with Act and the Rules, issue further securities to:
- (a) persons who, at the date of the offer, are holders of equity shares of the Company. Such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of other person or;
  - (b) employees under the employees' stock option or;
  - (c) any person whether or not those persons include the persons referred to in clause (a) or clause (b) above.

#### LIEN

13. (i) The company shall have a first and paramount lien –
- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:
- Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

14. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made-

- (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
15. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
16. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other Securities including debentures of the Company.

#### CALLS ON SHARES

17. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
  - (iii) A call may be revoked or postponed at the discretion of the Board.
18. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

19. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
20. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
21. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
22. The Board -
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### TRANSFER OF SHARES

23. Save as hereinafter provided no share shall be transferred to a person who is not a member of Company so long as any Member or any person selected by the Directors as one whom it is desirable in the interest of the Company to admit to membership is willing to purchase the same at the fair value.
24. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
25. The Board may, subject to the right of appeal conferred by the Act decline to register -
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.

26. The Board may decline to recognize any instrument of transfer unless -
- (a) the instrument of transfer is in the form as prescribed in rules made under the Act;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
27. On giving not less than seven days' previous notice in accordance with the Act and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
- Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
28. The provision of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

#### TRANSMISSION OF SHARES

29. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
30. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either -
- (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
31. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

32. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

33. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the company and the company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the company, but the company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit.

#### FOREFEITURE OF SHARES

34. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

35. The notice aforesaid shall -

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

36. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.



37. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
38. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
39. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
40. The provisions of these regulations as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time; whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### ALTERATION OF CAPITAL

41. Subject to provisions of the Act the company may, from time to time, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
42. Subject to the provisions of the Act, the company may, from time to time -
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

43. Where shares are converted into stock,-
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.
44. The company may, subject to provisions of the Act, reduce in any manner and with, and subject to, any incident authorised and consent required by law,-
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.
  - (d) any other reserve in the nature of share capital

#### CAPITALISATION OF PROFITS

45. (i) The company in general meeting may, upon the recommendation of the Board, resolve -
- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards -
- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
  - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
46. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall -
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) —The Board shall have power -
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

#### **BUY-BACK OF SHARES**

47. Notwithstanding anything contained in these articles but subject to the provisions of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **GENERAL MEETINGS**

48. All General Meetings other than Annual General Meeting shall be called Extra ordinary General Meeting.
49. The Board may, whenever it thinks fit, call an Extra ordinary General Meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

50. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in the Act.
- 51. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- 52. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- 53. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
- 54. On any business at any general meeting in the case of an equality of votes, whether on a show of hands, electronically or on a poll, the Chairman of the meeting shall have second or casting vote.

#### **ADJOURNMENT OF MEETING**

- 55. (i) The Chairperson may, suo motu and, in the absence of quorum shall adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **VOTING RIGHTS**

- 56. Subject to any rights or restrictions for the time being attached to any class or classes of shares,-
  - (a) on a show of hands, every member present in person shall have one vote; and
  - (b) on a poll or through voting by electronic means, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- 57. A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.
- 58. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

59. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll or through voting by electronic means, by his nominee or other legal guardian, and any such nominee or guardian may, on a poll, vote by proxy.
60. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
61. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
62. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### PROXY

63. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for taking of the poll; and in default the instrument of proxy shall not be treated as valid.
64. An instrument appointing a proxy shall be in the form as prescribed in the rules made under the Act.
65. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

— Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### BOARD OF DIRECTORS

66. (i) Until otherwise determined by a General Meeting of the Company and subject to the provisions of the Act, the number of Directors shall not be less than three nor more than fifteen.
- (ii) The first Directors of the Company are:
1. Ameet H. Desai
  2. Malay Mahadevia
67. Subject to provisions of the Act, the Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.

68. The same individual may, at the same time, be appointed as Chairman as well as Managing Director or Chief Executive Officer of the Company.
69. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them -
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.
70. The company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of under the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.
71. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
72. Every director present at any meeting of the Board or of a committee thereof shall sign against his name in a book to be kept for that purpose.
73. (i) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an Additional Director, provided the number of the Directors and Additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next Annual General Meeting of the company but shall be eligible for appointment by the company as a Director at that meeting subject to the provisions of the Act.
74. (i) The Board may appoint an Alternate Director to act for a Director (herein after in this Article called "the Original Director") during his absence for a period not less than three months from India. No person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.
- (ii) An Alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when Original Director returns to India.
- (iii) If the term of office of the Original Director is determined before he return to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not the Alternate Director.
75. (i) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual

vacancy may, be filled by the Board of Directors at a meeting of the Board.

- (ii) The Director so appointed shall hold office only upto the date till which the Director in whose place he is appointed would have held office if it had not been vacated.

#### **NOMINEE DIRECTOR**

76. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys shall be owing by the Company to the any financial institutions, corporations, banks or such other financing entities, or so long as any of the aforesaid banks, financial institutions or such other financing entities hold any shares/debentures in the Company as a result of subscription or so long as any guarantee given by any of the aforesaid financial institutions or such other financing entities in respect of any financial obligation or commitment of the Company remains outstanding, then in that event any of the said financial institutions or such other financing entities shall, subject to an agreement in that behalf between it and the Company, have a right but not an obligation, to appoint one or more persons as Director(s) on the Board of Director as their nominee on the Board of Company. The aforesaid financial institutions or such other financing entities may at any time and from time to time remove the Nominee Director appointed by it and may in the event of such removal and also in case of the Nominee Director ceasing to hold office for any reason whatsoever including resignation or death, appoint other or others to fill up the vacancy. Such appointment or removal shall be made in writing by the relevant corporation and shall be delivered to the Company and the Company shall have no power to remove the Nominee Director from office. Each such Nominee Director shall be entitled to attend all General Meetings, Board Meetings and meetings of the Committee of which he is a member and he and the financial institutions or such other financing entities appointing him shall also be entitled to receive notice of all such meetings.

#### **MANAGEMENT UNDER GENERAL CONTROL OF DIRECTORS**

77. (i) The general control, management and supervision of the Company shall vest in the Board and the Board may exercise all such powers and do all such acts and things as the Company is by its Memorandum of Association or otherwise authorised except as are required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act, and of these presents and to any regulations not being inconsistent with these presents from time to time made by the Company in General Meeting, provided that no such regulation shall invalidate any prior acts of the Directors which would have been valid if such regulation had not been made.
- (ii) Subject to the provisions of the Act, the Director may borrow, raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they may think fit and in particular by the issue of bonds, perpetual or redeemable, debenture or debenture-stock or any mortgage or charge or other security on the undertaking of the whole of any part of the property of the Company (both present and future) including its uncalled capital for the time being.
  - (iii) Subject to the provisions of the Act, the Company may enter into any contract, arrangement or agreement in which a Director or Directors of the Company are, in any manner, interested.

- (iv) A Director, Managing Director, officer or employee of the Company may be or become a Director, of any company promoted by the Company or in which it may be interested as a vendor, member or otherwise, and no such Director shall be accountable for any benefits received as Director or member of such company except to the extent and under the circumstances as may be provided in the Act.
- (v) If the Directors or any of them or any other person, shall become personally liable for the payment of sum primarily due from the Company, the Board may subject to the provisions of the Act execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.
- (vi) A Director may resign from his office upon giving notice in writing to the Company.

#### PROCEEDINGS OF THE BOARD

- 78. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A Director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 79. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote.
- 80. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 81. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- 82. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 83. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.



84. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
85. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
86. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, whether manually or electronically, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **MANAGING DIRECTORS**

87. (i) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time any of its members as Managing Director or Managing Directors and/or Whole Time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions, including liability to retire by rotation, as the Board thinks fit, and the Board may by resolution vest in such Managing Director or Managing Directors/Whole Time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be way of monthly remuneration and/ or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.
- (ii) The Directors may whenever they appoint more than one Managing Director, designate one or more of them as "Joint Managing Director" or "Joint Managing Directors" or "Deputy Managing Directors" as the case may be.
- (iii) Subject to the provisions of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in the General Meeting and of the Central Government, if required.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

88. Subject to the provisions of the Act, -
- (i) A Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

- (ii) A Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a Director and Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, Chief Executive officer, Manager, Company secretary or Chief Financial Officer.

#### THE SEAL

- 89. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one Director or of the Manager or secretary or such other person as the Board or Committee may appoint for the purpose; and the Director or Manager or Secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in his /her presence.

#### DIVIDENDS AND RESERVE

90. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board, but the Company in a general meeting may declare a lesser dividend.

91. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares as appear to it to be justified by the profits of the company.

92. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

93. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in

respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

94. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
95. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (iii) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for any payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.
96. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
97. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act. —
98. The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.
99. No dividend shall bear interest against the company. —

#### ACCOUNTS

100. (i) The books of accounts and books and papers of the Company, or any of them, shall be open to the inspection of Directors in accordance with the applicable provisions of the Act and the Rules.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### WINDING UP

101. Subject to the applicable provisions of the Act and rules made thereunder-
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act,

divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **INDEMNITY**

102. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

#### **GENERAL POWER**

103. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is authorised by its Articles, then in that case this Article authorises and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

We, the several persons, whose names, addresses and description are hereunder subscribed, are desirous of being formed into a Company in pursuance of this Articles of Association and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names,

Sr. No.	Name of Subscribers Address, description and occupation	No. of equity shares taken by each Subscriber	Name, Address, description and Signature of Witness
1	<p>For and on behalf of M/s Mundra Port And Special Economic Zone Limited having its registered office at Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad - 380009 through its authorised person vide Board Resolution passed on 27<sup>th</sup> June 2007.</p> <p>Mrs. Dipti Y. Shah W/o Mr. Yogesh N. Shah residing at 601, Shailraj Tower, Nehru Park, Vastrapur, Ahmedabad – 380 015</p> <p>Occupation : Service Sd/-</p>	<p>9900 (Nine Thousand Nine Hundred only)</p>	<p>Common witness for all subscribers Kamlesh P. Bhagia S/o Prabhudas V. Bhagia K-11 Gangaram Flat, Dharamnagar, Sabarmati, Ahmedabad – 380 005, Company Secretary (Service) ACS No. 19198 Sd/-</p>
2	<p>For and on behalf of Rajesh S. Adani S/o Shantilal B. Adani residing at 15 Suryaja Bungalow, Behind Sunrise Park, Near Amaltas Bungalow, Vastrapur, Ahmedabad – 380 054 through his Power of Attorney holder vide Special Power of Attorney dated July 12, 2007</p> <p>Mrs. Dipti Y. Shah W/o Mr. Yogesh N. Shah residing at 601, Shailraj Tower, Nehru Park, Vastrapur, Ahmedabad – 380 015</p> <p>Occupation : Service Sd/-</p>	<p>100 (One Hundred only)</p>	
<b>Total</b>		<b>10,000 (Ten Thousand)</b>	

Place: Ahmedabad

Dated: 12<sup>th</sup> July, 2007

## **Annexure-V**

# **Board Resolution of the company - MUPL**



**EXTRACT OF MINUTES OF MEETING OF BOARD OF DIRECTORS OF MPSEZ UTILITIES PRIVATE LIMITED HELD ON 11<sup>TH</sup> JANUARY, 2018 AT THE REGISTERED OFFICE OF THE COMPANY**

"RESOLVED THAT the Company do make petition before Gujarat Electricity Regulatory Commission (GERC) for grant of distribution license in Dholera Special Investment Region (DSIR)"

"RESOLVED FURTHER THAT Mr. Vneet S Jaain or Mr. Kandarp Patel or Mr. Vipul Shah or Mr. Mehul Rupera or Mr. Nirav Shah, Authorised Signatories of the Company be and are hereby severally authorized to make petition before GERC and to sign, execute, file and institute all applications, affidavits, complaints, petitions, suits, appeals, written statements, rejoinders and such other documents and to do all necessary acts, deeds and things as may be required for obtaining the distribution license of DSIR."

**Certified True Copy  
For MPSEZ Utilities Private Limited**

**Paresh Patel  
Company Secretary**



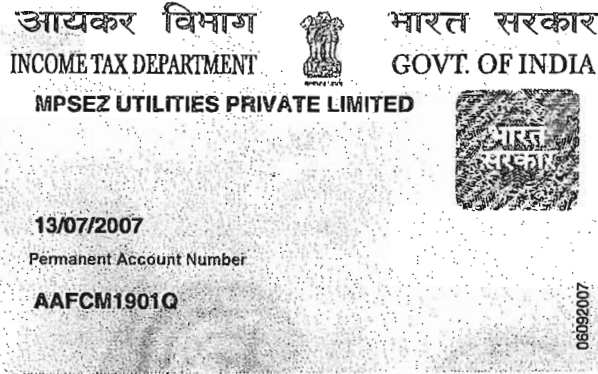
**Annexure-VI**  
**Details of Income Tax Registration**



# INCOME TAX PAN SERVICES UNIT

(Managed by National Securities Depository Limited)

1st Floor, Times Tower, Kamala Mills Compound, S. B. Marg,  
Lower Parel, Mumbai - 400 013.



The Income Tax Department takes pleasure in informing that the PAN allotted to you is:

**AAFCM1901Q**

and the PAN card is enclosed herewith. Further, for filing the return of income, please contact:

**ITO WARD 4(4) AHMEDABAD**

Quoting of PAN on return of income and challans for payment of taxes is necessary to ensure accurate **credit of taxes paid by you and faster processing of** return of income. Moreover, quoting PAN on all other communications with the department will help to improve taxpayer services.

We may inform that it is **mandatory to quote PAN** in several transactions specified under the Income Tax Act, 1961. For further details of such transactions, reference is invited to rule 114B of the Income Tax Rules, 1962 read with section 139A of the Income Tax Act, 1961.

In the unlikely event of **more than one PAN being allotted**, this fact should be brought to the notice of your Assessing Officer, as **possessing or using more than one PAN is against law** and may attract **penalty of upto Rs. 10,000/-**.

Any errors in the data printed on your PAN Card may be brought to the notice of IT PAN Services Unit at the address given above and on the reverse of the PAN Card.

Income Tax Department

PKG ID: PRC / 00310 / 05092007\_02 / FFL



GUJ / 104 / 300104007115461111 / 10708901

MPSEZ UTILITIES PRIVATE LIMITED

MPSEZ UTILITIES PRIVATE LIMITED,  
ADANI HOUSE,  
NR MITHAKHALI SIX ROADS, NAVRANGPURA, AHMEDABAD,  
GUJARAT - 380009  
TEL. NO. : 79 - 26565555

For, *MPSEZ Utilities Pvt. Ltd.*

*Pbe*  
Company Secretary

(This being a computer-generated letter, no signatures are required)

## **Annexure-VII**

**Draft Licence (As prescribed in  
Schedule II of GERC regulation No  
4 of 2005)**

**GUJARAT ELECTRICITY REGULATORY COMMISSION**  
**GANDHINAGAR**  
**DISTRIBUTION LICENCE**

1. The Gujarat Electricity Regulatory Commission (hereinafter referred to as "the Commission"), in exercise of the powers conferred under Section 14 of the Electricity Act, 2003 and Section 20 of the Gujarat Electricity Industry (Reorganisation and Regulation) Act, 2003 (hereinafter referred to as "the Acts"), hereby grants this licence to M/s MPSEZ Utilities Pvt Ltd. (hereinafter referred to as the licensee) to distribute electricity in the area of distribution as specified below, subject to the provisions made in the Acts, the rules, general conditions of Distribution Licence specified under the Gujarat Electricity Regulatory Commission (Distribution Licence) Regulations, 2005 and other Regulations specified by the Commission (herein after referred to as "Regulations"), including statutory amendments, alterations, modifications, re-enactments thereof, which shall be read as part and parcel of this licence.

2. Area of Distribution

The area of Distribution shall be the whole of the area of Dholera Special Investment Region bounded as follows:

North – By Bavaliari Creek

East – By Gulf of Khambhat

South – By Sonaria Creek

West – By the Western Boundaries of Villages (Kadipur, Bhadiyad, Gorasu, Cher, Sodhi, Hebatpur, Bavaliyari)

3. This licence is not transferable, except in accordance with the provisions of the Acts, the Rules and the Regulations.

3. (1) The licensee shall not without prior approval of the Commission—

(a) undertake any transaction to acquire by purchase or take over or otherwise, the utility of any other licensee; or

(b) Merge its utility with utility of any other licensee;

(2) The licensee shall not at any time assign its licence, or transfer its utility, or any part thereof, by sale, lease, exchange or otherwise without the prior approval of the Commission

(3) Any agreement relating to any transaction referred to in sub-clause (1) and sub-clause (2) unless made with the approval of the Commission, shall be void.

4. The grant of this licence to the licensee shall not in any way hinder or restrict the right of the Commission to grant a licence to any other person within the same area for Distribution of electricity. The licensee shall not claim any exclusivity.
5. This licence shall commence on the date of its issue and unless revoked earlier, shall continue to be in force for a period of 25 (twenty five) years.
6. The licensee may with prior intimation to the Commission, engage in any business for optimum utilisation of its assets.

Provided that the licensee shall not engage in the business of transmission of electricity.

7. The licensee shall pay license fee as specified by the Commission.
8. The provisions contained in the Acts shall apply to the licensee with regard to revocation of licence and sale of his utility.

**Sd/-**

**SECRETARY  
GUJARAT ELECTRICITY REGULATORY COMMISSION**

**Annexure-VIII**  
**Annual Report of MUPL**

**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

**INDEPENDENT AUDITORS' REPORT**

The Members of  
**MPSEZ UTILITIES PRIVATE LIMITED.**

**Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **MPSEZ UTILITIES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flow and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

**Management's Responsibility for the standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

*For, MPSEZ Utilities Pvt. Ltd.*

*Pbs*  
Company Secretary



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

**Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the Auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Other Matter:**

The comparative Financial information of the Company for the year ended on 31<sup>st</sup> March, 2016 and the transition date opening balance sheet as at 1<sup>st</sup> April, 2015 included in these standalone financial statements are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated 22<sup>nd</sup> April, 2016 and 25<sup>th</sup> April, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind As have been audited by us.

**Report on Other Legal and Regulatory Requirements**

1. As required by 'the Companies (Auditors' Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure A" a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.





**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

2. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and 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 law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls refer to our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, In our opinion and to the best of our information and according to the explanations given to us:

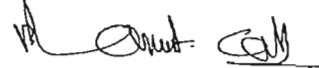


**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

- i) The Company does not have pending litigations which would impact its financial position.
- ii) The Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv) The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

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



**BHARAT A. SHAH**  
**PARTNER**

Membership Number: 30167

Place : Ahmedabad.  
Date : 29<sup>th</sup> April, 2017



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

**"Annexure A" to the Independent Auditors' Report of even date on the Ind AS Financial Statements of MPSEZ UTILITIES PRIVATE LIMITED.**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Ind AS financial statements of the Company for the year ended March 31, 2017:

1. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) According to the information and explanations given to us and the lease deeds and other records produced before us, we report that the lease deed in respect of the of land that have been taken on lease and disclosed as fixed assets in the financial statements is in the company's name.
2. The company is engaged in distribution of power. Therefore, the provisions of clause (ii) of the paragraph 3 of the Order are not applicable to the company.
3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirements of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Sub-section (1) of Section 148 of the Act applicable in respect of power transmission & distribution activity undertaken by the Company and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. In respect of statutory dues:
  - a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2017 for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess on account of any dispute, which have not been deposited.
8. Based on our audit procedures and on the basis of information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institution, bank and debenture holders.
9. In our opinion and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained other than temporary deployment pending application. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under review.
10. Based upon the audit procedures performed and as per the information and explanations given to us, we report that, no fraud on or by the Company has been noticed or reported during the year.



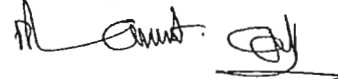
**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

11. The company has not paid or provided for any managerial remuneration and therefore, the provisions of Clause (xi) of paragraph 3 of the Order are not applicable to the Company.
12. In our opinion, Company is not a *Nidhi* company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
13. According to the information and explanations given to us, all the transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with them and covered under Section 192 of the Act. Hence, clause (xv) of paragraph 3 of the Order is not applicable to the Company.
16. To the best of our knowledge and as explained, the Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For SHAH & SHAH ASSOCIATES**

Chartered Accountants  
Firm Regn. No. 113742W



**BHARAT A. SHAH**

PARTNER

Membership Number: 30167

Place : Ahmedabad.  
Date : 29<sup>th</sup> April, 2017



**"Annexure B" to the Independent Auditors' Report**  
**(Referred to in our report of even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3**  
**of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **MPSEZ UTILITIES PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

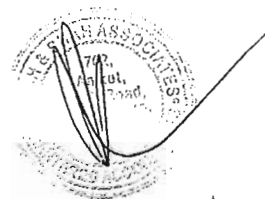
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**


702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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



**BHARAT A. SHAH**  
**PARTNER**

Membership Number: 30167

Place : Ahmedabad.  
Date : 29<sup>th</sup> April, 2017



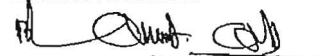


MPSEZ Utilities Private Limited  
Balance Sheet as at March 31, 2017

Particulars	Notes	Amt in ₹		
		As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	4	38,58,26,595	51,69,83,917	54,96,74,648
Capital work-in-progress	4	15,28,16,104	3,04,22,008	2,74,89,923
Other financial assets	8	3,960	27,935	25,544
Other non-current assets	9	14,26,45,870	13,94,25,527	10,06,99,141
		<b>68,12,92,529</b>	<b>68,68,59,387</b>	<b>67,78,89,256</b>
<b>Current assets</b>				
Inventories	10	11,59,432	22,72,594	8,88,722
<b>Financial assets</b>				
Investments	5	38,13,233	8,50,84,192	-
Trade receivables	6	1,57,67,042	62,02,920	93,743
Cash and Cash Equivalents	11	5,18,195	9,44,213	2,99,42,561
Bank balance other than cash and cash equivalents	12	30,550	-	2,26,08,592
Loans	7	40,00,000	-	-
Other current financial assets	8	7,68,066	10,39,122	16,95,989
Other current assets	9	11,04,85,598	10,76,53,128	9,91,86,448
		<b>13,65,42,116</b>	<b>20,31,96,169</b>	<b>15,44,16,055</b>
<b>Total assets</b>		<b>81,78,34,645</b>	<b>89,00,55,556</b>	<b>83,23,05,311</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Equity share capital	13	13,13,50,000	13,13,50,000	13,13,50,000
<b>Other equity</b>				
Share premium	14	39,37,50,000	39,37,50,000	39,37,50,000
Retained earnings		13,24,33,130	12,04,44,454	16,22,52,289
<b>Total equity</b>		<b>65,75,33,130</b>	<b>64,55,44,454</b>	<b>68,73,52,289</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	15	1,80,00,000	30,00,000	51,64,282
Other financial liabilities	16	2,46,76,774	3,23,42,947	3,39,23,086
Net employee defined benefit liabilities	17	14,48,200	20,56,617	14,45,958
Deferred tax liabilities (net)	18	3,19,15,593	3,94,24,191	-
		<b>7,60,40,567</b>	<b>7,68,23,755</b>	<b>4,05,33,326</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Trade payables	20	4,80,34,688	12,84,06,415	8,82,03,636
Other current financial liabilities	16	3,13,08,438	2,91,23,047	76,46,382
Other current liabilities	19	46,54,589	97,94,680	80,24,462
Net employee defined benefit liabilities	17	2,63,233	3,63,205	5,45,216
		<b>8,42,60,948</b>	<b>16,76,87,347</b>	<b>10,44,19,696</b>
<b>Total liabilities</b>		<b>16,03,01,515</b>	<b>24,45,11,102</b>	<b>14,49,53,022</b>
<b>Total equity and liabilities</b>		<b>81,78,34,645</b>	<b>89,00,55,556</b>	<b>83,23,05,311</b>
<b>Summary of Significant accounting policies</b>	2.1			

The accompanying notes form an integral part of financials statements  
As per our report of even date

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



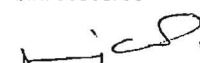
BHARAT A. SHAH  
Partner  
Membership No. 30167



For and on behalf of Board of Directors of  
MPSEZ Utilities Private Limited

  
Amit Uplenchwar  
Managing Director  
DIN: 06862760

  
Mukesh Saxena  
Director  
DIN: 07337179

  
Manoj Chanduka  
Chief Financial Officer

  
Paresh Patel  
Company Secretary

Place: Ahmedabad  
Date: April 29, 2017

Place: Ahmedabad  
Date: April 29, 2017



MPSEZ Utilities Private Limited  
Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Notes	March 31, 2017	March 31, 2016
Amt in ₹			
<b>INCOME</b>			
Rendering of services	21	1,21,48,02,193	1,19,90,27,500
Other income	22	68,15,264	50,43,526
<b>Total income</b>		<b>1,22,16,17,457</b>	<b>1,20,40,71,026</b>
<b>EXPENSES</b>			
Operating expenses	23	1,10,06,52,109	1,07,88,55,810
Employee benefits expense	24	2,48,20,567	2,60,02,455
Depreciation and amortization expense	4	3,33,77,072	3,60,78,966
Finance costs	25	20,65,128	37,14,174
Other expenses	26	5,55,02,676	6,24,04,832
<b>Total expense</b>		<b>1,21,64,17,552</b>	<b>1,20,70,56,237</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>51,99,905</b>	<b>(29,85,211)</b>
Exceptional items		-	-
<b>Profit/(loss) before tax</b>		<b>51,99,905</b>	<b>(29,85,211)</b>
<b>Tax expense:</b>	27		
Current Tax		12,48,817	-
Adjustment of tax relating to earlier periods		-	(4,38,931)
Deferred Tax		(76,91,671)	3,94,24,191
<b>Income tax expense</b>		<b>(64,42,854)</b>	<b>3,89,85,260</b>
<b>Profit/(Loss) for the year</b>		<b>1,16,42,759</b>	<b>(4,19,70,471)</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>			
Re-measurement gains (losses) on defined benefit plans		5,28,990	1,62,635
Income Tax effect	27	(1,83,073)	-
		<b>3,45,917</b>	<b>1,62,635</b>
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>			
		-	-
<b>Other comprehensive Income for the year</b>		<b>3,45,917</b>	<b>1,62,635</b>
<b>Total comprehensive Income for the year</b>		<b>1,19,88,676</b>	<b>(4,18,07,836)</b>
<b>Basic and diluted earnings per equity shares (in ₹) face value of ₹ 10 each</b>	31	<b>0.89</b>	<b>(3.20)</b>
<b>Summary of Significant accounting policies</b>	2.1		

The accompanying notes form an integral part of financials statements  
As per our report of even date

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

BHARAT A. SHAH  
Partner  
Membership No. 30167



For and on behalf of Board of Directors of  
MPSEZ Utilities Private Limited

Amit Uplenchwar  
Managing Director  
DIN: 06862760

Mukesh Saxena  
Director  
DIN: 07337179

Manoj Chanduka  
Chief Financial Officer

Paresh Patel  
Company Secretary

Place: Ahmedabad  
Date: April 29, 2017

Place: Ahmedabad  
Date: April 29, 2017



MPSEZ Utilities Private Limited  
Statement of Cash Flows for the year ended March 31, 2017

Particulars	Amt in ₹	
	March 31, 2017	March 31, 2016
Cash flow from operating activities		
Profit/(Loss) before tax as per statement of profit and loss	51,99,905	(29,85,211)
Adjustments for:		
Excess provision written back	-	(6,08,905)
Depreciation and amortisation	3,33,77,072	3,60,78,966
Interest income	(2,615)	(13,30,595)
Income from dividend	(22,242)	(1,22,625)
Net (gain)/loss on sale of current investments	(62,93,292)	(27,73,825)
Interest expense	4,49,898	10,98,741
<b>Operating profit before working capital changes</b>	<b>3,27,08,726</b>	<b>2,93,56,546</b>
Movements in working capital :		
(Increase)/ Decrease in trade receivables	(95,64,122)	(61,09,177)
(Increase)/ Decrease in inventories	11,13,162	(13,83,872)
(Increase)/ Decrease in financial assets	3,48,762	2,88,701
(Increase)/ Decrease in other assets	(28,32,470)	(84,66,680)
Increase/ (Decrease) in trade payables	(8,03,71,727)	4,02,02,779
Increase/ (Decrease) in other liabilities	(53,19,490)	29,70,406
Increase/ (Decrease) in financial liabilities	(1,39,66,314)	1,86,74,351
Cash generated from operations	(7,78,83,473)	7,55,33,054
Direct taxes paid (net)	(28,48,504)	(2,87,455)
<b>Net cash flow/ (used in) from operating activities (A)</b>	<b>(8,07,31,977)</b>	<b>7,52,45,599</b>
Cash flows from investing activities		
Purchase of Property plant & equipment (including capital work in progress and capital advances)	(1,70,71,241)	(4,22,28,541)
Intercompany deposit given	(40,00,000)	-
Interest received/ (Paid)	(79,051)	16,98,761
(Purchase)/sale of investment in Mutual Fund (net)	8,75,64,251	(8,23,10,367)
Income from dividend	22,242	1,22,625
Deposit/realisation of margin money	(2,615)	2,26,06,201
<b>Net cash inflow from/ (used in) Investing activities (B)</b>	<b>6,64,33,586</b>	<b>(10,01,11,321)</b>
Cash flows from financing activities		
Repayment of long-term borrowings	(10,00,000)	(11,35,718)
Proceeds from inter corporate deposit (including short-term)	7,22,00,000	60,623
Repayment of inter corporate deposit (including short-term)	(5,62,00,000)	(12,24,905)
Interest paid	(1,27,627)	(18,32,626)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>1,38,72,373</b>	<b>(41,32,626)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents (A + B + C)</b>	<b>(4,26,018)</b>	<b>(2,89,98,348)</b>
Cash & cash equivalents at the beginning of the year	9,44,213	2,99,42,561
<b>Cash &amp; cash equivalents at the end of the year (Refer note-11)</b>	<b>5,18,195</b>	<b>9,44,213</b>

Notes:

Component of Cash and Cash equivalents

Cash on hand

Balances with scheduled bank

On current accounts

Total cash and cash equivalents

5,18,195

9,44,213

5,18,195

9,44,213

Margin money deposits (restricted Cash)

30,550

Summary of significant accounting policies 2.1

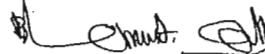
The accompanying note are an integral part of the financial statements

Note:

The Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 or Statement of Cash Flows issued by the Institute of Chartered Accountants of India.

As per our report of even date

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



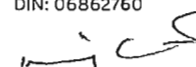
BHARAT A. SHAH  
Partner  
Membership No. 30167



For and on behalf of Board of Directors of  
MPSEZ Utilities Private Limited

  
Amit Uplenchwar  
Managing Director  
DIN: 06862760

  
Mukesh Saxena  
Director  
DIN: 07337179

  
Manoj Chanduka  
Chief Financial Officer

  
Paresh Patel  
Company Secretary

Place: Ahmedabad  
Date: April 29, 2017

Place: Ahmedabad  
Date: April 29, 2017



**MPSEZ Utilities Private Limited**  
Statement of Changes In Equity for the year ended March 31, 2016

Particulars	Equity Share Capital	Other Equity		Total
		Share Premium	Reserves and Surplus Retained Earning	
Balance as on April 01, 2015	13,13,50,000	39,37,50,000	16,22,52,289	68,73,52,289
Profit for the year	-	-	(4,19,70,471)	(4,19,70,471)
Other Comprehensive Income	-	-	1,62,636	1,62,636
<b>Total Comprehensive Income for the year</b>	-	-	<b>(4,18,07,835)</b>	<b>(4,18,07,835)</b>
Balance as on March 31, 2016	13,13,50,000	39,37,50,000	12,04,44,454	64,55,44,454

**Statement of Changes In Equity for the year ended March 31, 2017**

Particulars	Equity Share Capital	Other Equity		Total
		Share Premium	Reserves and Surplus Retained Earning	
Balance as on April 01, 2016	13,13,50,000	39,37,50,000	12,04,44,454	64,55,44,454
Profit for the year	-	-	1,16,42,759	1,16,42,759
Other Comprehensive Income	-	-	3,45,917	3,45,917
<b>Total Comprehensive Income for the year</b>	-	-	<b>1,19,88,676</b>	<b>1,19,88,676</b>
Balance as on March 31, 2017	13,13,50,000	39,37,50,000	13,24,33,130	65,75,33,130

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

*(Signature)*

**BHARAT A. SHAH**  
Partner  
Membership No. 30167



For and on behalf of Board of Directors of  
MPSEZ Utilities Private Limited

*(Signature)*

**Amit Upenchwar**  
Managing Director  
DIN: 06862760

*(Signature)*

**Ankesh Saxena**  
Director  
DIN: 07337179

*(Signature)*

**Manoj Chanduka**  
Chief Financial Officer

*(Signature)*

**Paresh Patel**  
Company Secretary



Place: Ahmedabad  
Date: April 29, 2017

Place: Ahmedabad  
Date: April 29, 2017

## MPSEZ Utilities Private Limited

### Notes to Financials statements for the year ended March 31, 2017

#### 1 Corporate Information

MPSEZ Utilities Private Limited (MUPL) is 100% Subsidiary company of Adani Ports and Special Economic Zone Limited (APSEZL) and a Co-developer to provide infrastructure facilities in Mundra Special Economic Zone. The main objective of the company is to provide facility of distribution of electricity, effluent & sewage in Mundra SEZ area, Kutch, Gujarat.

#### 2 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2017 are the first the Company has prepared in accordance with Ind AS. Refer to note 3.1 for information on how the Company adopted Ind AS.

The Financial Statements have been prepared on the historical cost basis, except for certain financial instruments (including derivative instruments) which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

#### 2.1 Summary of significant accounting policies

##### a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

##### b) Inventories

###### Stores and Spares:

- Valued at lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost of stores and spares lying in bonded warehouse includes custom duty accounted for on an accrual basis.
- Stores and Spares which do not meet the definition of property, plant and equipment are accounted as inventories.
- Costs incurred that relate to future contract activities are recognised as "Project Work in Progress".
- Project work in progress comprise specific contract costs and other directly attributable overheads including borrowing costs which can be allocated on specific contract cost is, valued at lower of cost and net realisable value.
- Net Realizable Value in respect of store and spares is the estimated current procurement price in the ordinary course of the business.

##### c) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

##### d) Property, plant and equipment (PPE)

Under the previous GAAP (Indian GAAP), Fixed assets (including Capital work in progress) are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met directly attributable cost of bringing the asset to its working condition for the intended use. The company has elected to regard previous GAAP carrying values of property as deemed cost at the date of transition to Ind AS.

Property, plant and equipment (including Capital work in progress) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, The company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Borrowing cost relating to acquisition / construction of property, plant & equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under rates as per Appendix III of CERC. (Terms and conditions of Tariff) Regulations, 2009 which are in line with Annexure I of Gujarat Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2011.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leasehold land is amortized over the lease period.



## MPSEZ Utilities Private Limited

Notes to Financials statements for the year ended March 31, 2017

Service line contribution received from consumers towards connected lines are treated as capital receipt and deducted from the carrying value of property, plant and equipment. However the service line contribution towards unconnected lines are recognised under other financial liabilities till the transmission lines are fully commissioned.

### e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or infinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with infinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the infinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

### f) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

### Dividend

Dividend is recognised when the share holders' right to receive payment is established on the balance sheet date.

### Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

### g) Foreign Currency Translation

The Company's financial statements are presented in INR, which is also the parent company's functional currency. The Company determines the functional currency and items included in the financial statements of are measured using that functional currency.

#### (i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition.

#### ii) Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

#### iii) Exchange Differences

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss for which the treatment is as below.

a) Exchange differences arising on long-term foreign currency monetary items (including funds used for projects work in progress) related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

b) Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.

### h) Employees Retirement Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

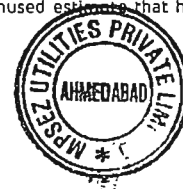
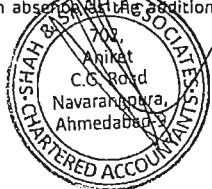
The company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- > Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- > Net interest expense or income.

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short term employee benefits. The company measures the expected cost of such absence at the additional amount that is expected to pay as a result of the unused estimate that has accumulated at the reporting date.



**MPSEZ Utilities Private Limited**

Notes to Financials statements for the year ended March 31, 2017

**i) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**j) Segment Reporting**

In accordance with the Ind-As 108 - "Operating Segments", the Company has determined its business segment of distribution of electricity, effluent & sewage facilities. Since there are no other business segments in which the Company operates, there are no other primary reportable segments.

**k) Related Party Transactions**

Disclosure of transactions with Related Parties, as required by Ind-As 24 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under Ind-As 24 have been identified on the basis of representations made by key managerial personnel and information available with the Company.

**l) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 01, 2015 the company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

**The Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that The Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**The Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**m) Earnings per share**

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year.

**n) Taxes**

**i) Current income tax**

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 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in OCI or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**ii) Deferred tax**

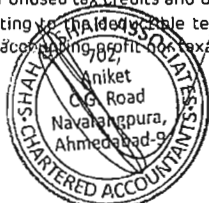
Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except

> When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

> When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.





## MPSEZ Utilities Private Limited

### Notes to Financials statements for the year ended March 31, 2017

The Company is eligible and claiming tax deductions available under section 80IAB of the Income Tax Act, 1961. In view of Company availing tax deduction under Section 80IAB of the Income Tax Act, 1961, deferred tax has been recognized in respect of temporary difference, which reverse after the tax holiday period in the year in which the temporary difference originate and no deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax, the temporary difference which originate first are considered to reverse first.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that The company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. Deferred tax include MAT Credit Entitlement.

#### o) Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, The Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of The company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

#### p) Provisions

##### General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### q) Expenditure

Expenditures are accounted net of taxes recoverable, wherever applicable.

#### r) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- > In the principal market for the asset or liability, or
- > In the absence of a principal market, in the most advantageous market for the asset or liability.

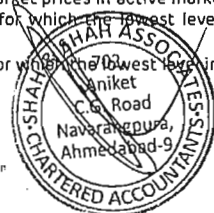
The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- > Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- > Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- > Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.





## MPSEZ Utilities Private Limited

### Notes to Financial statements for the year ended March 31, 2017

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuers are involved for valuation of unquoted financial assets and financial liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Management. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with The Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on a yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### 5) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### Financial assets

###### Initial recognition and measurement

All financial assets, except investment in subsidiaries, associates and joint ventures are recognised initially at fair value.

###### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- > Debt instruments at amortised cost.
- > Debt instruments at fair value through other comprehensive income (FVTOCI).
- > Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- > Equity instruments measured at fair value through other comprehensive income (FVTOCI).

##### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

##### Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

##### Equity Instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, The Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

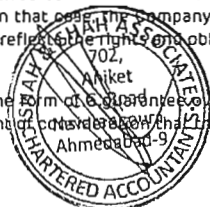
##### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- > The rights to receive cash flows from the asset have expired, or
- > The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.



**Impairment of financial assets**

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure ;

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances.
- b) Financial assets that are debt instruments and are measured as at other comprehensive income (FVTOCI).
- c) Lease receivables under Ind AS 17.
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- > Trade receivables or contract revenue receivables; and
- > All lease receivables resulting from transactions within the scope of Ind AS 17.

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss (P&L). This amount is reflected under the head " Other Expense" in the P&L.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent Measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, The Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at FVTPL.

**Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

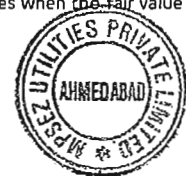
**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**t) Derivative financial Instruments**

**Initial recognition and subsequent measurement**

The Company uses derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.



MPSEZ Utilities Private Limited  
Explanatory Notes to Financial statements for the year ended March 31, 2017

3 Explanatory Notes

These financial statements of Mpsez Utilities Private Limited ('MUPL' or Company) for the year ended March 31, 2017 have been prepared in accordance with Ind AS. This is Company's first set of financial statements in accordance with Ind AS. For the purposes of transition to Ind AS, the company has followed the guidance prescribed under Ind AS 101- First Time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as previous GAAP.

The transition to Ind AS has resulted in the changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies in note 2.1 have been applied in preparing the financial statements for the year ended on March 31, 2017 and the comparative. An explanation of how the previous GAAP to Ind AS has affected the company's Financial statements is set below. Further, Exemption on first time adoption of Ind AS availed in accordance with Ind AS have been set out in note 3.1

3.1 Options availed on the first time adoption of Ind AS 101

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following Ind AS 101 exemptions from the transition date i.e. April 01, 2015 :

The Company has elected to avail exemption under Ind AS 101 to use Indian GAAP carrying value as deemed cost at the date of transition for all items of property, plant and equipment and intangible assets as per the statement of financial position prepared in accordance with previous GAAP.

3.2 Significant accounting estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company

Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

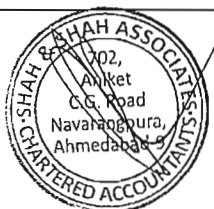
Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.3 Reconciliation of total comprehensive income between previously reported (referred to as "Previous GAAP") and Ind AS for the year ended March 31, 2016 is presented as under :-

3.3.1 Reconciliation of total comprehensive income:-

Sr No	Nature of Adjustments	Year Ended March 31, 2016 Amt in ₹
	Net Profit as per previous GAAP	(4,17,56,309)
i)	Remeasurement cost of net defined benefit liability	(1,62,635)
ii)	Net gain/(loss) on financial assets / liabilities fair valued through statement of profit and loss	84,192
iii)	Impact of change in borrowings	(1,35,719)
	Total	(78,443)
	Net profit before OCI as per Ind AS	(4,19,70,471)
	Other comprehensive income (net of tax)	1,62,635
	Total comprehensive income as per Ind AS	(4,18,07,836)



MPSEZ Utilities Private Limited

Explanatory Notes to Financial statements for the year ended March 31, 2017

3.3.2 Reconciliation of equity:-

Sr No	Nature of Adjustments	As at March 31, 2016 Amt In ₹	As at April 01, 2015 Amt In ₹
	Equity as per Previous GAAP	80,42,36,304	82,44,06,537
i)	Service line contribution	(15,87,76,042)	(13,71,89,966)
ii)	Equity component of borrowing	2,18,434	2,18,434
iii)	Fair valuation of financial assets	(1,34,242)	(82,716)
	<b>Total adjustments</b>	<b>(15,86,91,850)</b>	<b>(13,70,54,248)</b>
	Equity as per Ind AS	64,55,44,454	68,73,52,289

3.4 Reconciliation of equity as at April 01, 2015 and March 31, 2016

	Foot- notes	March 31, 2016 (Last period presented under IGAAP)			April 01, 2015 (Date of transition)		
		IGAAP	Adjustments	Ind AS	IGAAP	Adjustments	Ind AS
		Amt In ₹					
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, plant and equipment	(d)	65,41,54,385	(13,71,70,468)	51,69,83,917	68,55,13,530	(13,58,38,882)	54,96,74,648
Capital work-in-progress		3,04,22,008	-	3,04,22,008	2,74,89,923	-	2,74,89,923
Other Intangible assets		-	-	-	-	-	-
<b>Financial assets</b>							
Other financial assets		27,935	-	27,935	25,544	-	25,544
Other non-current assets		13,94,25,527	-	13,94,25,527	10,06,99,141	-	10,06,99,141
		<b>82,40,29,855</b>	<b>(13,71,70,468)</b>	<b>68,68,59,387</b>	<b>81,37,28,138</b>	<b>(13,58,38,882)</b>	<b>67,78,89,256</b>
<b>Current assets</b>							
Inventories		22,72,594	-	22,72,594	8,88,722	-	8,88,722
<b>Financial assets</b>							
Investments	(a)	8,50,00,000	84,192	8,50,84,192	-	-	-
Trade receivables		62,02,920	-	62,02,920	93,743	-	93,743
Customers' bills discounted		-	-	-	-	-	-
Cash and Cash Equivalents		9,44,213	-	9,44,213	2,99,42,561	-	2,99,42,561
Bank balance other than cash and cash equivalents		-	-	-	2,26,08,592	-	2,26,08,592
Others current financial assets		10,39,122	-	10,39,122	16,95,989	-	16,95,989
Other current assets		10,76,53,128	-	10,76,53,128	9,91,86,448	-	9,91,86,448
		<b>20,31,11,977</b>	<b>84,192</b>	<b>20,31,96,169</b>	<b>15,44,16,055</b>	<b>-</b>	<b>15,44,16,055</b>
<b>Total assets</b>		<b>1,02,71,41,832</b>	<b>(13,70,86,276)</b>	<b>89,00,55,556</b>	<b>96,81,44,193</b>	<b>(13,58,38,882)</b>	<b>83,23,05,311</b>
<b>EQUITY AND LIABILITIES</b>							
<b>EQUITY</b>							
Equity share capital		13,13,50,000	-	13,13,50,000	13,13,50,000	-	13,13,50,000
Other equity	(a)	(2,18,434)	2,18,434	-	(2,18,434)	2,18,434	-
Share Premium		39,37,50,000	-	39,37,50,000	39,37,50,000	-	39,37,50,000
Service Line Contribution	(d)	15,87,76,042	(15,87,76,042)	-	13,71,89,966	(13,71,89,966)	-
Retained earnings	(a,d)	12,05,78,696	(1,34,242)	12,04,44,454	16,23,35,005	(82,716)	16,22,52,289
<b>Total equity</b>		<b>80,42,36,304</b>	<b>(15,86,91,850)</b>	<b>64,55,44,454</b>	<b>82,44,06,537</b>	<b>(13,70,54,248)</b>	<b>68,73,52,289</b>
<b>LIABILITIES</b>							
<b>Non-current liabilities</b>							
<b>Financial liabilities</b>							
Borrowings	(a)	30,00,000	-	30,00,000	53,00,000	(1,35,718)	51,64,282
Other financial liabilities		3,23,42,947	-	3,23,42,947	3,39,23,086	-	3,39,23,086
Net employee defined benefit		20,56,617	-	20,56,617	14,45,958	-	14,45,958
Deferred tax liabilities (net)		3,94,24,191	-	3,94,24,191	-	-	-
		<b>7,68,23,755</b>	<b>-</b>	<b>7,68,23,755</b>	<b>4,06,69,044</b>	<b>(1,35,718)</b>	<b>4,05,33,326</b>
<b>Current liabilities</b>							
<b>Financial liabilities</b>							
Trade payables		12,84,06,415	-	12,84,06,415	8,82,03,636	-	8,82,03,636
Other current financial liabilities		2,91,23,047	-	2,91,23,047	76,46,382	-	76,46,382
Other current liabilities	(d)	(1,18,10,894)	2,16,05,574	97,94,680	66,73,378	13,51,084	80,24,462
Net employee defined benefit liabilities		3,63,205	-	3,63,205	5,45,216	-	5,45,216
		<b>14,60,81,773</b>	<b>2,16,05,574</b>	<b>16,76,87,347</b>	<b>10,30,68,612</b>	<b>13,51,084</b>	<b>10,44,19,696</b>
<b>Total liabilities</b>		<b>22,29,05,528</b>	<b>2,16,05,574</b>	<b>24,45,11,102</b>	<b>14,37,37,656</b>	<b>12,15,366</b>	<b>14,49,53,022</b>
<b>Total Equity and Liabilities</b>		<b>1,02,71,41,832</b>	<b>(13,70,86,276)</b>	<b>89,00,55,556</b>	<b>96,81,44,193</b>	<b>(13,58,38,882)</b>	<b>83,23,05,311</b>



3.5 Reconciliation of Statement of Profit and Loss for year ended March 31, 2016

		Amt in ₹		
	Foot-note	IGAAP	Adjustments	Ind AS
<b>INCOME</b>				
Rendering of services		1,19,90,27,500	-	1,19,90,27,500
Other income	(a)	49,59,334	84,192	50,43,526
<b>Total Income</b>		<b>1,20,39,86,834</b>	<b>84,192</b>	<b>1,20,40,71,026</b>
<b>EXPENSES</b>				
Operating expenses		1,07,88,55,810	-	1,07,88,55,810
Employee benefits expense	(b)	2,58,39,820	1,62,635	2,60,02,455
Depreciation and amortization expense		3,60,78,966	-	3,60,78,966
Less:- Transfer from service line contribution		-	-	-
Finance costs	(a)	35,78,455	1,35,719	37,14,174
Other expenses		6,24,04,832	-	6,24,04,832
<b>Total Expense</b>		<b>1,20,67,57,883</b>	<b>2,98,354</b>	<b>1,20,70,56,237</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(27,71,049)</b>	<b>(2,14,162)</b>	<b>(29,85,211)</b>
Exceptional items		-	-	-
<b>Profit/(loss) before tax</b>		<b>(27,71,049)</b>	<b>(2,14,162)</b>	<b>(29,85,211)</b>
Tax expense:				
Current Tax		-	-	-
Adjustment of tax relating to earlier periods		(4,38,931)	-	(4,38,931)
Deferred Tax		3,94,24,191	-	3,94,24,191
<b>Income tax expenses</b>		<b>3,89,85,260</b>	<b>-</b>	<b>3,89,85,260</b>
<b>Profit/(Loss) for the year</b>		<b>(4,17,56,309)</b>	<b>(2,14,162)</b>	<b>(4,19,70,471)</b>
<b>Other Comprehensive Income</b>				
(a) Items that will not be reclassified to profit and loss in subsequent period				
Re-measurement gains (losses) on defined benefit plans	(b,c)	-	1,62,635	1,62,635
		-	1,62,635	1,62,635
(b) Items that will be reclassified to profit and loss in subsequent period		-	-	-
<b>Other Comprehensive Income for the year</b>		<b>-</b>	<b>1,62,635</b>	<b>1,62,635</b>
<b>Total Comprehensive Income for the year</b>		<b>(4,17,56,309)</b>	<b>(51,527)</b>	<b>(4,18,07,836)</b>

Footnotes to the reconciliation of profit and loss for the year ended March 31, 2016 and equity as at April 01, 2015 and March 31, 2016 :

(a) Fair valuation for Financial Assets and Financial Liabilities : The Company has valued financial assets and Financial Liabilities, at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss Account or Other Comprehensive Income, as the case may be.

(b) Remeasurement cost of net defined liability : Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

(c) Other comprehensive income : Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

(d) Measurement of service line contribution : Under the previous GAAP, service line contribution received towards transmission lines was recognised as capital reserve, under Ind AS, the service contribution received towards connected lines is deducted from the carrying value of Property Plant and equipment. However, service line contribution towards unconnected lines are shown under other financial liabilities till the transmission lines are fully commissioned.



**MPSEZ Utilities Private Limited**

Notes to Financials statements for the year ended March 31, 2017

Note 4 - Property, plant and equipment

Particulars	Tangible assets										Capital work in progress	
	Leasehold land	Building	Plant & machinery	Furniture & fixtures	Computer equipment	Vehicles	MRSS	Transmission Line	Connectivity Line	Total		
<b>Cost</b>												
As at April 1, 2015	5,39,72,951	2,10,38,381	61,01,74,821	93,869	43,316	1,90,193	(3,67,42,699)	(3,84,96,277)	(6,05,99,906)	54,96,74,649	2,74,89,923	
Additions	-	-	1,36,06,500	33,300	43,500	-	(16,34,126)	(22,95,000)	(63,65,940)	33,88,234	1,65,82,085	
Deductions/Adjustment	-	-	-	-	-	-	-	-	-	-	(1,36,50,000)	
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	
As at March 31, 2016	5,39,72,951	2,10,38,381	62,37,81,321	1,27,169	86,816	1,90,193	(3,83,76,825)	(4,07,91,277)	(6,59,65,846)	55,30,62,883	3,21,22,008	
Additions	-	-	2,24,69,916	-	-	-	(5,67,51,998)	(1,26,73,000)	(5,08,25,169)	(9,77,80,251)	14,48,64,012	
Deductions/Adjustment	-	-	-	-	-	-	-	-	-	-	(2,24,69,916)	
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	
As at March 31, 2017	5,39,72,951	2,10,38,381	64,62,51,237	1,27,169	86,816	1,90,193	(9,51,28,823)	(5,34,64,277)	(11,77,91,015)	45,52,82,632	15,28,16,104	
<b>Depreciation and Impairment</b>												
As at April 1, 2015	-	-	-	-	-	-	-	-	-	-	-	
Depreciation for the year	21,29,250	8,32,709	4,20,28,055	9,331	22,183	20,915	(23,66,155)	(26,19,424)	(39,77,899)	3,60,78,966	-	
Deductions/(Adjustment)	-	-	-	-	-	-	-	-	-	-	-	
As at March 31, 2016	21,29,250	8,32,709	4,20,28,055	9,331	22,183	20,915	(23,66,155)	(26,19,424)	(39,77,899)	3,60,78,966	-	
Depreciation for the year	21,29,250	8,32,708	4,28,78,136	10,143	13,156	20,915	(38,11,217)	(30,72,333)	(56,23,686)	3,33,77,072	-	
Deductions/(Adjustment)	-	-	-	-	-	-	-	-	-	-	-	
As at March 31, 2017	42,58,500	16,65,417	8,49,06,191	19,474	35,339	41,830	(61,77,372)	(56,91,757)	(96,01,585)	6,94,56,037	-	
<b>Net Block</b>												
As at March 31, 2017	4,97,14,451	1,93,72,964	56,13,45,046	1,07,695	51,477	1,48,363	(8,89,51,451)	(4,77,72,520)	(10,81,89,430)	38,58,26,595	-	
As at March 31, 2016	5,18,43,701	2,02,05,672	58,17,53,266	1,17,838	64,633	1,69,278	(3,60,10,670)	(3,81,71,853)	(6,29,87,947)	51,69,83,917	-	
As at April 1, 2015	5,39,72,951	2,10,38,381	61,01,74,821	93,869	43,316	1,90,193	(3,67,42,699)	(3,84,96,277)	(6,05,99,906)	54,96,74,648	-	

Amt in ₹



MPSEZ Utilities Private Limited

Notes to Financials statements for the year ended March 31, 2017

5 Investments

Current

Financial Assets at fair value through Profit or Loss(FVTPL)

Unquoted Mutual Funds

85663.86 Unit of ₹ 10 each each in JM High Liquidity Fund - Direct Plan Growth (March, 31,2016: 20,53,462.50 Unit & March, 31, 2015: Nil)

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
38,13,233	8,50,84,192	-
<b>38,13,233</b>	<b>8,50,84,192</b>	<b>-</b>

6 Trade Receivables

Current

Unsecured considered good unless stated otherwise

Trade Receivables

Receivables from related parties

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
51,82,744	19,50,093	93,743
1,05,84,298	42,52,827	-
<b>1,57,67,042</b>	<b>62,02,920</b>	<b>93,743</b>

7 Loans

Current

Loans and Advance to Related Parties

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
40,00,000	-	-
<b>40,00,000</b>	<b>-</b>	<b>-</b>

8 Other Financial assets

Non-current

Security and other deposits

Bank Deposits having maturity over 12 months

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
3,960	-	-
-	27,935	25,544
<b>3,960.00</b>	<b>27,935</b>	<b>25,544</b>

Current

Security and other deposits

Interest accrued on deposits and loans

Loans and advance to employees

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
74,400	3,960	3,960
81,666	-	3,68,166
6,12,000	10,35,162	13,23,863
<b>7,68,066</b>	<b>10,39,122</b>	<b>16,95,989</b>

9 Other Assets

Non Current

Capital Advances

Unsecured, considered good

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
13,96,20,656	13,80,00,000	10,00,00,000
<b>(A) 13,96,20,656</b>	<b>13,80,00,000</b>	<b>10,00,00,000</b>

Others (Unsecured)

Advance income tax ( Net of Provision for taxation)

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
30,25,214	14,25,527	6,99,141
<b>(B) 30,25,214</b>	<b>14,25,527</b>	<b>6,99,141</b>

**(A) + (B) 14,26,45,870 13,94,25,527 10,06,99,141**

Current

Advances recoverable in cash or in kind

Unsecured, considered good

Unsecured, considered doubtful

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
3,82,114	1,34,534	3,68,235
-	-	-
<b>3,82,114</b>	<b>1,34,534</b>	<b>3,68,235</b>

Unsecured, considered doubtful

**(A) 3,82,114 1,34,534 3,68,235**

Others (Unsecured)

Prepaid Expenses

Accrued revenue

Balances with statutory/ Government authorities

Gratuity fund

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
-	2,70,657	66,896
10,83,65,829	10,58,02,519	9,77,52,176
16,89,597	14,45,418	9,99,141
48,058	-	-
<b>(B) 11,01,03,484</b>	<b>10,75,18,594</b>	<b>9,88,18,213</b>

**(A) + (B) 11,04,85,598 10,76,53,128 9,91,86,448**



MPSEZ Utilities Private Limited

Notes to Financial statements for the year ended March 31, 2017

10 Inventories

Stores and spares

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
11,59,432	22,72,594	8,88,722
<b>11,59,432</b>	<b>22,72,594</b>	<b>8,88,722</b>

11 Cash and cash equivalents

Balances with banks:

Balance in current account

Deposits with original maturity of less than three months

Cash on hand (refer note below)

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
5,18,195	9,44,213	12,70,908
-	-	2,86,71,653
-	-	-
<b>5,18,195</b>	<b>9,44,213</b>	<b>2,99,42,561</b>

Note:-

As per the amendment to Schedule III of the Companies Act, 2013 by MCA notification G.S.R 308(E) dated 30th March 2017, every company is required to disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016. Since the company did not hold or transact in cash during the entire year, the said disclosure is not applicable.

12 Bank balances other than cash and cash equivalents

Margin Money deposits

Deposits with original maturity over 3 months but less than 12 months

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
30,550	-	-
-	-	2,26,08,592
<b>30,550</b>	<b>-</b>	<b>2,26,08,592.00</b>

13 Share capital

Authorised

1,31,50,000 Equity Shares of ₹ 10 each ( 1,31,50,000 and 1,31,50,000 Equity Shares of ₹ 10 each as at March 31, 2016 and April 01, 2015 respectively)

Issued, subscribed and fully paid up shares

1,31,50,000 Equity Shares of ₹ 10 each ( 1,31,50,000 and 1,31,50,000 Equity Shares of ₹ 10 each as at March 31, 2016 and April 01, 2015 respectively)

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
13,15,00,000	13,15,00,000	13,15,00,000
<b>13,15,00,000</b>	<b>13,15,00,000</b>	<b>13,15,00,000</b>
13,13,50,000	13,13,50,000	13,13,50,000
<b>13,13,50,000</b>	<b>13,13,50,000</b>	<b>13,13,50,000</b>

Notes:

(a) Reconciliation of the number of the shares outstanding as the beginning and end of the year:

	March 31, 2017		March 31, 2016	
	Nos	Amt in ₹	Nos	Amt in ₹
At the beginning of the year	1,31,35,000	13,13,50,000	1,31,35,000	13,13,50,000
New Shares Issued during the year	-	-	-	-
At the end of the year	<b>1,31,35,000</b>	<b>13,13,50,000</b>	<b>1,31,35,000</b>	<b>13,13,50,000</b>

(b) Terms/rights attached to equity shares:

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Out of equity shares issued by the company, shares held by its holding company is as below.

(c) Shares held by holding company

Adani Ports and Special Economic Zone Limited, the holding company and its nominee

1,31,35,000 equity shares (Previous year 1,31,50,000) of ₹ 10 each

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹
13,13,50,000	13,13,50,000

(d) Details of shareholder holding more than 5% shares in the Company

Equity shares of ₹ 10 each fully paid	Particulars	March 31, 2017	March 31, 2016	April 01, 2015	
		Nos	% Holding	Nos	% Holding
Adani Ports and Special Economic Zone Limited, the holding company and its nominee	Nos	1,31,35,000	100.00%	1,31,35,000	100.00%
	% Holding	100.00%	100.00%	100.00%	100.00%





MPSEZ Utilities Private Limited

Notes to Financials statements for the year ended March 31, 2017

14 Other Equity

Equity premium

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
39,37,50,000	39,37,50,000	39,37,50,000
<b>39,37,50,000</b>	<b>39,37,50,000</b>	<b>39,37,50,000</b>

15 Borrowings

Non-Current

Indian rupee loan from bank (refer notes a & b below)

Inter Corporate Deposit (Unsecured) (refer note c below)

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
20,00,000	30,00,000	40,00,000
1,60,00,000	-	11,64,282
<b>1,80,00,000</b>	<b>30,00,000</b>	<b>51,64,282</b>

Current

Current maturity of

Indian rupee loan from bank

Total current borrowing

Less: Amount shown under "other current financial liabilities"

Net current borrowing

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
10,00,000	10,00,000	10,00,000
<b>10,00,000</b>	<b>10,00,000</b>	<b>10,00,000</b>
<b>(10,00,000)</b>	<b>(10,00,000)</b>	<b>(10,00,000)</b>
<b>-</b>	<b>-</b>	<b>-</b>

The above amount includes

Secured borrowings

Unsecured borrowings

Total borrowings

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
30,00,000	40,00,000	50,00,000
1,60,00,000	-	11,64,282
<b>1,90,00,000</b>	<b>40,00,000</b>	<b>61,64,282</b>

Notes:

(a) The loan is repayable in equal quarterly instalment after moratorium of 3 months. Which is chargeable at interest rate of @ 1% above base rate. The Tenure of loan is up to 31st March 2020.

(b) Term Loan from Banks are secured by way of hypothecation of Plant and Machinery of Company's transmission Business.

(c) Unsecured loan is taken from Adani Port and Special Economic Zone Limited at 12% interest rate & is repayable by 11th July, 2019.

16 Other financial liabilities

Non-Current

Deposit from customers

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
2,46,76,774	3,23,42,947	3,39,23,086
<b>2,46,76,774</b>	<b>3,23,42,947</b>	<b>3,39,23,086</b>

Current

Current maturities of long term borrowings (refer note 15)

Interest accrued but not due on borrowings

Capital creditors, retention money and other payable

Unconnected service line contribution

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
10,00,000	10,00,000	10,00,000
14,76,754	21,54,483	30,24,087
1,35,26,251	43,62,990	22,71,211
1,53,05,433	2,16,05,574	13,51,084
<b>3,13,08,438</b>	<b>2,91,23,047</b>	<b>76,46,382</b>

17 Net employee defined benefit liabilities

Non-current

Provision for gratuity (refer note 35)

Provision for leave encashment

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
-	4,55,284	-
14,48,200	16,01,333	14,45,958
<b>14,48,200</b>	<b>20,56,617</b>	<b>14,45,958</b>

Current

Provision for gratuity (refer note 35)

Provision for compensated absences

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
-	21,201	2,19,074
2,63,233	3,42,004	3,26,142
<b>2,63,233</b>	<b>3,63,205</b>	<b>5,45,216</b>

18 Deferred tax liabilities/Assets (net)

Deferred tax liability

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
3,19,15,593	3,94,24,191	-
<b>3,19,15,593</b>	<b>3,94,24,191</b>	<b>-</b>

19 Other Liabilities

Current

Statutory liability

Advance from customers

March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹
12,18,232	96,29,028	79,24,600
34,36,357	1,65,652	99,862
<b>46,54,589</b>	<b>97,94,680</b>	<b>80,24,462</b>



MPSEZ Utilities Private Limited

Notes to Financials statements for the year ended March 31, 2017

20 Trade payables

Payables to micro, small and medium enterprises (refer note 37)  
Others

March 31, 2017	March 31, 2016	April 01, 2015
Amt in ₹	Amt in ₹	Amt in ₹
4,80,34,688	12,84,06,415	8,82,03,636
<b>4,80,34,688</b>	<b>12,84,06,415</b>	<b>8,82,03,636</b>

21 Revenue from Operations

Revenue from Power Sales  
Other revenue related to power sales  
    Meter Rent  
    Miscellaneous Income  
Income from Common Effluent Treatment services

March 31, 2017	March 31, 2016
Amt in ₹	Amt in ₹
1,20,87,58,842	1,19,31,89,672
3,56,010	2,62,200
6,68,571	3,75,896
50,18,770	51,99,732
<b>1,21,48,02,193</b>	<b>1,19,90,27,500</b>

22 Other Income

Interest Income from  
    Bank deposits  
    Customers and others  
Dividend on  
    Current investments  
Liability no longer required written back  
Profit on sale of Investment (Mutual fund)  
Miscellaneous Income

Total Other Income

March 31, 2017	March 31, 2016
Amt in ₹	Amt in ₹
2,615	13,30,595
90,740	-
22,242	1,22,625
-	6,08,905
62,93,292	27,73,825
4,06,375	2,07,576
<b>68,15,264</b>	<b>50,43,526</b>

23 Operating Expenses

Power Purchase  
Reactive Energy Charges  
Unscheduled Interchange Charges

March 31, 2017	March 31, 2016
Amt in ₹	Amt in ₹
1,08,10,40,113	1,04,63,92,425
13,61,897	24,03,719
1,82,50,099	3,00,59,666
<b>1,10,06,52,109</b>	<b>1,07,88,55,810</b>

24 Employee benefit expense

Salaries and Wages  
Contribution to Provident and Other Funds  
Gratuity (refer note 35)  
Staff Welfare Expenses

March 31, 2017	March 31, 2016
Amt in ₹	Amt in ₹
2,19,71,306	2,31,55,328
11,68,240	11,84,022
5,11,420	4,39,136
11,69,601	12,23,969
<b>2,48,20,567</b>	<b>2,60,02,455</b>

25 Finance Costs

Interest on  
Security Deposits  
Borrowings  
Bank charges and commission

March 31, 2017	March 31, 2016
Amt in ₹	Amt in ₹
16,15,230	23,83,659
4,49,898	10,98,741
-	2,31,774
<b>20,65,128</b>	<b>37,14,174</b>



MPSEZ Utilities Private Limited

Notes to Financial statements for the year ended March 31, 2017

26 Other Expenses

	March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹
Infrastructure Usage Charges	2,67,42,348	2,50,10,785
Lease Rent	16,57,016	15,27,983
Insurance (net of reimbursement)	3,471	3,612
Advertisement and Publicity	1,18,170	84,955
<b>Repairs &amp; Maintenance</b>		
Plant and Machinery	39,00,067	1,19,47,255
Building	1,58,402	5,22,017
Others	11,43,550	8,15,846
Stores, Spares and Consumables	45,37,132	14,47,068
Legal and Professional Expenses	1,01,52,777	1,29,52,856
Payment to Auditors (refer note 1 below)	2,30,000	2,30,000
Security Expenses	13,59,910	21,23,014
Communication Expenses	1,40,270	1,88,777
Electric Power Expenses	5,12,348	4,81,804
Travelling and Conveyance	12,67,998	13,64,907
Directors Sitting Fee	1,74,795	1,64,160
Charity & Donations (refer note 2 below)	14,00,000	14,44,964
Inspection & Testing Charges	9,440	23,300
Miscellaneous Expenses	19,94,982	20,71,529
	<b>5,55,02,676</b>	<b>6,24,04,832</b>

Note: 1

Payment to Auditor

As Auditor:

Audit fee  
Limited review

	March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹
Audit fee	1,62,500	1,40,000
Limited review	67,500	90,000
	<b>2,30,000</b>	<b>2,30,000</b>

Note: 2

Details of CSR Expenses

Gross amount required to be spent by the company during the year

Amount spent during the year ending March 31, 2017

(i) Construction/acquisition of any Asset  
(ii) On Purpose other than (i) above

	March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹
Gross amount required to be spent by the company during the year	13,61,484	14,44,964
Amount spent during the year ending March 31, 2017		
(i) Construction/acquisition of any Asset	-	-
(ii) On Purpose other than (i) above	14,00,000	14,44,964

27 Income Tax

(a) The major components of income tax expenses for the years ended March 31, 2017 and March 31, 2016

Statement of profit and loss

Current income tax:

Current income tax charge

Adjustment in respect of current income tax of previous years

Deferred tax:

Relating to origination and reversal of temporary differences

Income tax expenses reported in statement of profit and loss

	March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹
Current income tax:		
Current income tax charge	12,48,817	-
Adjustment in respect of current income tax of previous years	-	(4,38,931)
Deferred tax:		
Relating to origination and reversal of temporary differences	(76,91,671)	3,94,24,191
Income tax expenses reported in statement of profit and loss	<b>(64,42,854)</b>	<b>3,89,85,260</b>

(b) OCI section

Deferred tax related to items recognised in OCI during the year

Net loss/(gain) on remeasurements of defined benefit plans

Income tax charged to OCI

	March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹
Deferred tax related to items recognised in OCI during the year	1,83,073	-
Income tax charged to OCI	<b>1,83,073</b>	<b>-</b>



## (c) Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate for March 31, 2017 and March 31, 2016

	March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹
Accounting profit before taxation	51,99,905	(29,85,211)
Applicable tax rate	34.61%	34.61%
Computed tax expenses	17,99,583	(10,33,122)
Tax on reduction in 80IA reversal	(49,56,157)	3,86,87,300
Tax provision due to difference in MAT rate and normal tax rate	12,48,817	-
Temporary Differences originating and getting reversed in Tax holiday period excluded for Deferred Tax	(50,88,916)	-
Tax on amortisation of Land not forming part of IT block	7,36,891	7,36,891
Deferred Tax on Actuarial gain transferred to OCI	(1,83,072)	-
Unrecognised tax credit on losses	-	10,33,122
Previous Year Tax Provision	-	(4,38,931)
Income tax expenses charged to profit and loss	(64,42,854)	3,89,85,260

## (d) Deferred tax relates to following

Particulars	Balance Sheet			Profit and Loss	
	March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹	April 01, 2015 Amt in ₹	March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹
Accelerated depreciation for tax purpose	(6,48,19,243)	(6,50,40,793)	-	2,21,550	(6,50,40,793)
Reversal of 80IA period	3,20,18,584	2,44,69,562	-	75,49,022	2,44,69,562
Defined benefit liability	8,85,066	11,47,040	-	(2,61,974)	11,47,040
Deferred tax liabilities	(3,19,15,593)	(3,94,24,191)	-	75,08,598	(3,94,24,191)

## (e) Reconciliation of deferred tax liabilities

	March 31, 2017 Amt in ₹	March 31, 2016 Amt in ₹
Opening balance as at 1st April	(3,94,24,191)	-
Tax expense during the period recognised in profit and loss	(76,91,671)	(3,94,24,191)
Tax expense during the period recognised in OCI	1,83,073	-
Closing balance as at 31st March	(3,19,15,593)	(3,94,24,191)

## 28 Fair Value Measurement

## a) The carrying value of financial instruments by categories as of March 31, 2017 is as follows :

Particulars	Fair Value through other Comprehensive Income	Fair Value through Profit & Loss	Derivative Instruments not in hedging relationship	Amortised Cost	Amt in ₹
					Total
<b>Financial Asset</b>					
Investments	-	38,13,233	-	-	38,13,233
Trade receivables	-	-	-	1,57,67,042	1,57,67,042
Cash and Cash Equivalents	-	-	-	5,18,195	5,18,195
Other Bank balance	-	-	-	30,550	30,550
Loans	-	-	-	40,00,000	40,00,000
Others financial assets	-	-	-	7,72,026	7,72,026
	-	38,13,233	-	2,10,87,813	2,49,01,046
<b>Financial Liabilities</b>					
Borrowings	-	-	-	1,80,00,000	1,80,00,000
Trade payables	-	-	-	4,80,34,688	4,80,34,688
Other financial liabilities	-	-	-	5,59,85,212	5,59,85,212
	-	-	-	12,20,19,900	12,20,19,900

## b) The carrying value of financial instruments by categories as of March 31, 2016 is as follows :

Particulars	Fair Value through other Comprehensive Income	Fair Value through Profit & Loss	Derivative Instruments not in hedging relationship	Amortised Cost	Amt in ₹
					Total
<b>Financial Asset</b>					
Investments	-	8,50,84,192	-	-	8,50,84,192
Trade receivables	-	-	-	62,02,920	62,02,920
Cash and Cash Equivalents	-	-	-	9,44,213	9,44,213
Others financial assets	-	-	-	10,67,057	10,67,057
	-	8,50,84,192	-	82,14,190	9,32,98,382



MPSEZ Utilities Private Limited

Notes to Financials statements for the year ended March 31, 2017

Financial Liabilities					
Borrowings	-	-	-	30,00,000	30,00,000
Bill discounting with banks	-	-	-	-	-
Trade payables	-	-	-	12,84,06,415	12,84,06,415
Other financial liabilities	-	-	-	6,14,65,994	6,14,65,994
				<b>19,28,72,409</b>	<b>19,28,72,409</b>

c) The carrying value of financial instruments by categories as of April 01, 2015 is as follows :

Particulars	Amt in ₹				
	Fair Value through other Comprehensive Income	Fair Value through Profit & Loss	Derivative Instruments not in hedging relationship	Amortised Cost	Total
<b>Financial Asset</b>					
Investments	-	-	-	-	-
Trade receivables	-	-	-	93,743	93,743
Cash and Cash Equivalents	-	-	-	2,99,42,561	2,99,42,561
Other Bank balance	-	-	-	2,26,08,592	2,26,08,592
Others financial assets	-	-	-	17,21,533	17,21,533
				<b>5,43,66,429</b>	<b>5,43,66,429</b>
<b>Financial Liabilities</b>					
Borrowings	-	-	-	51,64,282	51,64,282
Trade payables	-	-	-	8,82,03,636	8,82,03,636
Other financial liabilities	-	-	-	4,15,69,468	4,15,69,468
				<b>13,49,37,386</b>	<b>13,49,37,386</b>

29 Fair Value hierarchy :

Particulars	Amt in ₹			
	As at March 31, 2017			Total
	Level 1	Level 2	Level 3	
<b>Assets</b>				
Investment		38,13,233		
Derivative instrument				
Financial Guarantees, received				
<b>Total</b>	-	38,13,233	-	-
<b>Liabilities</b>				
Derivative instruments				
Financial Guarantees, given				
<b>Total</b>	-	-	-	-

Particulars	Amt in ₹			
	As at March 31, 2016			Total
	Level 1	Level 2	Level 3	
<b>Assets</b>				
Investment		8,50,84,192		
Derivative instrument				
Financial Guarantees, received				
<b>Total</b>	-	8,50,84,192	-	-
<b>Liabilities</b>				
Derivative instruments				
Financial Guarantees, given				
<b>Total</b>	-	-	-	-

Particulars	Amt in ₹			
	As at April 01, 2015			Total
	Level 1	Level 2	Level 3	
<b>Assets</b>				
Investment				
Derivative instrument				
Financial Guarantees, received				
<b>Total</b>	-	-	-	-
<b>Liabilities</b>				
Derivative Instruments				
Financial Guarantees, given				
<b>Total</b>	-	-	-	-



## MPSEZ Utilities Private Limited

Notes to Financials statements for the year ended March 31, 2017

### 30 Financial Risk objective and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations/projects and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) and other price risks such as equity price risk. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Cross Currency Swaps, Full Currency swaps, Interest rate swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The Company's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Company is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

Further, all currency and interest risk as identified above is measured on a daily basis by monitoring the mark to market (MTM) of open and hedged position. The MTM is derived basis underlying market curves on closing basis of relevant instrument quoted on Bloomberg/Reuters. For quarter ends, the MTM for each derivative instrument outstanding is obtained from respective banks. All gain / loss arising from MTM for open derivative contracts and gain / loss on settlement / cancellation / roll over of derivative contracts is recorded in statement of profit and loss.

#### Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

#### Foreign currency risk

Exchange rate movements, particularly the United States Dollar (USD) and Euro (EUR) against Indian Rupee (INR), have an impact on the Company's operating results. The Company manages its foreign currency risk by entering into currency swap for converting INR loan into other foreign currency for taking advantage of lower cost of borrowing in stable currency environment. The Company also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings or trade payables. Further, to hedge foreign currency future transactions in respect of which firm commitment are made or which are highly probable forecast transactions (for instance, foreign exchange denominated income) the Company has entered into foreign currency forward contracts as per the policy of the Company.

#### Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

### 31 Earnings per share

	March 31, 2017	March 31, 2016
	Amt in ₹	Amt in ₹
Profit attributable to equity shareholders of the company	1,16,42,759	(4,19,70,471)
Weighted average number of equity shares	1,31,35,000	1,31,35,000
Face value per share (in ₹)	10	10
Basic and Diluted earning per share (in ₹)	0.89	(3.20)



MPSEZ Utilities Private Limited

Notes to Financial statements for the year ended March 31, 2017

32 Capital commitments

Particulars	Amt in ₹	
	March 31, 2017	March 31, 2016
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	4,10,30,645	17,52,35,522

33 Contingent liabilities not provided for

Particulars	Amt in ₹	
	March 31, 2017	March 31, 2016
Contingent liabilities not provided for	Nil	Nil

34 Segment information

The Company is primarily engaged in the business of providing facility of distribution of electricity, effluent & sewage facilities. The entire business has been considered as a single segment in terms of Ind AS - 108 on Segment Reporting issued by the Institute of Chartered Accountants of India. There being no business outside India, the entire business has been considered as single geographic segment.

35 Disclosures as required by Ind AS - 19 Employee Benefits

The company has a defined gratuity plan. Under the plan every employee who has completed at least five year of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Company of India (LIC) in form of a qualifying insurance policy.

The following tables summarise the component of the net benefits expense recognised in the statement of profit and loss account and the funded status and amounts recognized in the balance sheet for the respective plan.

Gratuity

a) Changes in present value of the defined benefit obligation are as follows:

Particulars	Amt in ₹	
	March 31, 2017	March 31, 2016
Present value of the defined benefit obligation at the beginning of the year	24,31,380	20,24,941
Current service cost	4,73,804	4,21,661
Interest cost	1,91,942	1,61,529
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in financial assumptions	(6,63,847)	2,23,196
- experience variance	1,08,114	(3,99,947)
Benefits paid	(1,65,658)	-
Acquisition adjustment	(3,22,159)	-
Present value of the defined benefit obligation at the end of the year	20,53,576	24,31,380

b) Changes in fair value of plan assets are as follows:

Particulars	Amt in ₹	
	March 31, 2017	March 31, 2016
Fair value of plan assets at the beginning of the year	19,54,895	18,05,868
Investment income	1,54,326	1,44,054
Contributions by employer	19,156	19,089
Benefits paid	-	-
Return on plan assets, excluding amount recognised in net interest expense	(26,743)	(14,116)
Acquisition adjustment	-	-
Fair value of plan assets at the end of the year	21,01,634	19,54,895

c) Net asset/(liability) recognised in the balance sheet

Contribution to	Amt in ₹	
	March 31, 2017	March 31, 2016
Present value of the defined benefit obligation at the end of the year	20,53,576	24,31,380
Fair value of plan assets at the end of the year	21,01,634	19,54,895
Amount recognised in the balance sheet	48,058	(4,76,485)
Net (liability)/asset - Current	48,058	(21,201)
Net (liability)/asset - Non-current	-	(4,55,284)

d) Expense recognised in the statement of profit and loss for the year

Particulars	Amt in ₹	
	March 31, 2017	March 31, 2016
Current service cost	4,73,804	4,21,661
Interest cost on benefit obligation	37,616	17,475
Total Expense included in employee benefits expense	5,11,420	4,39,136



MPSEZ Utilities Private Limited

Notes to Financial statements for the year ended March 31, 2017

e) Recognised in the other comprehensive income for the year

Particulars	Amt in ₹	
	March 31, 2017	March 31, 2016
Actuarial (gain)/losses arising from		
- change in demographic assumptions		
- change in financial assumptions	(6,63,847)	2,23,196
- experience variance	1,08,114	(3,99,947)
Return on plan assets, excluding amount recognised in net interest expense	26,743	14,116
Recognised in comprehensive income	(5,28,990)	(1,62,635)

f) Maturity profile of Defined Benefit Obligation

Particulars	Amt in ₹	
	March 31, 2017	March 31, 2016
Weighted average duration (based on discounted cash flows)	17 Years	18 Years

g) Quantitative sensitivity analysis for significant assumption is as below

Increase/(decrease) on present value of defined benefits obligation at the end of the year

Particulars	March 31, 2017		March 31, 2016	
	Discount rate			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
	Amt in ₹	Amt in ₹	Amt in ₹	Amt in ₹
Impact on defined benefit obligations	(3,01,119)	3,67,634	(3,82,776)	4,72,250

Particulars	March 31, 2017		March 31, 2016	
	Salary Growth rate			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
	Amt in ₹	Amt in ₹	Amt in ₹	Amt in ₹
Impact on defined benefit obligations	3,66,130	(3,05,227)	4,62,259	(3,82,457)

Particulars	March 31, 2017		March 31, 2016	
	Attrition rate			
Sensitivity level	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
	Amt in ₹	Amt in ₹	Amt in ₹	Amt in ₹
Impact on defined benefit obligations	3,083	(3,638)	(45,728)	48,302

Particulars	March 31, 2017		March 31, 2016	
	Mortality rate			
Sensitivity level	0.1% Increase	0.1% Decrease	0.1% Increase	0.1% Decrease
	Amt in ₹	Amt in ₹	Amt in ₹	Amt in ₹
Impact on defined benefit obligations	620	(623)	(1,160)	1,166

Sensitivity Analysis Method

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

h) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2017	March 31, 2016
Investments with insurer	100%	100%

The company expects to contribute ₹ 3,30,343 to gratuity fund in the next year. ( Previous year ₹ 19,089)

\* As the gratuity fund is managed by life insurance company, details of fund invested by insurer are not available with company.

i) The principle assumptions used in determining gratuity obligations are as follows:

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Discount rate	7.90%	7.90%	8.70%
Rate of escalation in salary (per annum)	7.00%	9.00%	8.50%
Mortality	Indian assured mortality table 2006-08	Indian assured mortality table 2006-08	Indian assured mortality table 2006-08
Attrition rate	10% for 4 years & below and 1% thereafter	10% for 4 years & below and 1% thereafter	10% for 5 years & below 1% thereafter

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.





36 MPSEZ UTILITIES PRIVATE LIMITED

Notes to the financial statements for the year ended Mar 31,2017

Related Party Disclosures

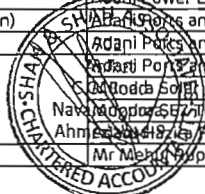
Holding Company	Adani Ports and Special Economic Zone Limited
Fellow Subsidiary	Mundra SEZ Textile and Apparel Park Private Limited Adani Hazira Private Limited Adani Hospital Mundra Private Limited Adani Petronet (Dahej) Port Private Limited
Entities over which key management personnel, Directors and their relatives are able to exercise significant influence	Adani Willmar Limited Adani Power Limited Adani Foundation Adani Enterprise Limited Udupi Power Corporation Limited Mundra Solar Pv Limited Mundra Solar Techno Park Private Limited
Key Management Personnel	Manoj Chanduka Mr. Amit Uplenchwar Paresh Patel Mr Mehul Rupera ( up to 31.03.2015)

Detail of Related Party Transactions for the period ended March 31, 2017

Category	Name of Related Party	March 31, 2017	March 31, 2016
Sale of Power	Adani Ports and Special Economic Zone Limited	62,11,86,276	69,16,73,877
	Mundra Solar Technopark Private Limited	56,49,666	-
	Mundra Solar Pv Limited	1,01,45,428	-
	Mundra SEZ Textile and Apparel Park Private Limited	6,39,335	5,61,630
	Adani Power Limited	-	1,61,06,477
Purchase of Power	Adani Petronet (Dahej) Port Private Limited	-	3,30,09,865
	Adani Power Limited	83,35,68,506	97,64,85,709
	Udupi Power Corporation Limited	18,24,71,954	-
Rendering of Services( Including reimbursement)	Adani Enterprise Limited	6,31,74,029	4,74,92,889
	Adani Ports and Special Economic Zone Limited	2,34,691	2,37,023
	Mundra SEZ Textile and Apparel Park Private Limited	68,887	33,335
	Mundra Solar Technopark Private Limited	22,542	1,89,943
Services Availed( Including reimbursement)	Mundra Solar Pv Limited	77,129	-
	Adani Enterprise Limited	58,32,763	10,90,377
	Adani Ports and Special Economic Zone Limited	23,67,399	36,56,050
Interest Expense	Adani Petronet (Dahej) Port Private Limited	-	25,000
Interest Income	Adani Ports and Special Economic Zone Limited	29,885	4,16,693
Rent Expense	Adani Skill Development Centre Private Limited	90,740	-
Infrastructure usage charges	Adani Ports and Special Economic Zone Limited	2,81,66,098	12,75,000
	Mundra SEZ Textile and Apparel Park Private Limited	2,33,266	2,73,063
Purchase of Capital Goods	Adani Ports and Special Economic Zone Limited	-	2,23,13,912
Sale of Inventory	Adani Hazira Port Pvt Limited	70,888	-
	Adani Ports and Special Economic Zone Limited	-	5,07,869
Donation	Adani Ports and Special Economic Zone Limited	-	35,69,415
Loan taken	Adani Foundation	14,00,000	-
Loan Repaid	Adani Ports and Special Economic Zone Limited	7,22,00,000	23,06,50,000
Loan Given	Adani Ports and Special Economic Zone Limited	5,62,00,000	23,19,50,000
Service Line Contribution Received	Adani Skill Development Centre Private Limited	40,00,000	-
Security Deposite Received	Mundra Solar Technopark Private Limited	-	84,87,373
	Mundra Solar Technopark Private Limited	-	16,80,120

Closing Balances

Category	Name of Related Party	March 31, 2017	March 31, 2016	Amt in ₹	
				April 01, 2015	
Trade Receivables	Adani Ports and Special Economic Zone Limited	33,799	42,52,827	-	-
	Mundra Solar Technopark Private Limited	14,01,151	-	-	-
	Mundra Solar Pv Limited	91,49,348	-	-	-
Loans and Advances	Adani Ports and Special Economic Zone Limited	78,360	3,960	-	-
	Adani Power Limited	9,58,01,006	-	-	-
	Adani Logistics Limited	60,000	-	-	-
	Adani Skill Development Centre Private Limited	40,00,000	-	-	-
	Udupi Power Corporation Limited	-	-	-	-
Other Current Assets	Adani Ports and Special Economic Zone Limited	4,68,19,088	5,70,27,205	5,90,26,063	-
	Mundra SEZ Textile and Apparel Park Private Limited	64,640	62,417	59,076	-
	Adani Petronet (Dahej) Port Private Limited	-	26,57,302	-	-
	Mundra Solar Technopark Private Limited	23,64,313	-	-	-
	Mundra Solar Pv Limited	1,02,22,557	-	-	-
	Adani Skill Development Centre Private Limited	81,666	-	-	-
Capital Advances	Adani Power Limited	-	-	19,29,936	-
	Adani Mundra Sez Infrastructure Private Limited	13,80,00,000	13,80,00,000	-	-
Trade Payables	Adani Hospital Private Limited	-	-	49,068	-
	Adani Enterprise Limited	57,17,321	2,31,849	-	-
	Adani Ports and Special Economic Zone Limited	21,23,271	3,42,596	22,129	-
	Mundra SEZ Textile and Apparel Park Private Limited	59,619	1,23,713	-	-
	Adani Renewable Energy Park Rajasthan Ltd	2,40,755	-	-	-
	Adani Willmar Limited	54,889	-	-	-
Inter Corporate Deposit (taken)	Adani Power Limited	10,74,32,470	8,22,28,681	7,38,84,599	-
Advances from Customer	Adani Ports and Special Economic Zone Limited	1,60,21,008	-	13,00,000	-
	Adani Ports and Special Economic Zone Limited	86,495	4,793	-	-
Other Current Liabilities	Adani Ports and Special Economic Zone Limited	65,342	2,970	-	-
	Mundra Solar Technopark Private Limited	-	16,80,120	-	-
	Mundra SEZ Textile and Apparel Park Private Limited	1,06,712	1,06,712	99,830	-
	Ahmednagar Port Pvt Limited	810	-	-	-
Remuneration	Mr Mehul Rupera	-	-	-	2,140



**MPSEZ Utilities Private Limited**

Notes to Financials statements for the year ended March 31, 2017

37 Management represents that, based on the information available, the company has not been informed by any supplier of being covered under the Micro, Small and Medium Enterprises Development Act 2006. As a result, no interest provision or payments have been made by the Company to such suppliers, if any and no related disclosures are made in these accounts.

38 The company is engaged in the business of distribution of power. Quantitative information in respect of purchase and sale of power are as under:

Sr No	Particulars	2016-17 (Unit in Mus)	2015-16 (Unit in Mus)
1	Unit Purchased	189.62	183.28
2	Unscheduled Interchange (UI) Purchased	16.91	17.89
3	Third Party Sale	0	(8.37)
4	Total Units Purchased	206.53	192.80
5	Unit Sold	198.67	184.76
6	Transmission & Distribution Losses	7.86	8.04
7	Transmission & Distribution Losses (%)	3.81%	4.17%

39 As per directives of Gujarat Electricity Regulatory Commission with respect to Renewable Purchase Obligation (RPO) to be adhered by the company during the current financial year, company has fulfilled the RPO obligation for the financial years 2014-15 & 2016-17 aggregating to Rs.631.74 lacs. The cost of such obligation is included in Cost of Power Purchased in Note- 23.

40 Based on the future projections of profitability as well as deduction available under section 80IA of Income Tax Act, 1961, in the opinion of the management of the company, there does not exist reasonable certainty that the company will have to pay taxes as per the normal rates within the specified period in section 115JAA of Income Tax Act, 1961. Therefore, in accordance with "Guidance Note on accounting for credit available in respect of minimum alternate tax under Income Tax Act, 1961" issued by Institute of Chartered Accountants of India, MAT credit receivable by the company has not been recognised as an asset.

41 Details of Income & Expenses for the Common Effluent Treatment (CETP) Service rendered during the year are as under

Particulars	Amt in ₹	
	For the year March 31, 2017 Amt in ₹	For the year ended March 31, 2016 Amt in ₹
Income	50,18,770	51,99,732
Expenses		
Employee benefits expenses	7,33,217	5,65,906
Electricity Expense	6,53,778	7,35,023
Other Expense	23,14,379	19,45,045
Total Expenditure	37,01,374	32,45,974

42 In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the company from April 1, 2017.

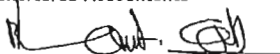
The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The company will incorporate the disclosure in Financial statements for the year ended 31st March 2018.

43 Approval of financial statements

The financial statements were approved for issue by the board of directors on 29, April, 2017.

The accompanying notes form an integral part of financials statements  
As per our report of even date

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



BHARAT A. SHAH  
Partner  
Membership No. 30167

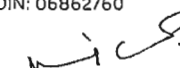


Place: Ahmedabad  
Date: April 29, 2017

For and on behalf of Board of Directors of  
MPSEZ Utilities Private Limited



Amit Uplechwar  
Managing Director  
DIN: 06862760



Manoj Chanduka  
Chief Financial Officer

Place: Ahmedabad  
Date: April 29, 2017



Mukesh Saxena  
Director  
DIN: 07337179



Paresh Patel  
Company Secretary



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
 Nr. MUNICIPAL MARKET,  
 C.G. ROAD, NAVRANGPURA,  
 AHMEDABAD - 380 009.  
 PHONE: 26465433  
 FAX : 079 - 26406983  
 Email: ca@shahandshah.co.in

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF MPSEZ UTILITIES PRIVATE LIMITED**

**Report on the Financial Statements**

We have audited the accompanying Financial Statements of **MPSEZ UTILITIES PRIVATE LIMITED** ("the Company"), which comprises the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

For, *MPSEZ Utilities Pvt. Ltd.*

*PRG*  
 Company Secretary



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016, and its loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and 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 law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

- e) On the basis of written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our Separate Report in "**Annexure A**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statement.
- ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- i) There were no amounts required to be transferred to the Investor Education and Protection Fund by the company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place : Ahmedabad.  
Date : 22<sup>nd</sup> April, 2016



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

**BHARAT A. SHAH**  
PARTNER  
Membership Number: 30167

**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

**"Annexure A" to the Independent Auditor's Report**

**(Referred to in paragraph 1(f) under "Report on other legal and regulatory requirements" of our report of even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the Internal Financial Controls over financial reporting of **MPSEZ UTILITIES PRIVATE LIMITED** ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year then ended.

**Management Responsibility for the Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**


702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

**For SHAH & SHAH ASSOCIATES**

Chartered Accountants  
Firm Regn. No. 113742W



**BHARAT A. SHAH**  
PARTNER

Membership Number: 30167

Place : Ahmedabad.  
Date : 22<sup>nd</sup> April, 2016





**"Annexure B" to the Independent Auditor's Report**

**(Referred to in Paragraph 2 under "Report on other legal and regulatory requirements" of our report of even date)**

1. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) According to the information and explanations given to us and the lease deeds and other records produced before us, we report that the lease deed in respect of the of land that have been taken on lease and disclosed as fixed assets in the financial statements is in the company's name.
2. The company is engaged in distribution of power. Therefore, the provisions of clause (ii) of the paragraph 3 of the Order are not applicable to the company.
3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirements of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

the Central Government under Sub-section (1) of Section 148 of the Act applicable in respect of power transmission & distribution activity undertaken by the Company and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. In respect of statutory dues:
  - a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess on account of any dispute, which have not been deposited.
8. Based on our audit procedures and on the basis of information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institution, bank and debenture holders.
9. In our opinion and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained other than temporary deployment pending application. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under review.
10. Based upon the audit procedures performed and as per the information and explanations given to us, we report that, no fraud on or by the Company has been noticed or reported during the year.
11. The company has not paid or provided for any managerial remuneration and therefore, the provisions of Clause (xi) of paragraph 3 of the Order are not applicable to the Company.
12. In our opinion, Company is not a *Nidhi* company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

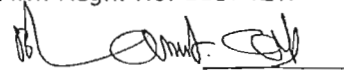


**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

13. According to the information and explanations given to us, all the transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with them and covered under Section 192 of the Act. Hence, clause (xv) of paragraph 3 of the Order is not applicable to the Company.
16. To the best of our knowledge and as explained, the Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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



**BHARAT A. SHAH**  
PARTNER

Membership Number: 30167

Place : Ahmedabad.  
Date : 22<sup>nd</sup> April, 2016



MPSEZ UTILITIES PRIVATE LIMITED  
BALANCE SHEET AS AT MARCH 31, 2016

Amount in Rupees

PARTICULARS	Notes	As at March 31, 2016	As at March 31, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	13,13,50,000	13,13,50,000
Reserves and Surplus	4	67,28,86,304	69,30,56,537
		<b>80,42,36,304</b>	<b>82,44,06,537</b>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	5	30,00,000	53,00,000
Deferred Tax Liabilities (net)	6	3,94,24,191	-
Other Long Term Liabilities	7	3,23,42,947	3,39,23,086
Long-Term Provisions	8	20,56,617	14,45,958
		<b>7,68,23,755</b>	<b>4,06,69,044</b>
<b>CURRENT LIABILITIES</b>			
Trade Payables		12,84,06,415	8,82,03,636
Other Current Liabilities	9	1,73,12,153	1,43,19,760
Short-Term Provisions	8	3,63,205	5,45,216
		<b>14,60,81,773</b>	<b>10,30,68,612</b>
<b>Total</b>		<b>1,02,71,41,832</b>	<b>96,81,44,193</b>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Fixed Assets			
(i) Tangible Assets	10	65,41,54,385	68,55,13,530
(ii) Capital Work-in-Progress		3,04,22,008	2,74,89,923
Long-Term loans and Advances	11	13,94,25,527	10,06,99,141
Other Non-Current Assets	12	27,935	25,544
		<b>82,40,29,855</b>	<b>81,37,28,138</b>
<b>CURRENT ASSETS</b>			
Current Investment	13	8,50,00,000	-
Inventories	14	22,72,594	8,88,722
Trade Receivables	15	62,02,920	93,743
Cash and Bank Balances	16	9,44,213	5,25,51,153
Short-Term Loans and Advances	11	28,89,731	27,62,095
Other Current Assets	12	10,58,02,519	9,81,20,342
		<b>20,31,11,977</b>	<b>15,44,16,055</b>
<b>Total</b>		<b>1,02,71,41,832</b>	<b>96,81,44,193</b>

Significant accounting policies 2.1

Other notes to accounts 2.2

The accompanying notes are an integral part of the financial statements.

As per our report attached

For SHAH & SHAH ASSOCIATES

Chartered Accountants

Firm Reg. No.113742W

BHARAT A. SHAH

Partner

Membership No. 30167



Place : Ahmedabad  
Date : April 22, 2016

For and on behalf of the Board of Directors

Amit Upenchwar

Director

DIN: 06862760

Ennarasu Karunesan

Managing Director

DIN :00200432

Manoj Chanduka

Chief Financial Officer

Paresh Patel

Company Secretary



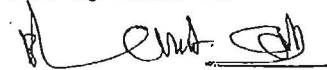
Place : Ahmedabad  
Date : April 22, 2016

MPSEZ UTILITIES PRIVATE LIMITED  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,2016

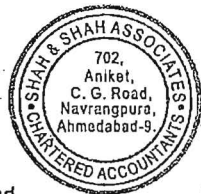
PARTICULARS	Notes	Amount in Rupees	
		For the year ended March 31, 2016	For the year ended March 31, 2015
<b>INCOME</b>			
Revenue from operations	17	1,19,90,27,500	1,18,14,33,046
Other income	18	49,59,334	65,61,242
<b>Total Revenue</b>		<b>1,20,39,86,834</b>	<b>1,18,79,94,288</b>
<b>EXPENSES</b>			
Purchase of Power	19	1,07,88,55,810	90,25,09,346
Employee benefits expense	20	2,58,39,820	2,91,92,333
Finance cost	21	35,78,455	46,26,428
Depreciation	10	4,50,42,444	4,39,99,250
Less : Transfer from service line contribution		(89,63,478)	(86,75,700)
		<b>3,60,78,966</b>	<b>3,53,23,550</b>
Other Expenses	22	6,24,04,832	6,20,21,332
<b>Total Expenses</b>		<b>1,20,67,57,883</b>	<b>1,03,36,72,989</b>
<b>(Loss)/ Profit before tax</b>		<b>(27,71,049)</b>	<b>15,43,21,299</b>
Tax Expense:			
Current Tax		-	3,19,75,020
(Excess) Provision written back		(4,38,931)	-
Deferred Tax Charge		3,94,24,191	-
<b>(Loss)/ Profit for the year</b>		<b>(4,17,56,309)</b>	<b>12,23,46,279</b>
Earning per Equity share (in Rs) face value of Rs 10 each			
	2.2(a)		
Basic and diluted		(3.18)	9.31
Significant accounting policies			
Other notes to accounts	2.1		
	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report attached  
For SHAH & SHAH ASSOCIATES  
Chartered Accountants  
Firm Reg. No.113742W



**BHARAT A. SHAH**  
Partner  
Membership No. 30167



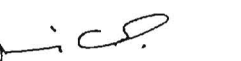
Place : Ahmedabad  
Date : April 22, 2016

For and on behalf of the Board of Directors



**Amit Uplenchwar**  
Director  
DIN: 06862760

**Ennarasu Karunesan**  
Managing Director  
DIN :00200432



**Manoj Chanduka**  
Chief Financial Officer



**Paresh Patel**  
Company Secretary



Place : Ahmedabad  
Date : April 22, 2016

## MPSEZ UTILITIES PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

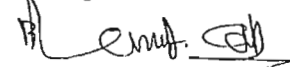
(Amount in Rupees)

PARTICULARS	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Cash Flow from Operating Activities</b>		
Net (loss)/profit before tax	(27,71,049)	15,43,21,299
Adjustment for:		
Depreciation/Amortization	3,60,78,966	3,53,23,548
Interest Expense	33,46,681	39,37,327
Interest Income	(13,30,595)	(31,45,016)
Income from Dividend	(1,22,625)	(24,52,450)
Profit on sale of current investments	(27,73,825)	(7,32,183)
Liabilities No Longer Required written back	(6,08,905)	(6,382)
<b>Operating Profit Before Working Capital Changes</b>	<b>3,18,18,648</b>	<b>18,72,46,143</b>
Adjustment for:		
(Increase)/Decrease in Trade Receivables	(61,09,177)	1,75,692
(Increase)/Decrease in Inventories	(13,83,872)	4,14,928
(Increase)/Decrease in Loans and Advances	(1,27,636)	7,94,724
(Increase) in Other Assets	(80,52,734)	(1,52,43,924)
Increase in Trade payables	4,08,11,682	1,59,50,069
Increase/(Decrease) in Other Liabilities	22,81,857	(6,87,42,308)
Increase/(Decrease) in Provisions	4,28,656	(6,46,811)
<b>Cash Generated From Operations</b>	<b>5,96,67,424</b>	<b>11,99,48,513</b>
Direct Tax (Paid)	(2,87,456)	(3,56,37,651)
<b>Net Cash Flow From Operating Activities (A)</b>	<b>5,93,79,968</b>	<b>8,43,10,862</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets including Capital work in progress and Capital Advance	(2,40,65,833)	(11,18,26,317)
Purchase of Investments in Mutual funds	(1,38,08,95,868)	(74,20,35,904)
Proceeds from Sale of Investments in Mutual Funds	1,29,58,95,868	78,72,42,699
Interest Received	16,98,761	28,18,948
Profit on sale of current investments	27,73,825	7,32,183
Income from Dividend	1,22,625	24,52,450
<b>Net Cash Flow (Used in) Investing Activities (B)</b>	<b>(10,44,70,623)</b>	<b>(6,06,15,941)</b>
<b>Cash Flow From Financing Activities</b>		
Repayment of Long Term Borrowings	(10,00,000)	50,00,000
Inter Corporate Deposit received from Holding Company	23,05,50,000	19,70,00,000
Inter Corporate Deposit repaid to Holding Company	(23,18,50,000)	(19,57,00,000)
Interest Paid	(42,16,285)	(87,81,142)
<b>Net Cash Flow (Used in) Financing Activities(C)</b>	<b>(65,16,285)</b>	<b>(24,81,142)</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(5,16,06,940)</b>	<b>2,12,13,779</b>
Cash and Cash Equivalents at the beginning of the year	5,25,51,153	3,13,37,374
<b>Cash and Cash Equivalents at the End of the year</b>	<b>9,44,213</b>	<b>5,25,51,153</b>
<b>Components of Cash and Cash Equivalents</b>		
<b>Balances with Scheduled Bank</b>		
In Fixed Deposit accounts		5,12,80,245
In Current Account	9,44,213	12,70,908
<b>Cash and Cash Equivalents at the end of the year (refer note 16)</b>	<b>9,44,213</b>	<b>5,25,51,153</b>

## Significant accounting policies

2.1

As per our report attached  
For SHAH & SHAH ASSOCIATES  
Chartered Accountants  
Firm Reg. No.113742W



BHARAT A. SHAH  
Partner  
Membership No. 30167



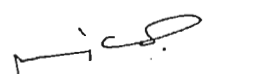
Place : Ahmedabad  
Date : April 22, 2016

For and on behalf of the Board of Directors



Amit Upenchwar  
Director  
DIN : 06862760

Ennarasu Karunesan  
Director  
DIN : 00200432



Manoj Chanduka  
Chief Financial Officer



Paresh Patel  
Company Secretary



Place : Ahmedabad  
Date : April 22, 2016

MPSEZ UTILITIES PRIVATE LIMITED

Notes to the financial statements for the year ended March 31,2016

**1 Corporate information**

MPSEZ Utilities Private Limited (MUPL) is 100% Subsidiary company of Adani Ports and Special Economic Zone Limited (APSEZL) and a Co-developer to provide infrastructure facilities in Mundra Special Economic Zone. The main objective of the company is to provide facility of distribution of electricity, effluent & sewage in Mundra SEZ area, Kutch, Gujarat.

**2 Basis of Preparation of Financial Statements**

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis under the historical cost convention.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**2.1 Summary of Significant Accounting Policies**

**a) 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. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**b) Tangible Fixed Assets**

i) Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

ii) Leasehold land is amortized over the lease period.

**c) Depreciation on tangible fixed assets**

i) The depreciation for the year is provided on additions/deductions of the assets during the period from/up to the date on which the asset is added/deducted. Depreciation is provided on Straight Line Method.

ii) In respect of tangible assets, as regards the rates of depreciation, the company is following rates as per Appendix III of CERC (Terms and conditions of Tariff) Regulations, 2009 which are in line with Annexure I of Gujarat Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2011.

**d) Inventories**

stock of stores and spares valued at lower of cost and net realisable value. Cost is determined on moving weighted average basis. Net realizable value is the estimated current procurement price in the ordinary course of the business.

**e) Service Line Contribution**

Service line contribution received from consumers are treated as capital receipt and accounted as Capital Reserve.

**f) Revenue Recognition**

i) Revenue is recognized when no significant uncertainty as to the measurability or collectability exist.

ii) Dividend income from investment in mutual fund is recognised when the company right to receive payment is established.

**g) Foreign Currency Translation**

**i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



**MPSEZ UTILITIES PRIVATE LIMITED**

Notes to the financial statements for the year ended March 31,2016

**ii) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**iii) Exchange Differences**

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

**h) Retirement and Other Employee Benefits**

**i) Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has taken an insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees and amount paid/payable in respect of the present value of liability for past services is charged to the Profit & Loss account every year. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds with LIC is provided for as liability in the books.

**ii) Leave Encashment**

Provision for leave encashment is determined and accrued on the basis of actuarial valuation.

**iii) Actuarial Gains/ Losses**

Actuarial gains/losses are immediately recognized in the profit and loss account.

**i) Income Taxes**

**i) Current Tax**

Provision for taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.

**ii) Deferred Tax**

In accordance with the Accounting Standard 22 - Accounting for Taxes on income, prescribed under The Companies (Accounting Standards) Rules 2006, the deferred tax for timing differences between the book and tax profits for the period is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

**j) Earnings per share**

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**k) Provisions, Contingent Liabilities and Contingent Assets :**

**Provisions**

Provisions involving substantial degree of estimation in measurement are recognized when there is a probable present obligation and outflow of resources as a result of past events.

**Contingent Liabilities**

Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the Notes on Accounts.

**Contingent Assets**

Contingent assets are neither recognized nor disclosed in financial statements.

**l) Segment Reporting Policies**

The Company is principally engaged in the business of distribution of electricity, effluent & sewage facilities. There are no reportable segments as per Accounting Standards (AS) 17, "Segment Reporting."





3 Share Capital	As at March 31,2016	As at March 31,2015
	Amt in Rupees	Amt in Rupees
Authorized shares		
1,31,50,000(Previous year 1,31,50,000) Equity Shares of Rs. 10/- each	13,15,00,000	13,15,00,000
	<u>13,15,00,000</u>	<u>13,15,00,000</u>
Issued, subscribed and fully paid-up shares	13,13,50,000	13,13,50,000
1,31,35,000(Previous Year 1,31,35,000) Equity Shares of Rs. 10/- each fully paid-up		
	<u>13,13,50,000</u>	<u>13,13,50,000</u>

## a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	As at March 31,2016		As at March 31,2015	
	Nos	Amt in Rupees	Nos	Amt in Rupees
At the beginning of the year	1,31,35,000	13,13,50,000	1,31,35,000	13,13,50,000
Issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
Outstanding at the end of the year	<u>1,31,35,000</u>	<u>13,13,50,000</u>	<u>1,31,35,000</u>	<u>13,13,50,000</u>

## b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding Company	As at March 31,2016	As at March 31,2015
	Amt in Rupees	Amt in Rupees
Adani Ports and Special Economic Zone Limited	13,13,50,000	13,13,50,000
1,31,35,000(Previous Year 1,31,35,000) Equity Shares of Rs. 10/- each fully paid-up		

## d. Details of shareholders holding more than 5% shares in the company

Equity shares of Rs. 10 each fully paid	As at March 31,2016		As at March 31,2015	
	Nos	% of Holding	Nos	% of Holding
Adani Ports and Special Economic Zone Limited	1,31,35,000	100%	1,31,35,000	100%

4 Reserves and Surplus	As at March 31,2016	As at March 31,2015
	Amt in Rupees	Amt in Rupees
Capital Reserves		
Service Line Contribution		
Opening Balance	13,71,89,966	14,21,48,966
Add : Received during the year	3,05,49,554	37,16,700
Less :Transfer to statement of Profit and Loss	(89,63,478)	(86,75,700)
Closing Balance	<u>15,87,76,042</u>	<u>13,71,89,966</u>
Securities Premium Account		
Balance as per last financial statement	39,37,50,000	39,37,50,000
Surplus in the Statement of Profit and Loss		
Balance as per last financial statement	16,21,16,571	3,97,70,292
Add : (Loss)/ Profit for the year	(4,17,56,309)	12,23,46,279
Net Surplus in the statement of profit and loss	<u>12,03,60,262</u>	<u>16,21,16,571</u>
Total Reserves and Surplus	<u>67,28,86,304</u>	<u>69,30,56,537</u>



MPSEZ UTILITIES PRIVATE LIMITED

Notes to the Financial Statements for the year ended March 31,2016

5 Long Term Borrowings

	Non-Current		Current Maturities	
	As at March 31,2016 Amt in Rupees	As at March 31,2015 Amt in Rupees	As at March 31,2016 Amt in Rupees	As at March 31,2015 Amt in Rupees
From banks (secured)(Refer Note-1)	30,00,000	40,00,000	10,00,000	10,00,000
	<u>30,00,000</u>	<u>40,00,000</u>	<u>10,00,000</u>	<u>10,00,000</u>
Inter Corporate Deposit (Unsecured)	-	13,00,000	-	-
Less: Amounts disclosed under the head "Other Current Liabilities" (Refer Note-9)	-	-	10,00,000	10,00,000
Total	<u>30,00,000</u>	<u>53,00,000</u>	<u>-</u>	<u>-</u>

Note - 1: Term Loan from Banks are secured by way of hypothecation of Plant and Machinery of Company's transmission Business. The loan is repayable in equal quarterly installment after moratorium of 3 months. The Tenure of loan is upto 31st March 2020.

6 Deferred Tax Liabilities (net)

	As at March 31,2016 Amt in Rupees	As at March 31,2015 Amt in Rupees
Deferred tax liability	6,50,40,793	-
Deferred tax assets	<u>6,50,40,793</u>	<u>-</u>
(i) Expenditure disallowed U/s 43B of the Income Tax Act,1961	8,82,290	-
(ii) Expenses disallowed - Unpaid Bonus	2,64,750	-
(ii) Reversal of timing difference due to 80 -IA	2,44,69,562	-
	<u>2,56,16,602</u>	<u>-</u>
Net deferred tax liability	<u>3,94,24,191</u>	<u>-</u>

Note: In accordance with "Accounting Standard-22",the deferred tax liability of Rs 3,94,24,191(Previous year Rs Nil) has been recognised in the statement of profit and loss.

7 Other Long Term Liabilities

	As at March 31,2016 Amt in Rupees	As at March 31,2015 Amt in Rupees
Security Deposits from Customers	3,23,42,947	3,39,23,086
	<u>3,23,42,947</u>	<u>3,39,23,086</u>

8 Provisions

	Long Term		Short Term	
	As at March 31,2016 Amt in Rupees	As at March 31,2015 Amt in Rupees	As at March 31,2016 Amt in Rupees	As at March 31,2015 Amt in Rupees
Provision for employee benefits				
Provision for Gratuity (Refer Note-2.2(b))	4,55,284	-	21,201	2,19,074
Provision for compensated absences	16,01,333	14,45,958	3,42,004	3,26,142
	<u>20,56,617</u>	<u>14,45,958</u>	<u>3,63,205</u>	<u>5,45,216</u>

9 Other Current Liabilities

	As at March 31,2016 Amt in Rupees	As at March 31,2015 Amt in Rupees
Current Maturities of long-term borrowings(Refer Note-5)	10,00,000	10,00,000
Interest accrued but not due on borrowings	21,54,483	30,24,087
Payable for Capital Creditors	43,62,990	22,71,211
Statutory Liabilities	96,29,028	79,24,600
Advance from Customers	1,65,652	99,862
	<u>1,73,12,153</u>	<u>1,43,19,760</u>



MPSEZ UTILITIES PRIVATE LIMITED  
Notes to financial statements for the year ended March 31, 2016

NOTE 10 : Fixed Assets

Amount in Rs

Sr. No	Particulars	Gross Block (At Cost)			Depreciation / Amortisation			Net Block			
		As at March 31,2015	Additions	Deductions	As at March 31,2016	Upto March 31,2015	For the year	Deductions	Upto March 31,2016	As at March 31,2016	As at March 31,2015
	Tangible Assets										
1	Lease hold land	6,37,50,000	-	-	6,37,50,000	97,77,049	21,29,250	-	1,19,06,299	5,18,43,701	5,39,72,951
2	Building	2,46,75,028	-	-	2,46,75,028	36,36,647	8,32,709	-	44,69,356	2,02,05,672	2,10,38,381
3	Plant & machinery	37,95,55,884	1,18,44,862	-	39,14,00,746	8,65,45,834	2,14,12,106	-	10,79,57,940	28,34,42,806	29,30,10,050
4	Transmission & distribution system	38,95,40,426	17,61,637	-	39,13,02,063	7,23,75,655	2,06,15,949	-	9,29,91,604	29,83,10,459	31,71,64,771
5	Furniture & fixtures	1,73,110	33,300	-	2,06,410	79,242	9,331	-	88,573	1,17,837	93,868
6	Office Equipment	6,999	-	-	6,999	6,999	-	-	6,999	-	-
7	Vehicle	2,20,158	-	-	2,20,158	29,965	20,915	-	50,880	1,69,278	1,90,193
8	Computer Hardware	44,205	43,500	-	87,705	889	22,184	-	23,073	64,632	43,316
	<b>Total</b>	<b>85,79,65,810</b>	<b>1,36,83,299</b>	<b>-</b>	<b>87,16,49,109</b>	<b>17,24,52,280</b>	<b>4,50,42,444</b>	<b>-</b>	<b>21,74,94,724</b>	<b>65,41,54,385</b>	<b>68,55,13,530</b>
	<b>Previous Year</b>	<b>83,01,15,000</b>	<b>2,78,50,810</b>	<b>-</b>	<b>85,79,65,810</b>	<b>12,84,53,030</b>	<b>4,39,99,250</b>	<b>-</b>	<b>17,24,52,280</b>	<b>68,55,13,530</b>	<b>70,16,61,970</b>



MPSEZ UTILITIES PRIVATE LIMITED

Notes to the Financial Statements for the year ended March 31,2016

11	Loans and Advances	Non-Current		Current	
		As at March 31,2016	As at March 31,2015	As at March 31,2016	As at March 31,2015
		Amt in Rupees	Amt in Rupees	Amt in Rupees	Amt in Rupees
	Unsecured, considered good				
	Capital Advances	13,80,00,000	10,00,00,000	-	41,956
	Advances to suppliers	-	-	1,38,494	3,30,239
	Other loans and advances				
	Balances with Statutory/Government authorities	-	-	14,45,418	9,99,141
	Loan to Employees	-	-	10,35,162	13,23,863
	Prepaid Expenses	-	-	2,70,657	66,896
	Advance income tax(Net of Provision)	14,25,527	6,99,141	-	-
		<u>13,94,25,527</u>	<u>10,06,99,141</u>	<u>28,89,731</u>	<u>27,62,095</u>
12	Other Assets	Non-Current		Current	
		As at March 31,2016	As at March 31,2015	As at March 31,2016	As at March 31,2015
		Amt in Rupees	Amt in Rupees	Amt in Rupees	Amt in Rupees
	Unbilled Revenue	-	-	10,58,02,519	9,77,52,176
	Interest accrued but not due	-	-	-	3,68,166
	Unsecured, considered good				
	Non-current bank balances (Refer Note-16)	27,935	25,544	-	-
		<u>27,935</u>	<u>25,544</u>	<u>10,58,02,519</u>	<u>9,81,20,342</u>
13	Current Investment			As at March 31,2016	As at March 31,2015
		(Valued at lower of cost and fair value)		Amt in Rupees	Amt in Rupees
		Unquoted Mutual funds			
	20,53,462.50 Unit (Previous year nil) of Rs 10 each in JM High Liquidity Fund - Direct Plan Growth			8,50,00,000	-
				<u>8,50,00,000</u>	<u>-</u>
	Aggregate amount of Unquoted Investment			8,50,00,000	-
14	Inventories			As at March 31,2016	As at March 31,2015
				Amt in Rupees	Amt in Rupees
		Stores and Spares		22,72,594	8,88,722
				<u>22,72,594</u>	<u>8,88,722</u>
15	Trade Receivables			As at March 31,2016	As at March 31,2015
		Unsecured, Considered Good		Amt in Rupees	Amt in Rupees
		Outstanding for a Period exceeding Six Months (from date they are due for payment)		1,06,587	93,743
	Other receivables		60,96,333	-	
			<u>62,02,920</u>	<u>93,743</u>	
16	Cash and Bank Balances	Non-Current		Current	
		As at March 31,2016	As at March 31,2015	As at March 31,2016	As at March 31,2015
		Amt in Rupees	Amt in Rupees	Amt in Rupees	Amt in Rupees
	Balances with banks				
	In Current Accounts	-	-	9,44,213	12,70,908
	In Fixed deposit account	-	-	-	5,12,80,245
				<u>9,44,213</u>	<u>5,25,51,153</u>
	Other bank balances				
	Deposits with original maturity for more than 12 months	27,935	25,544	-	-
	Amount disclosed under non-current assets (refer Note-12)	(27,935)	(25,544)	-	-
				<u>9,44,213</u>	<u>5,25,51,153</u>



MPSEZ UTILITIES PRIVATE LIMITED

Notes to the Financial Statements for the year ended March 31,2016

	Year ended March 31,2016 Amt in Rupees	Year ended March 31,2015 Amt in Rupees
<b>17 Revenue from operations</b>		
(a) Income from operation		
(i) Revenue from Power Sales	1,19,31,89,672	1,17,55,05,000
(ii) Other revenue related to power sales		
- Meter Rent	2,62,200	2,26,410
- Miscellaneous Income	3,75,896	3,47,223
(b) Income from Common Effluent Treatment services	51,99,732	53,54,413
	<b>1,19,90,27,500</b>	<b>1,18,14,33,046</b>
<b>18 Other income</b>		
Interest Income	13,30,595	31,45,016
Dividend Income	1,22,625	24,52,450
Profit on sale of investment	27,73,825	7,32,183
Liability no longer required written back	6,08,905	6,382
Miscellaneous Income	1,23,384	2,25,211
	<b>49,59,334</b>	<b>65,61,242</b>
<b>19 Purchase of Power</b>		
Power Purchase	1,04,63,92,425	89,40,08,384
Scheduling Charges	24,03,719	4,31,767
Unscheduled Interchange Charges	3,00,59,666	80,69,195
	<b>1,07,88,55,810</b>	<b>90,25,09,346</b>
<b>20 Employee benefits expense</b>		
Salaries, Wages and Bonus and Gratuity	2,34,31,829	2,63,83,972
Contribution to Provident Fund & other funds	11,84,022	13,02,129
Workmen and Staff Welfare Expenses	12,23,969	15,06,232
	<b>2,58,39,820</b>	<b>2,91,92,333</b>
<b>21 Finance cost</b>		
Interest on security Deposit	23,83,659	33,54,594
Bank charges and commission	2,31,774	6,89,101
Interest on borrowings	9,63,022	5,82,733
	<b>35,78,455</b>	<b>46,26,428</b>
<b>22 Other Expenses</b>		
Infrastructure Usage Charges	2,50,10,785	2,32,95,615
Legal Expenses, Fees & Subscription	29,02,287	23,70,051
Travelling and Conveyance	13,64,907	11,03,903
Stores, Spares and Consumables	13,98,225	37,37,433
Lease Rent	15,68,572	14,80,560
<b>Repairs &amp; Maintenance</b>		
Plant & Machinery	1,19,96,098	1,19,56,208
Building	5,22,017	32,49,847
Others	8,15,846	10,53,317
Advertisement and Publicity	84,955	59,208
Insurance	3,612	7,78,856
Power	4,41,232	6,07,867
<b>Payment to Auditors</b>		
Audit fee	1,10,000	1,00,000
Tax audit fee	30,000	30,000
Other Certification Charges	90,000	78,000
Professional Charges	1,00,50,569	90,84,127
Miscellaneous Expenses	20,71,512	7,05,295
Communication Expenses	1,88,777	1,34,503
Inspection & Testing Charges	23,300	37,302
Director Sitting Fees	1,64,160	-
Security Charges	21,23,014	21,59,240
Donation-(Expenses on Corporate Social responsibility Rs 14,00,000/-)	14,44,964	-
	<b>6,24,04,832</b>	<b>6,20,21,332</b>



## 2.2 OTHER NOTES TO ACCOUNT

	Year ended	Year ended
	March 31,2016	March 31,2015
	Amt in Rupees	Amt in Rupees
(a) Earnings per share (EPS)		
(Loss)/Profit for the year	(4,17,56,309)	12,23,46,279
No of equity shares at the beginning of the year	1,31,35,000	1,31,35,000
Add : Weighted average no of equity shares issued during the year	-	-
Weighted average no of equity shares in calculating basic and diluted EPS	1,31,35,000	1,31,35,000
Basic and diluted Earnings (loss) per share (in Rupees)	(3.18)	9.31

## (b) Details of employee benefits

1. The company has recognised, in the statement of profit and loss for current year, an amount of Rs 11,03,120/- (Previous year Rs 11,93,287) as expenses under the following defined contribution plan

2. The Company has a defined gratuity plan. Every employee gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Company of India (LIC) in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

## a) Net Employee benefit expense (recognised in Employee Cost)

Particulars	Gratuity (Funded)	
	March 31,2016	March 31,2015
Current Service cost	4,21,661	3,24,490
Interest Cost on benefit obligation	1,61,529	1,18,635
Expected return on plan assets	(1,44,054)	(27,743)
Actuarial loss / (gain) recognised in the year	(1,62,635)	(1,87,259)
Net benefit expense	2,76,501	2,28,123

Note: Actual return on plan assets Rs 1,62,635/- (Previous year Rs 1,87,259/-)

## Balance Sheet

## b) Details of Provision for gratuity

Particulars	Gratuity (Funded)	Gratuity (Funded)
	March 31,2016	March 31,2015
Present value of defined benefit obligation	(24,31,380)	(20,24,941)
Fair value of plan assets	19,54,895	18,05,868
Surplus/(deficit) of funds	(4,76,485)	(2,19,074)
Net asset/ (liability)	(4,76,485)	(2,19,074)

## c) Changes in Present Value of the defined benefit obligation are as follows:

Particulars	Gratuity (Funded)	Gratuity (Funded)
	March 31,2016	March 31,2015
Defined benefit obligation at the beginning of the Period	20,24,941	12,64,770
Current Service cost	4,21,661	3,24,490
Interest Cost	1,61,529	1,18,635
Actuarial (gain) / loss on obligations	(1,76,751)	5,70,008
Benefits paid by employer	-	(2,52,962)
Defined benefit obligation at the end of the period	24,31,380	20,24,941

## d) Changes in Fair Value of Plan Assets are as follows:

Particulars	Gratuity (Funded)	Gratuity (Funded)
	March 31,2016	March 31,2015
Opening fair value of plan assets	18,05,868	3,18,888
Expected return	1,44,054	27,743
Contribution by employer	19,089	7,01,970
Actuarial gains / (losses)	(14,116)	7,57,267
Closing fair value of plan assets	19,54,895	18,05,868

## Note:

1. The present value of the plan assets represents the balance available with the LIC as at the end of the period. The total value of Plan Assets amounting to Rs 19,54,895/- (Previous year Rs 18,05,868/-) is as certified by the LIC.

2. The Company's expected contribution to the fund in the next financial year is Rs 19,089/- (Previous year Rs 5,10,205/-)



MPSEZ UTILITIES PRIVATE LIMITED

Notes to the Financial Statements for the year ended March 31,2016

e) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Benefit Contribution to	2015-16 %	2014-15 %
Investments with insurers	100%	100%

The overall expected rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation has to be settled.

f) The principle assumptions used in determining Gratuity obligations are as follows:

Particulars	Gratuity (Funded) 31-Mar-16	Gratuity (Funded) 31-Mar-15
Discount rate	7.90%	8.70%
Expected rate of return on plan assets	8.00%	9.38%
Rate of Escalation in Salary (per annum)	9.00%	8.50%
Mortality	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
Attrition rate	10% for 5 years and below 1% thereafter	10% for 5 years and below 1% thereafter

The estimates of future salary increases considered in actuarial valuation and take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Amounts for the current period is as follows:

Gratuity	31-Mar-16	31-Mar-15
Defined benefit obligation	(24,31,380)	(20,24,941)
Plan Assets	19,54,895	18,05,868
Surplus / (deficit)	(4,76,485)	(2,19,073)
Experience loss (gain) on plan liabilities	(3,99,947)	1,55,199
Experience loss (gain) on plan assets	(14,116)	(7,57,267)



## (c)Related Party Disclosures

The Management has identified the following entities and individuals as related parties of the Company for the year ended March 31, 2016 for the purposes of reporting as per AS 18 – Related Party Transactions, which are as under:

Holding Company	Adani Ports and Special Economic Zone Limited
Fellow Subsidiary	Mundra SEZ Textile and Apparel Park Private Limited Adani Hazira Private Limited Adani Hospital Mundra Private Limited Adani Petronet (Dahej) Port Private Limited
Entities over which key management personnel, Directors and their relatives are able to exercise significant influence	Adani Wilmar Limited Adani Power Limited Adani Enterprise Limited Mundra Solar Techno Park Private Limited
Key Management Personnel	Mr Mukesh Saxena Mr Ennarasu Karunesan Mr. Amit Uplenchwar Mr. Mehul Rupera (up to 31.03.2015)

Detail of Related Party Transactions for the period ended March 31, 2016			(Amount in Rupees)	
Category	Name of Related Party	March 31, 2016	March 31, 2015	
Sale of Power	Adani Ports and Special Economic Zone Limited	69,16,73,877	70,33,66,893	
	Mundra SEZ Textile and Apparal Park Private Limited	5,61,630	6,07,151	
	Adani Power Limited	1,61,06,477	2,55,63,192	
	Adani Hospital Private Limited	-	9,04,479	
	Adani Petronet (Dahej) Port Private Limited	3,30,09,865	-	
Purchase of Power	Adani Power Limited	97,64,85,709	89,48,06,704	
	Adani Enterprise Limited	4,74,92,889	-	
Rendering of Services( Including reimbursement)	Adani Ports and Special Economic Zone Limited	2,37,023	-	
	Mundra SEZ Textile and Apparal Park Private Limited	33,335	-	
	Adani Hazira Port Private Limited	-	25,000	
	Adani Petronet (Dahej) Port Private Limited	-	25,000	
	Adani Wilmar Limited	-	1,00,000	
	Mundra Solar Techno Park Private Limited	1,89,943	-	
Services Availed( Including reimbursement)	Adani Enterprise Limited	10,90,377	11,92,810	
	Adani Ports and Special Economic Zone Limited	36,56,050	32,04,393	
	Adani Power Limited	-	80,250	
	Adani Hospital Private Limited	-	54,519	
	Adani Petronet (Dahej) Port Private Limited	25,000	-	
Interest Expense	Adani Ports and Special Economic Zone Limited	4,16,693	-	
Rent Expense	Adani Ports and Special Economic Zone Limited	12,75,000	12,75,000	
	Mundra SEZ Textile and Apparal Park Private Limited	2,73,063	2,16,880	
Infrastructure usage charges	Adani Ports and Special Economic Zone Limited	2,23,13,912	2,03,00,000	
Purchase of Capital Goods	Adani Ports and Special Economic Zone Limited	5,07,869	3,03,594	
Sale of Inventory	Adani Ports and Special Economic Zone Limited	35,69,415	-	
Miscellaneous Income	Adani Ports and Special Economic Zone Limited	-	15,87,115	
	Mundra SEZ Textile and Apparal Park Private Limited	-	1,06,204	
	Adani Hospital Private Limited	-	9,633	
Loan taken	Adani Ports and Special Economic Zone Limited	23,06,50,000	19,70,00,000	
Loan Repaid	Adani Ports and Special Economic Zone Limited	23,19,50,000	19,57,00,000	
Service Line Contribution Received	Mundra Solar Techno Park Private Limited	84,87,373	-	
	Adani Ports and Special Economic Zone Limited	-	36,30,353	
Security Deposite Received	Mundra Solar Techno Park Private Limited	16,80,120	-	
<b>Closing Balance</b>				
Trade Receivables	Adani Petronet (Dahej) Port Private Limited	42,52,827	-	
Loans and Advances	Adani Ports and Special Economic Zone Limited	3,960	-	
Other Current Assets	Adani Ports and Special Economic Zone Limited	5,70,27,205	5,90,26,063	
	Mundra SEZ Textile and Apparal Park Private Limited	62,417	59,076	
	Adani Petronet (Dahej) Port Private Limited	26,57,302	-	
	Adani Power Limited	-	19,29,936	
Trade Payables	Adani Hospital Private Limited	-	49,068	
	Adani Enterprise Limited	2,31,849	-	
	Adani Ports and Special Economic Zone Limited	3,42,596	22,129	
	Mundra SEZ Textile and Apparal Park Private Limited	1,23,713	-	
	Adani Power Limited	8,22,28,681	7,38,84,599	
Inter Corporate Deposit (taken)	Adani Ports and Special Economic Zone Limited	-	13,00,000	
Advances from Customer	Adani Ports and Special Economic Zone Limited	4,793	-	
Other Current Liabilities	Adani Ports and Special Economic Zone Limited	2,970	-	
	Mundra Solar Techno Park Private Limited	16,80,120	-	
	Mundra SEZ Textile and Apparal Park Private Limited	1,06,712	1,69,830	
Remuneration	Mr Mehul Rupera	-	23,92,140	



MPSEZ UTILITIES PRIVATE LIMITED

Notes to the Financial Statements for the year ended March 31,2016

- (d) The company is engaged in the business of distribution of power. Quantitative information in respect of purchase and sale of power are as under.

Sr. No.	Particulars	2015-16 (Unit in Mus)	2014-15 (Unit in Mus)
ia)	Unit Purchased	183.28	199.39
ib)	Unscheduled interchange (UI) Purchased	17.89	2.09
ic)	Third Party Sale	8.37	-
i)	Total Units Purchased	192.80	201.48
ii)	Unit Sold	184.76	193.30
iii)	Transmission & Distribution Losses	8.04	8.18
iv)	Transmission & Distribution Losses (%)	4.39%	4.10%

- (e) As per directives of Gujarat Electricity Regulatory Commission with respect to Renewable Purchase Obligation (RPO) to be adhered by the company during the current financial year, company has fulfilled the RPO obligation for the financial years 2012-13 & 2015-16 aggregating to Rs.474.93 lacs and made provision of Rs. 225.36 lacs for pending RPO of previous years . The cost of such obligation is included in Cost of Power Purchased in Note- 19.

(f) Capital Commitments

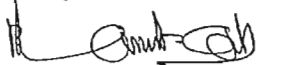
Particulars	As at March 31, 2016	As at March 31, 2015
Estimated amount of contracts (Net of advances) remaining to be executed on capital account and not provided for	17,52,35,522	79,92,396

- (g) Based on the future projections of profitability as well as deduction available under section 80IA of Income Tax Act, 1961, in the opinion of the management of the company, there does not exist virtual certainty that the company will have to pay taxes as per the normal rates within the specified period in section 115JAA of Income Tax Act, 1961. Therefore, in accordance with "Guidance Note on accounting for credit available in respect of minimum alternate tax under Income Tax Act, 1961" issued by Institute of Chartered Accountants of India, MAT credit receivable by the company has not been recognised as an asset.

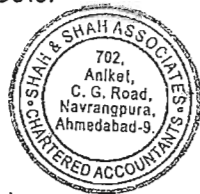
- (h) Details of Income & Expenses for the Common Effluent Treatment (CETP) Service rendered during the year are as under

Particular	For the year March 31, 2016	For the year March 31, 2015
	Amt in Rupees	Amt in Rupees
<u>Income</u>	51,99,732	53,54,413
<u>Expenditure</u>		
Employee benefits expenses	5,65,906	5,70,289
Electricity Expense	7,35,023	9,15,866
Other Expense	19,45,045	18,17,484
Total Expenditure	32,45,974	33,03,639

As per our report attached  
For SHAH & SHAH ASSOCIATES  
Chartered Accountants  
Firm Reg. No.113742W

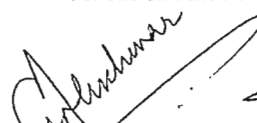


BHARAT A. SHAH  
Partner  
Membership No. 30167



Place : Ahmedabad  
Date : April 22, 2016

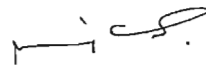
For and on behalf of the Board of Directors



Amit Uplenchwar  
Director  
DIN: 06862760



Ennarasu Karunesan  
Managing Director  
DIN :00200432



Manoj Chanduka  
Chief Financial Officer



Paresh Patel  
Company Secretary



Place : Ahmedabad  
Date : April 22, 2016

**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
 Nr. MUNICIPAL MARKET,  
 C.G. ROAD, NAVRANGPURA,  
 AHMEDABAD - 380 009.  
 PHONE: 26465433  
 FAX : 079 - 26406983  
 Email: ca@shahandshah.co.in

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF MPSEZ UTILITIES PRIVATE LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **MPSEZ UTILITIES PRIVATE LIMITED** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

For, *MPSEZ Utilities Pvt. Ltd.*

*PBS*  
 Company Secretary



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31 March 2015, and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by 'the Companies (Auditor's Report) Order, 2015 ( "the Order" ), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and 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 law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company does not have any pending litigations which would impact its financial position.
  - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no amount which required to be transferred to the Investor Education and Protection Fund by the company.

Place : Ahmedabad.  
Date : 25.04.2015



For **SHAH & SHAH ASSOCIATES**  
Chartered Accountants  
FRN:113742W

**BHARAT A. SHAH**  
**PARTNER**

Membership Number: 30167

**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT**  
**TO THE MEMBERS OF MPSEZ UTILITIES PRIVATE LIMITED**  
**ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2015**

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification.
2. The company is engaged in distribution of power. Therefore, the provisions of clause (ii) of the paragraph 3 are not applicable to the company.
3. As informed to us the company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory (power for resale and stores & spares) and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. According to the information and explanations given to us, the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
6. In respect of business activities of the company, maintenance of cost records has been specified by the Central Government under sub-section (I) of section 148 of the Companies Act. We have broadly reviewed the cost records maintained by the company and are of the opinion that *prima facie*, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

7. a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year under audit 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.
- c) In our opinion, and according to the information and explanations given to us, there is no amount required to be transferred to Investor Education and Protection Fund by the company.
8. There are no accumulated losses of the company as at the end of the year. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. Based on our audit procedures and on the basis of information and explanations given to us by the management, we are of the opinion that there is no default in repayment of dues to the banks as at the year end.
10. According to information and explanations given to us, the company has not given any guarantee for loan taken by others from banks or financial institutions.
11. According to the information and explanation given to us, term loans have been used for the purpose for which they were obtained.
12. 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 year ended 31.03.2015.

Place : Ahmedabad.  
Date : 25.04.2015



For **SHAH & SHAH ASSOCIATES**  
Chartered Accountants

FRN: 113742W

BHARAT A. SHAH

**PARTNER**

Membership Number: 30167

**MPSEZ UTILITIES PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2015**

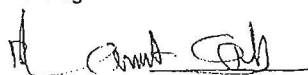
Amount in Rupees

PARTICULARS	Notes	As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	3	13,13,50,000	13,13,50,000
Reserves & surplus	4	69,30,56,537	57,56,69,258
		<b>82,44,06,537</b>	<b>70,70,19,258</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term borrowings	5	53,00,000	-
Other Long term liabilities	6	3,39,23,086	10,74,85,895
Long-term provisions	7	14,45,958	13,66,919
		<b>4,06,69,044</b>	<b>10,88,52,814</b>
<b>CURRENT LIABILITIES</b>			
Trade payables		8,82,03,636	7,35,16,972
Other current liabilities	8	1,43,19,760	1,20,83,917
Short-term provisions	7	5,45,216	42,34,557
		<b>10,30,68,612</b>	<b>8,98,35,446</b>
<b>Total</b>		<b>96,81,44,193</b>	<b>90,57,07,518</b>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Fixed assets			
(i) Tangible assets	9	68,55,13,530	70,16,61,970
(ii) Capital work-in-progress		2,74,89,923	3,95,82,321
Long-term loans and advances	10	10,06,99,141	2,15,394
Other non-current assets	11	25,544	23,406
		<b>81,37,28,138</b>	<b>74,14,83,091</b>
<b>CURRENT ASSETS</b>			
Current Investment	12	-	4,52,06,798
Inventories	13	8,88,722	13,03,650
Trade receivables	14	93,743	2,69,436
Cash & bank balances	15	5,25,51,153	3,13,37,374
Short-term loans & advances	10	27,62,095	35,56,820
Other current assets	11	9,81,20,342	8,25,50,349
		<b>15,44,16,055</b>	<b>16,42,24,427</b>
<b>Total</b>		<b>96,81,44,193</b>	<b>90,57,07,518</b>

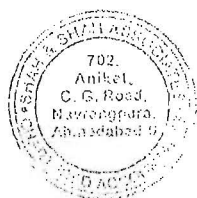
Significant accounting policies 2.1  
Other notes to accounts 2.2  
The accompanying notes are an integral part of the financial statements.

As per our report attached

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



BHARAT A. SHAH  
Partner  
Membership No. 30167



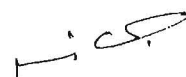
For and on behalf of the Board of Directors



B. Ravi  
Director  
DIN : 00160891



Capt. Unmesh Abhyankar  
Director  
DIN : 03040812



Manoj Chanduka  
Chief Financial Officer



Paresh Patel  
Company Secretary



Place : Ahmedabad  
Date : 12 5 APR 2015

Place : Ahmedabad  
Date : 12 5 APR 2015

**MPSEZ UTILITIES PRIVATE LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,2015**

Amount in Rupees

PARTICULARS	Notes	For the Year ended March 31, 2015	For the Year ended March 31, 2014
Revenue from operations	16	1,18,14,33,046	89,27,11,931
Other income	17	65,61,242	39,35,584
<b>Total Revenue</b>		<b>1,18,79,94,288</b>	<b>89,66,47,515</b>
<b>Expenses</b>			
Purchase of Power	18	90,25,09,346	71,88,63,433
Employee benefits expense	19	2,91,92,333	3,01,97,983
Finance cost	20	46,26,428	98,51,684
Depreciation	9	4,39,99,250	4,26,66,735
Less : Transfer from service line contribution		(86,75,700)	(84,66,179)
		<b>3,53,23,550</b>	<b>3,42,00,556</b>
Other Expenses	21	6,20,21,332	5,09,32,552
<b>Total Expenses</b>		<b>1,03,36,72,989</b>	<b>84,40,46,209</b>
<b>Profit before tax</b>		<b>15,43,21,299</b>	<b>5,26,01,306</b>
<b>Tax Expense:</b>			
Current Tax		3,19,75,020	1,06,30,862
<b>Profit for the year</b>		<b>12,23,46,279</b>	<b>4,19,70,444</b>
Earning per equity share			
- Basic & Diluted	2.2(a)	9.31	3.20
Significant accounting policies	2.1		
Other notes to accounts	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report attached

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

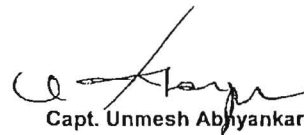
For and on behalf of the Board of Directors



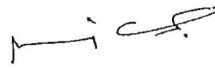
**BHARAT A. SHAH**  
Partner  
Membership No. 30167



**B. Ravi**  
Director  
DIN : 00160891



**Capt. Unmesh Abhyankar**  
Director  
DIN :03040812

**Manoj Chanduka**  
Chief Financial Officer



**Paresch Patel**  
Company Secretary



Place : Ahmedabad  
Date : **25 APR 2015**

Place : Ahmedabad  
Date : **25 APR 2015**



**MPSEZ UTILITIES PRIVATE LIMITED**

Cash Flow Statement for the year ended 31st March,2015

(Amount in Rupees)

PARTICULARS	For the Year ended March 31,2015	For the Year ended March 31,2014
<b>CASHFLOW FROM OPERATIONS</b>		
Net Profit Before Tax	15,43,21,299	5,26,01,306
Adjustment for:		
Depreciation/Amortization	3,53,23,548	3,42,00,556
Interest Expense	39,37,327	87,38,644
Interest Income	(31,45,016)	(10,20,065)
Income from Dividend	(24,52,450)	(97,639)
Income from Mutual Fund	(7,32,183)	-
Liabilities No Longer Required writtenback	(6,382)	-
<b>Total Adjustments to Net Profit</b>	<b>3,29,24,844</b>	<b>4,18,21,496</b>
Operating Profit Before Working Capital Changes	18,72,46,143	9,44,22,802
Adjustment for:		
Decrease/(Increase) in Trade Receivables	1,75,692	-
Decrease/(Increase) in Inventories	4,14,928	(13,03,650)
Decrease/(Increase) in Loans and Advances	7,94,724	35,91,205
Decrease/(Increase) in Other Assets	(1,52,43,924)	-
Increase/(Decrease) in Trade payables	1,59,50,069	-
Increase/(Decrease) in Other Liabilities	(6,87,42,308)	12,24,073
Increase/(Decrease) in Provisions	(6,46,811)	36,44,460
<b>Total Working Capital Changes</b>	<b>(6,72,97,630)</b>	<b>71,56,088.00</b>
Cash Generated From Operations	11,99,48,513	10,15,78,890
Direct Tax (Paid)/Refund	(3,56,37,651)	(97,10,477)
<b>Net Cash From Operating Activities (A)</b>	<b>8,43,10,862</b>	<b>9,18,68,413.00</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Purchase/Additions to Fixed Assets	(11,18,26,317)	(1,03,01,506)
Purchase of Investments in Mutual funds	(74,20,35,904)	-
Proceeds from Sale of Investments in Mutual Funds	78,72,42,699	(4,52,06,798)
Interest Received	28,18,948	10,20,065
Income from Mutual Fund	7,32,183	-
Income from Dividend	24,52,450	97,639
<b>Net Cash Used in Investing Activities (B)</b>	<b>(6,06,15,941)</b>	<b>(5,43,90,600)</b>
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	50,00,000	-
Proceeds from Loan, From Holding Company	19,70,00,000	-
Repayment of Loan to Holding Company	(19,57,00,000)	-
Interest Paid	(87,81,142)	(87,38,644)
<b>Net Cash Used for Financing Activities( C)</b>	<b>(24,81,142)</b>	<b>(87,38,644)</b>
<b>Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)</b>	<b>2,12,13,779</b>	<b>1,31,22,823</b>
Cash and Cash Equivalents at the beginning of the year	3,13,37,374	1,82,14,551
Cash and Cash Equivalents at the End of the year	5,25,51,153	3,13,37,374
Balances with Scheduled Bank		
In Fixed Deposit accounts	5,12,80,245	1,80,00,000
In Current Account	12,70,908	1,33,37,374
	<b>5,25,51,153</b>	<b>3,13,37,374</b>

As per our report attached

For **SHAH & SHAH ASSOCIATES**

Chartered Accountants

Firm Reg. No.113742W

*Bharat A. Shah*

**BHARAT A. SHAH**

Partner

Membership No. 30167



For and on behalf of the Board of Directors

*B. Ravi*

**B. Ravi**

Director

DIN : 00160891

*Capt. Umesh Abhyankar*

**Capt. Umesh Abhyankar**

Director

DIN : 03040812



*Manoj Chanduka*

**Manoj Chanduka**  
Chief Financial Officer

*Paresh Patel*

**Paresh Patel**  
Company Secretary

Place : Ahmedabad

Date : 25 APR 2015

Place : Ahmedabad

Date : 25 APR 2015

**MPSEZ UTILITIES PRIVATE LIMITED**

**Notes to the financial statements for the year ended March 31,2015**

**1 Corporate information**

MPSEZ Utilities Private Limited (MUPL) is 100% Subsidiary company of Adani Ports and Special Economic Zone Limited (APSEZL) and a Co-developer to provide infrastructure facilities in Mundra Special Economic Zone. The main objective of the company is to provide facility of distribution of electricity, effluent & sewage in Mundra SEZ area, Kutch, Gujarat.

**2 Basis of Preparation of Financial Statements**

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis under the historical cost convention.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**2.1 Summary of Significant Accounting Policies**

**a) 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. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**b) Tangible Fixed Assets**

i) Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

ii) Leasehold land is amortized over the lease period.

**c) Depreciation on tangible fixed assets**

i) The depreciation for the year is provided on additions/deductions of the assets during the period from/up to the date on which the asset is added/deducted. Depreciation is provided on Straight Line Method.

ii) In respect of tangible assets, as regards the rates of depreciation, the company is following rates as per Appendix III of CERC (Terms and conditions of Tariff) Regulations, 2009 which are in line with Annexure I of Gujarat Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2011.

iii) Depreciation on individual assets costing up to Rs.5,000 are provided at the rate of 100% in the month of purchase.

**d) Inventories**

stock of stores and spares valued at lower of cost and net realisable value. Cost is determined on moving weighted average basis. Net realizable value is the estimated current procurement price in the ordinary course of the business.

**e) Service Line Contribution**

Service line contribution received from consumers are treated as capital receipt and accounted as Capital Reserve.

**f) Revenue Recognition**

i)

Revenue is recognized when no significant uncertainty as to the measurability or collectability exist.

ii)

Dividend income from investment in mutual fund is recognised when the company right to receive payment is established,

**g) Foreign Currency Translation**

**i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



**MPSEZ UTILITIES PRIVATE LIMITED**

**Notes to the financial statements for the year ended March 31,2015**

---

**ii) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**iii) Exchange Differences**

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

**h) Retirement and Other Employee Benefits**

**i) Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has taken an insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees and amount paid/payable in respect of the present value of liability for past services is charged to the Profit & Loss account every year. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds with LIC is provided for as liability in the books.

**ii) Leave Encashment**

Provision for leave encashment is determined and accrued on the basis of actuarial valuation.

**iii) Actuarial Gains/ Losses**

Actuarial gains/losses are immediately recognized in the profit and loss account.

**i) Income Taxes**

**i) Current Tax**

Provision for taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.

**ii) Deferred Tax**

In accordance with the Accounting Standard 22 - Accounting for Taxes on income, prescribed under The Companies (Accounting Standards) Rules 2006, the deferred tax for timing differences between the book and tax profits for the period is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

**j) Earnings per share**

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**k) Provisions, Contingent Liabilities and Contingent Assets :**

**Provisions**

Provisions involving substantial degree of estimation in measurement are recognized when there is a probable present obligation and outflow of resources as a result of past events.

**Contingent Liabilities**

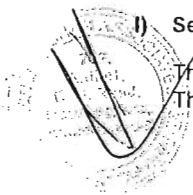
Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the Notes on Accounts.

**Contingent Assets**

Contingent assets are neither recognized nor disclosed in financial statements.

**l) Segment Reporting Policies**

The Company is principally engaged in the business of distribution of electricity, effluent & sewage facilities. There are no reportable segments as per Accounting Standards (AS) 17, "Segment Reporting."



**MPSEZ UTILITIES PRIVATE LIMITED**

**Notes to Financial Statements for the year ended March 31, 2015**

Particulars	As at March	As at March
	31,2015	31,2014
	Amt in Rs.	Amt in Rs.
<b>3 SHARE CAPITAL</b>		
Authorized shares		
1,31,50,000(PY 1,31,50,000) Equity Shares of Rs. 10/- Each	13,15,00,000	13,15,00,000
	<u>13,15,00,000</u>	<u>13,15,00,000</u>
Issued, subscribed and fully paid-up shares	13,13,50,000	13,13,50,000
1,31,35,000(PY 1,31,50,000) Equity Shares of Rs. 10/- Each Fully paid-up	<u>13,13,50,000</u>	<u>13,13,50,000</u>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity shares	As at March 31,2015		As at 31-03-2014	
	Nos	Amt in Rs.	Nos	Amt in Rs.
Shares outstanding at the beginning of the year	1,31,35,000	13,13,50,000	1,31,35,000	13,13,50,000
Shares Issued during the Year	-	-	-	-
Shares bought back during the Year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<u>1,31,35,000</u>	<u>13,13,50,000</u>	<u>1,31,35,000</u>	<u>13,13,50,000</u>

b. Shares held by holding Company	As at March 31,2015	As at March 31,2014
	Nos	Nos
Adani Ports and Special Economic Zone Ltd	1,31,35,000	1,31,35,000

**c. Details of shareholders holding more than 5% shares in the company**

Name of shareholder	As at March 31,2015		As at 31-03-2014	
	No of shares held	% of Holding	No of shares held	% of Holding
Equity shares of Rs. 10 each fully paid				
Adani Ports and Special Economic Zone Ltd	1,31,35,000	100.00%	1,31,35,000	100.00%

**4 RESERVES AND SURPLUS**

**Capital Reserves**

**Service Line Contribution**

Opening Balance	14,21,48,966	14,61,66,838
Add : Received during the year	37,16,700	44,48,307
Less :Transfer to Profit and Loss statement	(86,75,700)	(84,66,179)
Closing Balance	<u>(a) 13,71,89,966</u>	<u>14,21,48,966</u>

**Securities Premium Account**

Balance as per last Balance Sheet	<u>(b) 39,37,50,000</u>	<u>39,37,50,000</u>
-----------------------------------	-------------------------	---------------------

**Surplus/(Deficit) in the Statement of Profit and Loss**

Opening Balance	3,97,70,292	(22,00,152)
Add : Profit for the year	12,23,46,279	4,19,70,444
	<u>(c) 16,21,16,571</u>	<u>3,97,70,292</u>

**Total (a+b+c) 69,30,56,537 57,56,69,258**



**MPSEZ UTILITIES PRIVATE LIMITED**

Notes to Financial Statements for the year ended March 31, 2015

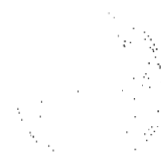
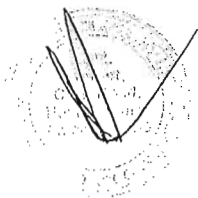
5 Long Term Borrowing	Non-Current		Current Maturities	
	As at March 31,2015	As at March 31,2014	As at March 31,2015	As at March 31,2014
	Amt In Rs.	Amt In Rs.	Amt In Rs.	Amt In Rs.
<b>Term loans :</b>				
From banks (secured)(Note#1)	40,00,000	-	10,00,000	-
	<b>40,00,000</b>	<b>-</b>	<b>10,00,000</b>	<b>-</b>
<b>Unsecured</b>				
Loan from Holding Company	13,00,000	-	-	-
Less:				
Amounts disclosed under the head "Other Current Liabilities" (Note-8)	-	-	10,00,000	-
<b>Total</b>	<b>53,00,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note # 1: Term Loan from Banks are secured by way of hypothecation of Plant and Machinery of Company's transmission Business. The loan is repayable in equal quarterly installment after moratorium of 3 months. The Tenure of loan is upto 31st March 2020.

6 OTHER LONG-TERM LIABILITIES	As at March 31,2015	As at March 31,2014
	Amt In Rs.	Amt In Rs.
Security Deposits from Customers	3,39,23,086	10,74,85,895
	<b>3,39,23,086</b>	<b>10,74,85,895</b>

7 PROVISIONS	Non-Current		Current	
	As at March 31,2015	As at March 31,2014	As at March 31,2015	As at March 31,2014
	Amt In Rs.	Amt In Rs.	Amt In Rs.	Amt In Rs.
Provision for employee benefits				
Gratuity	-	1,74,429	2,19,074	7,71,453
Leave benefits	14,45,958	11,92,490	3,26,142	4,99,613
Provision for Taxation	-	-	-	29,63,491
	<b>14,45,958</b>	<b>13,66,919</b>	<b>5,45,216</b>	<b>42,34,557</b>

8 OTHER CURRENT LIABILITIES	As at March 31,2015	As at March 31,2014
	Amt In Rs.	Amt In Rs.
Interest accrued but not due	30,24,087	78,67,901
Payable for Capital Goods	22,71,211	17,47,979
Statutory Liabilities	79,24,600	24,68,037
Current Maturity of long-term borrowings(Note-5)	10,00,000	-
Advance from Customer	99,862	-
	<b>1,43,19,760</b>	<b>1,20,83,917</b>

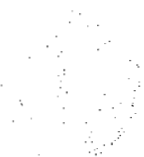
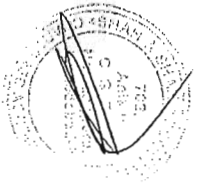


MPSEZ UTILITIES PRIVATE LIMITED

**NOTE 9 : FIXED ASSETS**

Amount in Rs

Sr. No	Particulars	Gross Block (At Cost)				Depreciation / Amortisation				Net Block	
		As at March 31,2014	Additions	Deductions	As at March 31,2015	Upto March 31,2014	For the year	Deductions	Upto March 31,2015	As at March 31,2015	As at March 31,2014
	<b>TANGIBLE ASSETS</b>										
1	Lease hold land	6,37,50,000	-	-	6,37,50,000	76,47,799	21,29,250	-	97,77,049	5,39,72,951	5,61,02,201
2	Building	2,40,03,976	6,71,052	-	2,46,75,028	28,20,227	8,16,420	-	36,36,647	2,10,38,381	2,11,83,749
3	Plant & machinery	35,25,80,138	2,69,75,746	-	37,95,55,884	6,60,96,378	2,04,49,456	-	8,65,45,834	29,30,10,050	28,64,83,760
4	Transmission & distribution system	38,95,40,426	-	-	38,95,40,426	5,17,99,550	2,05,76,105	-	7,23,75,655	31,71,64,771	33,77,40,876
5	Furniture & fixtures	1,73,110	-	-	1,73,110	71,207	8,035	-	79,242	93,868	1,01,903
6	Office Equipment	6,999	-	-	6,999	6,999	-	-	6,999	-	-
7	Vehicle	60,351	1,59,807	-	2,20,158	10,870	19,095	-	29,965	1,90,193	49,481
8	Computer Hardware	-	44,205	-	44,205	-	889	-	889	43,316	-
	Total	83,01,15,000	2,78,50,810	-	85,79,65,810	12,84,53,030	4,39,99,250	-	17,24,52,280	68,55,13,530	70,16,61,970
	Previous Year	81,78,64,351	1,22,50,649	-	83,01,15,000	8,57,86,294	4,26,66,735	-	12,84,53,030	70,16,61,970	





**MPSEZ UTILITIES PRIVATE LIMITED**

**Notes to Financial Statements for the year ended March 31, 2015**

Particulars	Year ended	Year ended
	March 31, 2015	March 31, 2014
	Amt In Rs.	Amt In Rs.
<b>16 REVENUE FROM OPERATIONS</b>		
(a) Income from operation		
(i) Revenue from Power Sales	1,17,55,05,000	88,75,05,760
(ii) Other revenue related to power sales		
- Meter Rent	2,26,410	2,32,365
- Misc Income	3,47,223	1,40,285
(b) Income from Common Effluent Treatment services	53,54,413	48,33,521
	<b>1,18,14,33,046</b>	<b>89,27,11,931</b>
<b>17 OTHER INCOME</b>		
Interest Income	31,45,016	10,20,065
Dividend Income	24,52,450	97,639
Profit on sale of Investment	7,32,183	27,41,079
Liability no longer required written back	6,382	-
Misc Income	2,25,211	76,800
	<b>65,61,242</b>	<b>39,35,584</b>
<b>18 PURCHASE OF POWER</b>		
Power Purchase	89,40,08,384	71,59,96,742
Scheduling Charges	4,31,767	1,44,482
Unscheduled Interchange Charges	80,69,195	27,22,209
	<b>90,25,09,346</b>	<b>71,88,63,433</b>
<b>19 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Bonus and Gratuity	2,63,83,972	2,74,36,226
Contribution to Provident Fund & other funds	13,02,129	13,16,847
Workmen and Staff Welfare Expenses	15,06,232	14,44,909
	<b>2,91,92,333</b>	<b>3,01,97,983</b>
<b>20 FINANCE COST</b>		
Interest on security Deposit	33,54,594	87,38,644
Bank charges and commission	6,89,101	5,80,624
Interest	5,82,733	5,32,416
	<b>46,26,428</b>	<b>98,51,684</b>
<b>21 OTHER EXPENSES</b>		
Infrastructure Usage Charges	2,32,95,615	2,05,85,309
Legal Expenses, Fees & Subscription	23,70,051	55,56,978
Travelling and Conveyance	11,03,903	13,29,795
Consumable Store and Spares	37,37,433	11,25,468
Lease Rent	14,80,560	13,36,457
<b>Repairs &amp; Maintenance</b>		
Plant & Machinery	1,19,56,208	95,73,712
Building	32,49,847	7,53,225
Others	10,53,317	2,023
Advertisement and Publicity	59,208	2,84,652
Insurance	7,78,856	6,30,212
Power	6,07,867	6,38,471
<b>Payment to Auditors</b>		
Audit fee	1,00,000	1,00,000
Tax audit fee	30,000	30,000
Other Certification Charges	78,000	17,750
Professional Charges	90,84,127	62,81,880
Miscellaneous Expenses	7,05,295	2,54,430
Communication Expenses	1,34,503	55,259
Inspection & Testing Charges	37,302	24,940
Security Charges	21,59,240	23,51,992
	<b>6,20,21,332</b>	<b>5,09,32,552</b>





**MPSEZ UTILITIES PRIVATE LIMITED**  
**Notes to Financial Statements for the year ended March 31, 2015**

Particulars	Year ended	Year ended
	March 31,2015	March 31,2014
	Amt In Rs.	Amt In Rs.

**2.2 OTHER NOTES TO ACCOUNT**

**(a) Earnings per share (EPS)**

Profit for the year as per Profit & Loss Account	12,23,46,279	4,19,70,444
No of equity shares at the beginning of the year	1,31,35,000	1,31,35,000
Add : Weighted average no of equity shares issued during the year	-	-
Weighted average no of equity shares in calculating basic EPS	1,31,35,000	1,31,35,000
Basic and diluted earnings (loss) per share (in rupees)	9.31	3.20

**(b) Details of employee benefits**

1. The company has recognised, in the statement of profit and loss for current year, an amount of Rs 11,93,287 ( Previous year Rs 11,24,285) as expenses under the following defined contribution plan

Contribution to Provident Fund	11,93,287	11,24,285
Total	11,93,287	11,24,285

2. The Company has a defined gratuity plan. Every employee gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Company of India (LIC) in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

**a) Net Employee benefit expense (recognised in Employee Cost)**

Particulars	Gratuity (Funded)	Gratuity (Funded)
	March 31,2015	March 31,2014
Current Service cost	3,24,490	2,79,937
Interest Cost on benefit obligation	90,892	59,403
Expected return on plan assets	-	(25,917)
Actuarial loss / (gain) recognised in the year	(1,87,259)	3,23,126
Net benefit expense	2,28,123	6,36,549

Note: Actual return on plan assets Rs (1,87,259)/-

**Balance Sheet**

**b) Details of Provision for gratuity**

Particulars	Gratuity (Funded)	Gratuity (Funded)
	March 31,2015	March 31,2014
Present value of defined benefit obligation	(20,24,941)	(12,64,770)
Fair value of plan assets	18,05,867	3,18,888
Surplus/(deficit) of funds	(2,19,074)	(9,45,882)
Net asset/ (liability)	(2,19,074)	(9,45,882)

**c) Changes in Present Value of the defined benefit obligation are as follows:**

Particulars	Gratuity (Funded)	Gratuity (Funded)
	March 31,2015	March 31,2014
Defined benefit obligation at the beginning of the Period	12,64,770	7,20,040
Current Service cost	3,24,490	2,79,937
Interest Cost	1,18,635	59,403
Actuarial (gain) / loss on obligations	5,70,008	3,18,195
Benefits paid by employer	(2,52,962)	(1,12,805)
Defined benefit obligation at the end of the period	20,24,941	12,64,770

**d) Changes in Fair Value of Plan Assets are as follows:**

Particulars	Gratuity (Funded)	Gratuity (Funded)
	March 31,2015	March 31,2014
Opening fair value of plan assets	3,18,888	2,97,902
Expected return	27,743	25,917
Contribution by employer	7,01,970	-
Actuarial gains / (losses)	7,57,267	(4,931)
Closing fair value of plan assets	18,05,868	3,18,888

**Note:**

1. The present value of the plan assets represents the balance available with the LIC as at the end of the period. The total value of Plan Assets amounting to Rs 18,05,868/- is as certified by the LIC.

2. The Company's expected contribution to the fund in the next financial year is RS 5,10,205/-



**MPSEZ UTILITIES PRIVATE LIMITED**

**Notes to Financial Statements for the year ended March 31, 2015**

e) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Benefit Contribution to	2014-15 %	2013-14 %
Investments with Insurers	100%	100%

The overall expected rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation has to be settled.

f) The principle assumptions used in determining Gratuity obligations are as follows:

Particulars	Gratuity (Funded) 31-Mar-15	Gratuity (Funded) 31-Mar-14
Discount rate	8.70%	8.25%
Expected rate of return on plan assets	9.38%	8.70%
Rate of Escalation in Salary (per annum)	8.50%	8.50%
Mortality	Indian Assured Lives (2006-08)	LIC 1994-96 (Ultimate)
Attrition rate	10% for 4 years and below 1% thereafter	10% for 4 years and below 1% thereafter

The estimates of future salary increases considered in actuarial valuation and take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Amounts for the current period is as follows:

Gratuity	March 31,2015	March 31,2014
Defined benefit obligation	(20,24,941)	(12,64,770)
Plan Assets	18,05,867	3,18,888
Surplus / (deficit)	(2,19,074)	(9,45,882)
Interest Cost	1,18,635	59,403
Experience loss (gain) on plan liabilities	1,55,199	3,18,195
Experience loss (gain) on plan assets	(7,57,267)	4,931



(c) Related Party Disclosures

The Management has identified the following entities and individuals as related parties of the Company for the year ended March 31, 2015 for the purposes of reporting as per AS 18 - Related Party Transactions, which are as under:

Criteria	Name of the Company
Ultimate Holding Entity	Adani Enterprises Ltd. (Holding Company of APSEZL)
Holding Company	Adani Ports and Special Economic Zone Limited
Fellow Subsidiary (APSEZL) (Companies with whom transaction has been made during the year)	(1)Mundra SEZ Textile and Apparel Park Private Limited,
	(2)Adani Hazira Pvt Ltd
	(3)Adani Hospital Mundra Pvt Ltd
	(4)Adani Petronet Dahej Port Pvt Ltd
	(5)Adani Wilmar Ltd
Fellow Subsidiary (AEL)(Companies with whom transaction has been made during the year)	Adani Power Ltd
Key Management Personal	Mr. B. Ravi (Director)
	Capt. Unmesh Abhyankar (Director)
	Mr. Manoj Chanduka (Chief Financial Officer)
	Mr. Amit Uplenchwar (Director)
	Mr. Mehul Rupera (Manager)

Remuneration Paid to Manager	Amount in rupees
2014.-15	23,92,140
2013-14	(20,27,220)

Aggregate of transactions for the year ended with these parties have been given below.

Particulars	Amount in rupees							
	Adani Enterprise Ltd	Adani Port and SEZ Ltd	Mundra SEZ Textile and Apparel Park	Adani Power Ltd	Adani Hazira Port Pvt Ltd	Adani Hospitals Mundra Private Ltd	Adani Petronet(Dahej) Port Private Ltd	Adani Wilmar Ltd
<b>(A) Volume of Transactions</b>								
Sale of Power								
2014.-15	-	70,33,66,893	6,07,151	2,55,63,192	-	9,04,479	-	-
2013-14	-	52,79,19,001	8,18,577	-	-	-	-	-
Purchase of Capital Goods (Capital work In Progress)								
2014.-15	-	3,03,594	-	-	-	-	-	-
2013-14	-	6,76,757	-	-	-	-	-	-
Security Deposit Received								
2014.-15	-	-	-	-	-	-	-	-
2013-14	-	1,33,088	-	4,50,000	-	-	-	-
Service Line Contribution Received								
2014.-15	-	36,30,353	-	-	-	-	-	-
2013-14	-	25,75,177	-	2,16,624	-	-	-	-
Connection Form & Misc Income								
2014.-15	-	15,87,115	1,06,204	-	-	9,633	-	-
2013-14	-	1,64,908	50,208	25,000	-	-	-	-
Service Availed								
2014.-15	11,92,810	-	-	80,250	-	54,519	-	-
2013-14	-	-	-	-	-	-	-	-
Service Rendered								
2014.-15	-	-	-	-	25,000	-	25,000	1,00,000
2013-14	-	-	-	-	-	-	-	-
Reimbursement of Expenses								
2014.-15	-	32,04,393	-	-	-	-	-	-
2013-14	-	37,07,468	-	-	-	-	-	-
Infrastructure Usage Charges								
2014.-15	-	2,02,86,760	-	-	-	-	-	-
2013-14	-	2,05,80,509	-	-	-	-	-	-
Lease Rent								
2014.-15	-	12,75,000	2,16,880	-	-	-	-	-
2013-14	-	11,86,456	1,38,681	-	-	-	-	-
Loan Taken during the year								
2014.-15	-	19,70,00,000	-	-	-	-	-	-
2013-14	-	21,57,50,000	-	-	-	-	-	-
Loan repaid during the year								
2014.-15	-	19,57,00,000	-	-	-	-	-	-
2013-14	-	21,57,50,000	-	-	-	-	-	-
Purchase of Power								
2014.-15	-	-	-	89,48,06,704	-	-	-	-
2013-14	-	-	-	71,59,96,742	-	-	-	-
<b>(B) Balance at the end of the year</b>								
Dues Receivable (including unbilled)								
2014.-15	-	5,90,26,063	59,076	19,29,936	-	-	-	-
2013-14	-	5,00,79,764	-	-	-	-	-	-
Dues Payable								
2014.-15	-	13,22,129	1,69,830	7,38,84,599	-	49,068	-	-
2013-14	-	5,50,13,656	1,43,633	6,54,57,880	-	-	-	-



**MPSEZ UTILITIES PRIVATE LIMITED**

**Notes to Financial Statements for the year ended March 31, 2015**

- (d) The company is engaged in the business of distribution of power. Quantitative information in respect of purchase and sale of power are as under.

Sr. No.	Particulars	2014-15 (Unit in Mus)	2013-14 (Unit in Mus)
la)	Unit Purchased	199.39	173.92
lb)	Unscheduled Interchange (UI) Purchased	2.09	2.90
I	Net Units Purchased (Inclusive of UI)	201.48	176.82
ii)	Unit Sold	193.30	169.64
III)	Transmission & Distribution Losses	8.18	7.18
iv)	Transmission & Distribution Losses (%)	4.10%	4.13%

(e) **Capital Commitments**


Particulars	As at March 31, 2015	As at March 31, 2014
Estimated amount of contracts (Net of advances) remaining to be executed on capital account and not provided for	79,92,396	64,34,806

- (f) (i) Based on the future projections of profitability as well as deduction available under section 80IA of Income Tax Act, 1961, in the opinion of the management of the company, there does not exist virtual certainty that the company will have to pay taxes as per the normal rates within the specified period in section 115JAA of Income Tax Act, 1961. Therefore, in accordance with "Guidance Note on accounting for credit available in respect of minimum alternate tax under Income Tax Act, 1961" issued by Institute of Chartered Accountants of India, MAT credit receivable by the company for the financial year ended on 31st March, 2015 has not been recognised as an asset.
- (ii) In the situation where the Company is entitled to a tax holiday under the Income tax Act, 1961, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

g **Details of Income & Expenses for the Common Effluent Treatment (CETP) Service rendered during the year are as under**

Particular	For the year March 31, 2015	For the year March 31, 2014
	Amt. Rs.	Amt. Rs.
Income	53,54,413	48,33,521
Expenditure		
Employee benefits expenses	9,15,866	7,47,663
Electricity Expense	5,70,289	6,38,471
Other Expense	18,17,484	8,41,257
Total Expenditure	33,03,639	22,27,391

As per our report attached  
For SHAH & SHAH ASSOCIATES  
Chartered Accountants  
Firm Reg. No.113742W

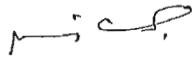
  
BHARAT A. SHAH  
Partner  
Membership No. 30167



Place : Ahmedabad  
Date : 25 APR 2015

For and on behalf of the Board of Directors

  
B. Ravi  
Director  
DIN : 00160891

  
Manoj Chanduka  
Chief Financial Officer

Place : Ahmedabad  
Date : 25 APR 2015

  
Capt. Umesh Abhyankar  
Director  
DIN : 03040812

  
Paresch Patel  
Company Secretary



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
 Nr. MUNICIPAL MARKET,  
 C.G. ROAD, NAVRANGPURA,  
 AHMEDABAD - 380 009.  
 PHONE: 26465433  
 FAX : 079 - 26406983  
 Email: ca@shahandshah.co.in

**INDEPENDENT AUDITORS' REPORT**

To

The Members of  
**MPSEZ UTILITIES PRIVATE LIMITED**

**Report on the Financial Statements:**

We have audited the accompanying financial statements of **MPSEZ UTILITIES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014, the Statement of Profit & Loss and the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("The Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

For, *MPSEZ Utilities Pvt. Ltd.*

*Pb*  
 Company Secretary



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors considers internal control relevant to the Company's preparation and fair presentation of the Financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements read together with significant accounting policies and accompanying notes thereon give, the information required by the Act, in the manner so required and give, a true and fair view in conformity with the accounting principles generally accepted in India;

- i) in the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014;
- ii) in the case of the Statement of Profit & Loss, of the Profit for the year ended on 31<sup>st</sup> March, 2014; and
- iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on 31<sup>st</sup> March, 2014.



**Report on Other Legal and Regulatory Requirements**

1. As required by 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, we give in the annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by section 227(3) of the Act, we 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 law have been kept by the company so far as appears from our examination of these books
  - c) The Balance sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, these financial statements have been prepared in compliance with the applicable accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - e) We report that none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies 1956.



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

**BHARAT A. SHAH**  
**PARTNER**

Membership Number: 30167

Place : Ahmedabad.  
Date : 13<sup>th</sup> May, 2014

**ANNEXURE TO THE AUDITORS' REPORT**

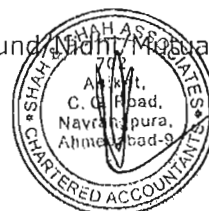
(Referred to in paragraph 1 under the heading 'Report on other, Legal and Regulatory Requirements' of our Report of even date to the members of **MPSEZ UTILITIES PRIVATE LIMITED**)

1. In respect of its fixed assets:
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) As informed to us, the fixed assets have been physically verified by the management during the year and according to information and explanations given to us no discrepancies were noticed on such verification.
  - (c) In our opinion and according to the information and explanations given to us, the company has not disposed off a substantial part of fixed assets.
2. The company is engaged in distribution of power. Therefore, the provisions of clause 4(ii) of the paragraph are not applicable to the company.
3. The company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (a) to (g) of the order are not applicable.
4. In our opinion and 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 with regard to purchase of inventory( power for resale) and fixed assets and for sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
5. 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.
6. The company has not accepted deposits from public within the meaning of Section 58A and Section 58AA of the Companies Act, 1956.





- 
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. We have broadly reviewed the cost records maintained by the company and are of the opinion that *prima facie*, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
9. 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 31<sup>st</sup> March, 2014 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.
10. The company does not have any accumulated losses as at the end of the financial year. The company has not incurred cash losses during the financial year under report and in the immediately preceding financial year.
11. According to the records of the company examined by us and as per the information and explanation given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture-holders as at the balance sheet date.
12. The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provision of any special statute applicable to Chit Funds, Mutual Benefit Fund/Societies is not applicable to the company.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

14. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion, and according to the information and explanations given to us, the company has not given guarantee for loans taken by others from banks or financial institutions during the year.
16. The company has not raised the funds by way of term loan and therefore no comments have been made for clause 4(xvi) of the said order.
17. According to the information and explanations given to us and on 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.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of The Companies Act, 1956 during the year.
19. The company has not issued any debentures.
20. The company has not raised any money through a public issue during the year.
21. 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.  
Date : 13<sup>th</sup> May, 2014

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

**BHARAT A. SHAH**  
**PARTNER**  
Membership Number: 30167

**MPSEZ UTILITIES PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2014**

Amount in Rupees

PARTICULARS	Notes	As at March 31, 2014	As at March 31, 2013
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	131,350,000	131,350,000
Reserves & Surplus	4	575,669,258	537,716,686
<b>Sub Total</b>		<b>707,019,258</b>	<b>669,066,686</b>
<b>NON-CURRENT LIABILITIES</b>			
Other Long term liabilities	5	107,485,895	106,833,640
Long-term provisions	6	1,366,919	518,687
<b>Sub Total</b>		<b>108,852,814</b>	<b>107,352,327</b>
<b>CURRENT LIABILITIES</b>			
Trade payables		72,257,816	64,312,519
Other current liabilities	7	13,343,073	12,119,000
Short-term provisions	6	4,234,557	2,090,584
<b>Sub Total</b>		<b>89,835,446</b>	<b>78,522,103</b>
<b>Total</b>		<b>905,707,518</b>	<b>854,941,116</b>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Fixed assets			
(i) Tangible assets	8	701,661,970	732,078,057
(ii) Capital work-in-progress		39,582,321	37,083,158
Long-term loans and advances	9	215,394	465,173
Other non-current assets	10	23,406	21,518
<b>Sub Total</b>		<b>741,483,091</b>	<b>769,647,906</b>
<b>CURRENT ASSETS</b>			
Current Investment	11	45,206,798	-
Inventories	12	1,303,650	-
Trade receivables	13	269,436	123,764
Cash & Bank Balances	14	31,337,374	18,214,551
Short-term loans & advances	9	3,556,820	3,172,897
Other current assets	10	82,550,349	63,781,998
<b>Sub Total</b>		<b>164,224,427</b>	<b>85,293,210</b>
<b>Total</b>		<b>905,707,518</b>	<b>854,941,116</b>

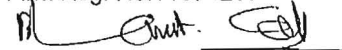
Significant accounting policies 2.1  
Other notes to accounts 2.2  
The accompanying notes are an integral part of the financial statements.

As per our report attached

For SHAH & SHAH ASSOCIATES

Chartered Accountants

Firm Reg. No.113742W



**BHARAT A. SHAH**

Partner

Membership No. 30167

Place : Ahmedabad

Date :

13 MAY 2014



For and on behalf of the Board of Directors

  
**B. RAVI**  
Director

  
**AMIT J. PLENCHWAR**  
Director

  
**MEHUL RUPERA**  
Manager

Place : Ahmedabad

Date: 13 MAY 2014

**MPSEZ UTILITIES PRIVATE LIMITED**

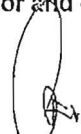

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014**

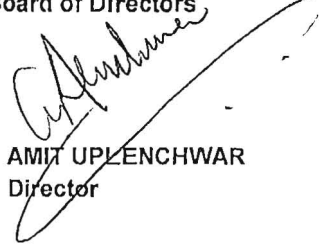
Amount in Rupees

PARTICULARS	Notes	For the Year ended March 31, 2014	For the Year ended March 31, 2013
Revenue from Operations	15	892,711,931	685,640,103
Other Income	16	3,935,584	396,983
<b>Total Revenue</b>		<b>896,647,515</b>	<b>686,037,087</b>
<b>Expenses</b>			
Purchase of Power	17	718,863,433	568,907,203
Employee benefits expense	18	30,197,983	20,948,194
Finance cost	19	9,851,684	9,185,148
Depreciation	8	42,666,735	40,890,463
Less : Transfer From Service Line Contribution		(8,466,179)	(6,070,756)
		<b>34,200,556</b>	<b>34,819,707</b>
Other Expenses	20	50,932,552	43,376,894
<b>Total Expenses</b>		<b>844,046,209</b>	<b>677,237,145</b>
Profit before exceptional and extraordinary items and tax		52,601,306	8,799,941
Exceptional items		-	-
Profit before extraordinary items & tax		<b>52,601,306</b>	<b>8,799,941</b>
Extraordinary items		-	-
Profit before tax		<b>52,601,306</b>	<b>8,799,941</b>
Tax Expense:			
Current Tax		10,630,862	1,676,829
Deferred Tax Asset written off		-	1,522,322
Profit for the year		<b>41,970,444</b>	<b>5,600,790</b>
Earning per equity share			
- Basic & Diluted	2.2(a)	3.20	0.43
Significant accounting policies	2.1		
Other notes to accounts	2.2		
The accompanying notes are an integral part of the financial statements.			

**As per our report attached**  
**For SHAH & SHAH ASSOCIATES**  
 Chartered Accountants  
 Firm Reg. No.113742W  
  
**BHARAT A. SHAH**  
 Partner  
 Membership No. 30167



For and on behalf of the Board of Directors  
  
**B. RAWL**  
 Director  
  
**MEHUL RUPERA**  
 Manager  
 Place : Ahmedabad  
 Date : 13 MAY 2014

  
**AMIT UPLENCHWAR**  
 Director

Place : Ahmedabad  
 Date : 13 MAY 2014

MPSEZ UTILITIES PRIVATE LIMITED

Cash Flow Statement for the year ended 31st March,2014

Particulars	For the year ended 31st March,14	For the year ended 31st March,13
Cash Flow from Operation		
Profit before Taxes	52,601,306	8,799,941
<b>Adjustment for</b>		
Depreciation	34,200,556	34,819,707
Interest Expense	8,738,644	8,752,541
<del>Interest Income</del>	<del>(1,020,065)</del>	<del>(282,674)</del>
Income from Dividend	(97,639)	(14,052)
<b>Total Adjustment to Net Profit</b>	<b>41,821,496</b>	<b>43,275,522</b>
Operating Profit before Working Capital changes	94,422,802	52,075,462
<b>Adjustment for :</b>		
(Increase) in Trade Receivable	-	(123,764)
(Increase) / Decrease in Loans & Advances	3,591,205	1,075,006
(Increase) / Decrease in Other Assets	-	(11,589,144)
(Increase) in Inventory	(1,303,650)	-
Increase / (Decrease) in Trade Payables	-	1,375,087
Increase / (Decrease) in Other Liabilities	1,224,073	(10,589,363)
Increase / (Decrease) in Provisions	3,644,460	765,144
<b>Total Working Capital Changes</b>	<b>7,156,088</b>	<b>(19,087,034)</b>
Cash Generated from Operations	101,578,890	32,988,428
Direct Tax Paid / (Refund)	(9,710,477)	(64,268)
Net Cash from Operating Activities	91,868,413	32,924,160
Cash flow from Investing Activities		
Purchase / Addition to Fixed Assets	(10,301,506)	1,063,138
(Increase) in Investment / Deposits	(45,206,798)	(4,062)
Interest Received	1,020,065	249,712
Dividend Received	97,639	14,052
Net Cash used in Investing Activities	(54,390,600)	1,322,840
Cash Flow from Financing Activities		
Proceeds from Shortterm borrowing	-	129,300,000
Repayment of Shortterm borrowing	-	(146,300,000)
Interest Paid	(8,738,644)	(876,706)
Net Cash used in Financing activities	(8,738,644)	(17,876,706)
Net Increase / (Decrease) in Cash & Bank Balance	13,122,823	16,370,296
Cash & Cash Equivalents at the beginning of the year	18,214,551	1,844,255
Cash & Cash Equivalents at the end of the year	31,337,374	18,214,551
Balance with Schedule Banks		
In Current Accounts	13,337,374	2,143,905
In Fixed deposit account	18,000,000	16,070,646
<b>Total</b>	<b>31,337,374</b>	<b>18,214,551</b>

As per our report attached  
For SHAH & SHAH ASSOCIATES  
Chartered Accountants  
Firm Reg. No.113742W

BHARAT A. SHAH  
Partner  
Membership No. 30167



Place : Ahmedabad  
Date : 13 MAY 2014

For and on behalf of the Board of Directors

B. RAVI  
Director

AMIT UPLENCHWAR  
Director

MEHUL RUPERA  
Manager

Place : Ahmedabad

Date : 13 MAY 2014

## MPSEZ UTILITIES PRIVATE LIMITED

### SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO ACCOUNTS

#### 1 Corporate information

MPSEZ Utilities Private Limited (MUPL) is 100% Subsidiary company of Adani Ports & Special Economic Zone Limited (APSEZL) and a Co-developer to provide infrastructure facilities in Mundra Special Economic Zone. The main objective of the company is to provide facility of distribution of electricity, effluent & sewage in Mundra SEZ area, Kutch, Gujarat.

#### 2 Basis of Preparation of Financial Statements

The Company has applied provision of the Companies Act, 1956 for preparation of its financial statements. The Financial Statements are prepared under historical cost convention on accrual basis of accounting, in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants in India. Accounting policies have been followed consistently except as stated specifically.

#### 2.1 Summary of Significant Accounting Policies

##### a) 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. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

##### b) Tangible Fixed Assets

- i) Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.
- ii) Leasehold land is amortized over the lease period.

##### c) Depreciation on tangible fixed assets

- i) The depreciation for the year is provided on additions/deductions of the assets during the period from/up to the date on which the asset is added/deducted. Depreciation is provided on Straight Line Method.

In respect of tangible assets, as regards the rates of depreciation, the company is following rates as per Appendix III of CERC (Terms and conditions of Tariff) Regulations, 2009 which are in line with Annexure I of Gujarat Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2011.

- iii) Depreciation on individual assets costing up to Rs.5,000 are provided at the rate of 100% in the month of purchase.

##### d) Inventories

Project stock and stock of stores and spares valued at lower of cost and net realisable value. Cost is determined on moving weighted average basis. Net realizable value is the estimated current procurement price in the ordinary course of the business.

##### e) Service Line Contribution

Service line contribution received from consumers are treated as capital receipt and accounted as Capital Reserve.

##### f) Revenue Recognition

- i) Revenue is recognized when no significant uncertainty as to the measurability or collectability exists. Delay Payment Charges are accounted for as and when received.
- ii) Dividend income from investment in mutual fund is recognised when the company right to receive payment is established,

##### g) Foreign Currency Translation

###### i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

###### ii) Conversion



Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) **Exchange Differences**

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

h) **Retirement and Other Employee Benefits**

i) **Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has taken an insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees and amount paid/payable in respect of the present value of liability for past services is charged to the Profit & Loss account every year. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds with LIC is provided for as liability in the books.

ii) **Leave Encashment**

Provision for leave encashment is determined and accrued on the basis of actuarial valuation.

iii) **Actuarial Gains/ Losses**

Actuarial gains/losses are immediately recognized in the profit and loss account.

i) **Income Taxes**

i) **Current Tax**

Provision for taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.

ii) **Deferred Tax**

In accordance with the Accounting Standard 22 - Accounting for Taxes on income, prescribed under The Companies (Accounting Standards) Rules 2006, the deferred tax for timing differences between the book and tax profits for the period is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

j) **Earnings per share**

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

k) **Provisions, Contingent Liabilities and Contingent Assets :**

**Provisions**

Provisions involving substantial degree of estimation in measurement are recognized when there is a probable present obligation and outflow of resources as a result of past events.

**Contingent Liabilities**

Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the Notes on Accounts.

**Contingent Assets**

Contingent assets are neither recognized nor disclosed in financial statements.

l) **Segment Reporting Policies**

The Company is principally engaged in the business of distribution of electricity, effluent & sewage facilities. There are no reportable segments as per Accounting Standards (AS) 17, "Segment Reporting."



MPSEZ UTILITIES PRIVATE LIMITED

Particulars	As at 31-03-2014	As at 31-03-2013
	Amt in Rs.	Amt in Rs.
<b>3 SHARE CAPITAL</b>		
Authorized shares		
1,31,50,000 Equity Shares of Rs. 10/- Each	131,350,000	131,350,000
	<u>131,350,000</u>	<u>131,350,000</u>
Issued, subscribed and fully paid-up shares	131,350,000	131,350,000
1,31,35,000 Equity Shares of Rs. 10/- Each Fully paid-up	<u>131,350,000</u>	<u>131,350,000</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at 31-03-2014		As at 31-03-2013	
	Nos	Amt in Rs.	Nos	Amt in Rs.
Shares outstanding at the beginning of the year	13,135,000	131,350,000	13,135,000	131,350,000
Shares Issued during the Year	-	-	-	-
Shares bought back during the Year	-	-	-	-
Shares outstanding at the end of the year	<u>13,135,000</u>	<u>131,350,000</u>	<u>13,135,000</u>	<u>131,350,000</u>

b. Shares held by holding Company

Adani Ports & SEZ Limited, the holding company	131,350,000	131,350,000
--	-------------	-------------

c. Details of shareholders holding more than 5% shares in the company

Name of shareholder	As at 31-03-2014		As at 31-03-2013	
	No of shares held	% of Holding	No of shares held	% of Holding
Equity shares of Rs. 10 each fully paid				
Adani Ports & Special Economic Zone Ltd	13,135,000	100.00%	13,135,000	100.00%

**4 RESERVES AND SURPLUS**

Capital Reserves

Service Line Contribution

Opening Balance	146,166,838	114,543,842
Add : Received during the year	4,448,307	37,693,752
Less : Transfer to Profit and Loss statement	(8,466,179)	(6,070,756)
Closing Balance	<u>(a) 142,148,966</u>	<u>146,166,838</u>

Securities Premium Account

Balance as per last Balance Sheet	<u>(b) 393,750,000</u>	<u>393,750,000</u>
-----------------------------------	------------------------	--------------------

Surplus/(Deficit) in the Statement of Profit and Loss

Opening Balance	(2,200,152)	(7,800,942)
Add : Profit / (Loss) for the year	41,970,444	5,600,790
	<u>(c) 39,770,292</u>	<u>(2,200,152)</u>

Total (a+b+c) 575,669,258 537,716,686

**5 OTHER LONG-TERM LIABILITIES**

Security Deposits from Customers	107,485,895	106,833,640
	<u>107,485,895</u>	<u>106,833,640</u>

**6 PROVISIONS**

Provision for employee benefits

	Non-Current		Current	
	As at 31-03-2014 Amt in Rs.	As at 31-03-2013 Amt in Rs.	As at 31-03-2014 Amt in Rs.	As at 31-03-2013 Amt in Rs.
Gratuity	174,429	-	771,453	422,138
Leave benefits	1,192,490	518,687	499,613	55,885
Provision for Taxation	-	-	2,963,491	1,612,561
	<u>1,366,919</u>	<u>518,687</u>	<u>4,234,557</u>	<u>2,090,584</u>





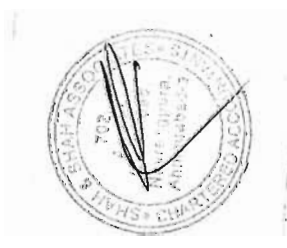
Particulars	Non-Current		Current	
	As at 31-03-2014	As at 31-03-2013	As at 31-03-2014	As at 31-03-2013
	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.
<b>7 OTHER CURRENT LIABILITIES</b>				
<u>Other liabilities</u>				
Interest accrued but not due	-	-	78,67,901	78,75,835
Payable for Capital Goods	-	-	30,07,135	23,34,745
Statutory Liabilities	-	-	24,68,037	19,08,420
	-	-	<b>1,33,43,073</b>	<b>1,21,19,000</b>
<b>9 LOANS AND ADVANCES</b>				
<u>Unsecured, considered good</u>				
Capital Advances	2,15,394	4,65,173	53,700	-
Advances to suppliers	-	-	5,43,382	3,46,531
<u>Other loans and advances</u>				
Balances with Government authorities	-	-	6,27,160	4,60,536
Loan to Employees	-	-	14,79,646	13,62,105
Prepaid Expenses	-	-	8,52,932	10,03,726
	<b>2,15,394</b>	<b>4,65,173</b>	<b>35,56,820</b>	<b>31,72,897</b>
<b>10 OTHER CURRENT ASSETS</b>				
Unbilled Revenue	-	-	8,25,08,252	6,37,49,035
Other Receivable	-	-	42,097	32,962
<u>Unsecured, considered good</u>				
Non-current bank balances (note 14)	23,406	21,518	-	-
	<b>23,406</b>	<b>21,518</b>	<b>8,25,50,349</b>	<b>6,37,81,998</b>
<b>11 CURRENT INVESTMENT</b>				
(Valued at lower of cost and fair value)				
<u>Unquoted Mutual funds</u>				
3239663.985 Unit (previous year nil) of Rs 10 each in Peerless Liquid Fund - Direct Plan Growth	-	-	4,52,06,798	-
	-	-	<b>4,52,06,798</b>	-
Aggregate amount of Unquoted Investment			4,52,06,798	-
<b>12 INVENTORY</b>				
(Valued at lower of cost and Net realizable value)				
Stores and Spares	-	-	13,03,650	-
	-	-	<b>13,03,650</b>	-
<b>13 TRADE RECEIVABLES</b>				
<u>Unsecured, Considered Good</u>				
Outstanding for a Period exceeding Six Months (from date they are due for payment)	-	-	2,16,143	-
Other receivables	-	-	53,293	1,23,764
	-	-	<b>2,69,436</b>	<b>1,23,764</b>
<b>14 CASH AND BANK BALANCES</b>				
<u>Balances with banks</u>				
In Current Accounts	-	-	1,33,37,374	21,43,905
In Fixed deposit account	-	-	1,80,00,000	1,60,70,646
	-	-	<b>3,13,37,374</b>	<b>1,82,14,551</b>
<u>Other bank balances</u>				
Deposits with original maturity for more than 12 months	23,406	21,518	-	-
	<b>23,406</b>	<b>21,518</b>	-	-
Amount disclosed under non-current assets (See note 10)	(23,406)	(21,518)	-	-
	-	-	<b>3,13,37,374</b>	<b>1,82,14,551</b>



**MPSEZ UTILITIES PRIVATE LIMITED**

**NOTE 8 : FIXED ASSETS**

Sr. No.	Particulars	Gross Block (At Cost)		Depreciation / Amortisation			Net Block			
		As at 01/04/2013	Additions	Deductions	As at 31/03/2014	Up to 01/04/2013	For the year	Deductions 31/03/2014	As at 31/03/2014	As at 31/03/2013
	<b>TANGIBLE ASSETS</b>									
1	Lease Hold Land	63,750,000	-	-	63,750,000	5,518,549	2,129,250	-	56,102,201	58,231,451
2	Building	24,003,976	-	-	24,003,976	2,018,002	802,225	-	21,183,749	21,985,974
3	Plant & Machinery	340,329,489	12,250,649	-	352,580,138	56,796,302	39,721,492	-	256,062,344	283,533,187
4	Transmission & Distribution System	389,540,426	-	-	389,540,426	21,378,135	-	-	368,162,291	368,162,291
5	Furniture & Fixtures	173,110	-	-	173,110	63,171	8,035	-	101,904	109,940
6	Office Equipment	6,999	-	-	6,999	6,999	-	-	-	-
7	Vehicle	60,351	-	-	60,351	5,136	5,733	-	49,481	55,215
	<b>Total</b>	<b>817,864,351</b>	<b>12,250,649</b>	<b>-</b>	<b>830,115,000</b>	<b>85,786,294</b>	<b>42,666,735</b>	<b>-</b>	<b>701,661,970</b>	<b>732,078,057</b>
	<b>Previous Year</b>	<b>721,327,560</b>	<b>96,536,792</b>	<b>-</b>	<b>817,864,352</b>	<b>44,895,832</b>	<b>40,890,463</b>	<b>-</b>	<b>732,078,057</b>	<b>676,431,728</b>
	<b>Capital Work in Process</b>								<b>39,582,321</b>	<b>37,083,156</b>



Particulars	Year ended	Year ended
	31st March, 2014	31st March, 2013
	Amt in Rs.	Amt in Rs.
<b>15 REVENUE FROM OPERATIONS</b>		
(a) Income from operation		
(i) Revenue from Power Sales	887,505,760	681,906,844
(ii) Other revenue related to power sales		
- Meter Rent	232,365	229,050
- Misc Income	140,285	408,435
(b) Other Operating income from CETP services	4,833,521	3,095,774
	<b>892,711,931</b>	<b>685,640,103</b>
<b>16 OTHER INCOME</b>		
Interest Income	1,020,065	282,674
Dividend Income	97,639	-
Profit on sale of Investment	2,741,079	-
Misc Income	76,800	114,309
	<b>3,935,584</b>	<b>396,983</b>
<b>17 PURCHASE OF POWER</b>		
Power Purchase	715,996,742	566,615,058
Scheduling Charges	144,482	24,060
Unsechdled Interchange Charges	2,722,209	2,268,085
	<b>718,863,433</b>	<b>568,907,203</b>
<b>18 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Bonus and Gratuity	27,436,226	19,195,807
Contribution to Provident Fund & other funds	1,316,847	1,117,461
Workmen and Staff Welfare Expenses	1,444,909	634,925
	<b>30,197,983</b>	<b>20,948,194</b>
<b>19 FINANCE COST</b>		
Interest on security Deposit	8,738,644	8,752,541
Bank charges and commission	580,624	432,607
Other Interest	532,416	-
	<b>9,851,684</b>	<b>9,185,148</b>
<b>20 OTHER EXPENSES</b>		
Infrastructure Usage Charges	20,585,309	18,159,118
Legal Expenses, Fees & Subscription	5,556,978	2,177,024
Travelling and Conveyance	1,329,795	1,751,138
Consumable Store and Spares	1,125,468	3,624,082
Lease Rent	1,336,457	1,179,948
<b>Repairs &amp; Maintenance</b>		
Plant & Machinery	9,573,712	9,400,514
Building	753,225	1,316,749
Others	2,023	5,219
Advertisement and Publicity	284,652	1,544,909
Insurance	630,212	946,457
Power	638,471	552,095
<b>Payment to Auditor</b>		
Audit fee	100,000	50,000
Tax audit fee	25,000	20,000
Other Certification Charges	750	2,500
Professional Charges	6,303,880	228,505
Miscellaneous Expenses	254,430	241,656
Communication Expenses	55,259	133,651
Inspection & Testing Charges	24,940	156,369
Security Charges	2,351,992	1,886,960
	<b>50,932,552</b>	<b>43,376,894</b>







Reimbursement of Expenses				
2013-14	-	3,707,468	-	-
2012-13	112,360	2,829,464	4,365	7,497
Infrastructure Usage Charges				
2013-14	-	20,580,509	-	-
2012-13	-	17,828,417	-	-
Lease Rent				
2013-14	-	1,186,456	138,681	-
2012-13	-	1,000,312	-	-
Loan Taken during the year				
2013-14	-	215,750,000	-	-
2012-13	-	158,500,000	-	-
Loan repaid during the year				
2013-14	-	215,750,000	-	-
2012-13	-	175,500,000	-	-
Purchase of Power				
2013-14	-	-	-	715,996,742
2012-13	11,639,147	552,095	-	553,866,750
(B) Balance at the end of the year				
Dues Receivable (including unbilled revenue)				
2013-14	-	50,079,764	-	-
2012-13	-	-	-	-
Dues Payable				
2013-14	-	55,013,656	143,633	65,457,880
2012-13	-	14,631,145	-	52,317,700

(d) The company is engaged in the business of distribution of power. Accordingly additional information pursuant to provision of paragraph 3,4C,4D of the Part-II of Schedule VI to the Companies Act, 1956 is given under to the extent applicable.

Sr. No.	Particulars	2013-14 Unit in Mus	2012-13 Unit in Mus
ia)	Unit Purchased	173.920	141.223
ib)	Unschedule interchange (UI) Purchased	2.900	5.271
i	Net Units Purchased (Inclusive of UI)	176.820	146.494
ii)	Unit Sold	169.640	140.634
iii)	Transmission & Distribution Losses (Inclusive of GETCO/WR transmission losses)	7.180	5.860
iv)	Transmission & Distribution Losses (%)	4.13%	4.15%

(e) Capital Commitments

Particulars	As at March 31, 2014	As at March 31, 2013
Estimated amount of contracts (Net of advances) remaining to be executed on capital account and not provided for	6,434,806	16,314,579

(f) (i) Based on the future projections of profitability as well as deduction available under section 80IA of Income Tax Act, 1961, in the opinion of the management of the company, there does not exist virtual certainty that the company will have to pay taxes as per the normal rates within the specified period in section 115JAA of Income Tax Act, 1961. Therefore, in accordance with "Guidance Note on accounting for credit available in respect of minimum alternate tax under Income Tax Act, 1961" Issued by Institute of Chartered Accountants of India, MAT credit receivable by the company for the financial year ended on 31st March, 2013 has not been recognised as an asset.



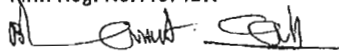
(f) (ii) In the situation where the Company is entitled to a tax holiday under the Income tax Act, 1961, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

The company had deferred tax asset as on 31/03/2013. Deferred tax assets, which was arising only on account of unabsorbed depreciation and carried forward losses, had not been considered for recognition, as there was no virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Therefore, net deferred tax asset had not been recognized in the accounts of the company and Deferred Tax Asset carried from earlier year of Rs. 15,22,322/- had also been charged off to Statement of Profit & Loss for the year ended on 31st March, 2013.

g Details of Income & Expenses for the Common Effluent Treatment (CETP) Service rendered during the year are as under

Particular	For the year March 31, 2014	For the year March 31, 2013
	Amt. Rs.	Amt. Rs.
Income	4,833,521	3,095,774
Expenditure		
Employee benefits expenses	747,663	444,785
Electricity Expense	638,471	552,095
Other Exp	841,257	268,648
Total Expenditure	2,227,391	1,265,528

As per our report attached  
For SHAH & SHAH ASSOCIATES  
Chartered Accountants  
Firm Reg. No.113742W



BHARAT A. SHAH  
Partner  
Membership No. 30167

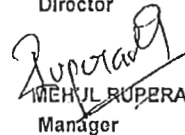
For and on behalf of the Board of Directors



B. RAVI  
Director



AMIT UPLENCHWAR  
Director



MEHUL RUPERA  
Manager

Place : Ahmedabad  
Date :

13 MAY 2014



Place : Ahmedabad  
Date :

13 MAY 2014



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
 Nr. MUNICIPAL MARKET,  
 C.G. ROAD, NAVRANGPURA,  
 AHMEDABAD - 380 009.  
 PHONE: 26465433  
 FAX : 079 - 26406983  
 Email: ca@shahandshah.co.in

**INDEPENDENT AUDITOR'S REPORT**

To

The Members of  
**MPSEZ UTILITIES PRIVATE LIMITED**

**Report on the Financial Statements:**

We have audited the accompanying financial statements of **MPSEZ UTILITIES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2013, the Statement of Profit & Loss and the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

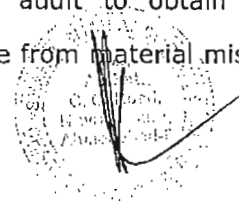
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("The Act"). This responsibility includes the design, implementation and maintenance of Internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

For, *MPSEZ Utilities Pvt. Ltd.*

*PSB*  
 Company Secretary





**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

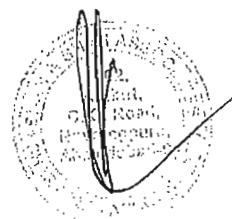
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors considers internal control relevant to the Company's preparation and fair presentation of the Financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements read together with significant accounting policies and accompanying notes thereon give, the information required by the Act, in the manner so required and give, a true and fair view in conformity with the accounting principles generally accepted in India;

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2013;
- ii) in the case of the Statement of Profit & Loss, of the Profit for the year ended on 31<sup>st</sup> March, 2013; and
- iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on 31<sup>st</sup> March, 2013.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

**Report on Other Legal and Regulatory Requirements**

1. As required by 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, we give in the annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by section 227(3) of the Act, we 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 law have been kept by the company so far as appears from our examination of these books
  - c) The Balance sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, these financial statements have been prepared in compliance with the applicable accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - e) We report that none of the directors is disqualified as on 31<sup>st</sup> March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



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

**BHARAT A. SHAH**  
**PARTNER**

Membership Number: 30167

Place : Ahmedabad.  
Date : 25<sup>th</sup> April, 2013

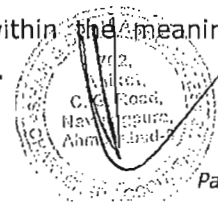
**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph 1 under the heading 'Report on other, Legal and Regulatory Requirements' of our Report of even date to the members of **MPSEZ UTILITIES PRIVATE LIMITED**)

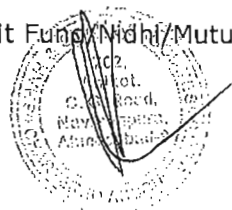
1. In respect of its fixed assets:
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) As informed to us, the fixed assets have been physically verified by the management during the year and according to information and explanations given to us no discrepancies were noticed on such verification.
  - (c) In our opinion and according to the Information and explanations given to us, the company has not disposed off a substantial part of fixed assets.
2. The company is engaged in distribution of power. Therefore, the provisions of clause 4(ii) of the paragraph are not applicable to the company.
3. The company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (a) to (g) of the order are not applicable.
4. In our opinion and 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 with regard to purchase of inventory (power for resale) and fixed assets and for sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
5. 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.
6. The company has not accepted deposits from public within the meaning of Section 58A and Section 58AA of the Companies Act, 1956.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

7. In our opinion, the company has an Internal audit system commensurate with its size and nature of its business.
8. We have broadly reviewed the cost records maintained by the company and are of the opinion that *prima facie*, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
9. 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 31<sup>st</sup> March, 2013 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.
10. The company does not have any accumulated losses as at the end of the financial year. The company has not incurred cash losses during the financial year under report and in the immediately preceding financial year.
11. According to the records of the company examined by us and as per the information and explanation given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture-holders as at the balance sheet date.
12. The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provision of any special statute applicable to Chit Fund/Nidhi/Mutual Benefit Fund/Societies is not applicable to the company.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
PHONE: 26465433  
FAX : 079 - 26406983  
Email: ca@shahandshah.co.in

14. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other Investments.
15. In our opinion, and according to the information and explanations given to us, the company has not given guarantee for loans taken by others from banks or financial institutions during the year.
16. The company has not raised the funds by way of term loan and therefore no comments have been made for clause 4(xvi) of the said order.
17. According to the information and explanations given to us and on 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.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of The Companies Act, 1956 during the year.
19. The company has not issued any debentures.
20. The company has not raised any money through a public issue during the year.
21. 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 Regn. No. 113742W

**BHARAT A. SHAH**  
**PARTNER**

Membership Number: 30167

Place : Ahmedabad.  
Date : 25<sup>th</sup> April, 2013

**MPSEZ UTILITIES PRIVATE LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2013**

Amount in Rupees

PARTICULARS	Notes	As at March 31, 2013	As at March 31, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	3	131,350,000	131,350,000
(b) Reserves & Surplus	4	537,716,686	500,492,900
<b>Sub Total</b>		<b>669,066,686</b>	<b>631,842,900</b>
<b>NON-CURRENT LIABILITIES</b>			
(a) Other Long term liabilities	5	101,055,188	92,106,137
(b) Long-term provisions	6	518,687	223,992
<b>Sub Total</b>		<b>101,573,875</b>	<b>92,330,129</b>
<b>CURRENT LIABILITIES</b>			
(a) Short-term borrowings	7	-	17,000,000
(b) Trade payables		64,312,519	58,253,778
(c) Other current liabilities	8	17,897,452	34,243,685
(d) Short-term provisions	6	2,090,584	7,573
<b>Sub Total</b>		<b>84,300,555</b>	<b>109,505,036</b>
<b>Total</b>		<b>854,941,116</b>	<b>833,678,065</b>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
(a) Fixed assets			
(i) Tangible assets	9	732,078,057	676,431,728
(ii) Capital work-in-progress		37,083,158	97,217,730
(b) Deferred Tax Asset (net)	10	-	1,522,322
(c) Long-term loans and advances	11	465,173	1,046,779
(d) Other non-current assets	13	21,518	17,456
<b>Sub Total</b>		<b>769,647,906</b>	<b>776,236,015</b>
<b>CURRENT ASSETS</b>			
(a) Trade receivables		123,765	-
(b) Cash & Bank Balances	12	18,214,551	1,844,255
(c) Short-term loans & advances	11	3,172,897	3,437,904
(d) Other current assets	13	63,781,997	52,159,891
<b>Sub Total</b>		<b>85,293,210</b>	<b>57,442,050</b>
<b>Total</b>		<b>854,941,116</b>	<b>833,678,065</b>

Significant accounting policies and notes forming part of accounts 2.1  
The accompanying notes are an integral part of the financial statements.

As per our report attached

For SHAH & SHAH ASSOCIATES □

Chartered Accountants  
Firm Reg. No. 113742W



**BHARAT A. SHAH**  
Partner  
Membership No. 30167

Place : Ahmedabad  
Date : 25 APR 2013



For and on behalf of the Board of Directors



Director



Director



Manager

Place : Ahmedabad  
Date : 25 APR 2013

**MPSEZ UTILITIES PRIVATE LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013**

Amount in Rupees

PARTICULARS	Notes	For the Year ended March 31, 2013	For the Year ended March 31, 2012
Revenue from Operations	14	685,640,103	509,912,573
Other Income	15	396,983	5,625
<b>Total Revenue</b>		<b>686,037,087</b>	<b>509,918,198</b>
<b>Expenses</b>			
Purchase of Power	16	568,907,203	437,512,186
Employee benefits expense	17	20,948,194	20,986,999
Finance costs	18	9,185,148	3,788,186
Depreciation		40,890,463	29,035,058
Less : Transfer From Service Line Contribution		(6,070,756)	(2,217,066)
		34,819,707	26,817,993
Other Expenses	19	43,376,894	27,425,300
<b>Total Expenses</b>		<b>677,237,146</b>	<b>516,530,663</b>
Profit/(Loss) before exceptional and extraordinary items and tax Exceptional items		8,799,941	(6,612,466)
		-	-
Profit/(Loss) before extraordinary items & tax Add/(Less) : Extraordinary items		8,799,941	(6,612,466)
		-	-
Profit/(Loss) before tax		8,799,941	(6,612,466)
Tax Expense:			
Current Tax		1,676,829	-
Deferred Tax Asset written off		1,522,322	-
Deferred Tax (Liability) / Asset		-	1,464,025
<b>Profit / (Loss) for the year</b>		<b>5,600,790</b>	<b>(5,148,441)</b>
Earning per equity share			
- Basic & Diluted	20	0.43	(0.39)

Significant accounting policies and notes forming part of accounts 2.1  
The accompanying notes are an integral part of the financial statements.

As per our report attached  
For SHAH & SHAH ASSOCIATES   
Chartered Accountants  
Firm Reg. No.113742W

**BHARAT A. SHAH**  
Partner  
Membership No. 30167



Place : Ahmedabad  
Date : 25 APR 2013

For and on behalf of the Board of Directors

*[Signature]*  
Director  
*[Signature]*  
Manager

*[Signature]*  
Director

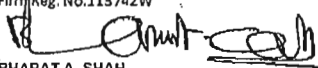
Place : Ahmedabad  
Date : 25 APR 2013

MPSEZ UTILITIES PRIVATE LIMITED

CASHFLOW STATEMENT

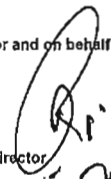

Amount Rs.

S.NO.	PARTICULARS	For the Year ended 31/03/2013	For the Year ended 31/03/2012
<b>A</b>	<b>CASHFLOW FROM OPERATIONS</b>		
	Net Profit Before Tax	87,99,941	(66,12,466)
	Adjustment for:		
	Depreciation/Amortization	3,48,19,707	2,68,17,993
	Interest Expense	87,52,541	32,41,379
	Interest Income	(2,82,674)	(5,625)
	Income from Dividend	(14,052)	-
	Total Adjustments to Net Profit	4,32,75,521	3,00,53,747
	Operating Profit Before Working Capital Changes	5,20,75,462	2,34,41,280
	Adjustment for:		
	Dec/(Inc) in Sundry Debtors/Trade Receivables	(1,23,764)	12,66,201
	Dec/(Inc) in Loans and Advances	10,75,006	(13,22,928)
	Dec/(Inc) in Other Assets	(1,15,89,144)	(2,32,77,344)
	Inc/(Dec) in Trade payables	13,75,087	11,04,94,883
	Inc/(Dec) in Other Liabilities	(1,05,89,363)	-
	Increase/(Dec) in Provisions	7,65,144	-
	Total Working Capital Changes	(1,90,87,034)	8,71,60,813
	Cash Generated From Operations	3,29,88,429	11,06,02,093
	Direct Tax (Paid)/Refund	(64,268)	-
	Net Cash From Operating Activities	3,29,24,161	11,06,02,093
<b>B</b>	<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
	Purchase/Additions to Fixed Assets	10,63,138	(12,07,67,179)
	Investment/Realisation of Deposits	(4,062)	(17,456)
	Interest Received	2,49,712	5,625
	Income from Dividend	14,052	-
	Net Cash Used in Investing Activities	13,22,841	(12,07,79,010)
<b>C</b>	<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from Long Term Borrowings	-	(77,00,000)
	Repayment of Long Term Borrowings	-	(56,62,232)
	Proceeds from Short Term Borrowings	12,93,00,000	1,70,00,000
	Repayment from Short Term Borrowings	(14,63,00,000)	-
	Interest Paid	(8,76,706)	(32,41,379)
	Net Cash Used for Financing Activities	(1,78,76,706)	3,96,389
<b>D</b>	<b>Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)</b>	1,63,70,296	(97,80,528)
	Cash and Cash Equivalents at the beginning of the Period	18,44,255	1,16,24,783
	Cash and Cash Equivalents at the End of the Period	1,82,14,551	18,44,255
<b>E</b>	<b>Balances with Scheduled Bank</b>		
	Cash on hand		131
	In Fixed Deposit accounts with original maturity less than	1,60,70,646	-
	In Current Account	21,43,905	18,44,124
		1,82,14,551	18,44,255

As per our report attached  
For SHAH & SHAH ASSOCIATES  
Chartered Accountants  
Firm Reg. No.113742W  
  
BHARAT A. SHAH  
Partner  
Membership No. 30167



For and on behalf of the Board of Directors

  
Director  
  
Manager

  
Director

Place : Ahmedabad  
Date : 25 APR 2013

Place : Ahmedabad  
Date : 25 APR 2013



**MPSEZ UTILITIES PRIVATE LIMITED**

**Note 9 : Fixed Assets**

Sr. No.	Particulars	Gross Block (At Cost)			Depreciation / Amortisation			Net Block		
		As at 01/04/2012	Additions	Deductions	As at 31/03/2013	Up to 01/04/2012	For the year	Up to 31/03/2013	As at 31/03/2013	As at 31/03/2012
	<b>TANGIBLE ASSETS</b>									
1	Lease Hold Land	63,750,000	-	-	63,750,000	3,382,534	2,136,015	-	58,231,451	60,367,466
2	Building	24,003,976	-	-	24,003,976	1,215,777	802,225	-	21,985,974	22,788,199
3	Plant & Machinery	333,897,660	6,431,829	-	340,329,489	28,302,384	28,493,918	-	283,533,187	305,595,276
4	Transmission & Distribution System	299,495,815	90,044,611	-	389,540,426	11,933,002	9,445,134	-	368,162,291	287,562,813
5	Furniture & Fixtures	173,110	-	-	173,110	55,135	8,035	-	109,840	117,975
6	Office Equipment	6,999	-	-	6,999	6,999	-	-	-	-
7	Vehicle	-	60,351	-	60,351	6,999	5,136	-	55,215	-
	<b>Total</b>	<b>721,327,560</b>	<b>96,536,792</b>	<b>-</b>	<b>817,864,352</b>	<b>44,895,832</b>	<b>40,890,463</b>	<b>-</b>	<b>732,078,057</b>	<b>676,431,728</b>
	<b>Previous Year</b>	<b>469,749,167</b>	<b>251,578,394</b>	<b>-</b>	<b>721,327,560</b>	<b>15,860,774</b>	<b>29,035,058</b>	<b>-</b>	<b>676,431,728</b>	<b>-</b>
	<b>Capital Work-in-Progress</b>								<b>37,083,158</b>	<b>97,217,731</b>



**MPSEZ UTILITIES PRIVATE LIMITED**  
**NOTES TO ACCOUNTS**

**1 Corporate information**

MPSEZ Utilities Private Limited (MUPL) is 100% Subsidiary company of Adani Ports & Special Economic Zone Limited (APSEZL) and a Co-developer to provide infrastructure facilities in Mundra Special Economic Zone. The main objective of the company is to provide facility of distribution of electricity, effluent & sewage in Mundra SEZ area, Kutch, Gujarat.

**2 Basis of Preparation of Financial Statements**

The Company has applied provision of the Companies Act, 1956 for preparation of its financial statements. The Financial Statements are prepared under historical cost convention on accrual basis of accounting, in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants in India. Accounting policies have been followed consistently except as stated specifically.

**2.1 Summary of Significant Accounting Policies**

**a) 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. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**b) Tangible Fixed Assets**

i) Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

ii) Leasehold land is amortized over the lease period.

**c) Depreciation on tangible fixed assets**

i) The depreciation for the year is provided on additions/deductions of the assets during the period from/up to the date on which the asset is added/deducted. Depreciation is provided on Straight Line Method.

ii) In respect of tangible assets, as regards the rates of depreciation, the company is following rates as per Appendix III of CERC (Terms and conditions of Tariff) Regulations, 2009 which are in line with Annexure I of Gujarat Electricity Regulatory Commission (Multi Year Tariff) Regulation, 2011.

iii) Depreciation on individual assets costing up to Rs.5,000 are provided at the rate of 100% in the month of purchase.

**d) Inventories**

Project stock valued at lower of cost and net realizable value. Cost is determined on moving weighted average basis. Net realizable value is the estimated current procurement price in the ordinary course of the business.

**e) Service Line Contribution**

Service line contribution received from consumers are treated as capital receipt and accounted as Capital Reserve.

**f) Revenue Recognition**

Revenue is recognized when no significant uncertainty as to the measurability or collectability exists. Delay Payment Charges are accounted for as and when received.

**g) Foreign Currency Translation**

**i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**ii) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.



iii) **Exchange Differences**

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

h) **Retirement and Other Employee Benefits**

i) **Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Company has taken an Insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees and amount paid/payable in respect of the present value of liability for past services is charged to the Profit & Loss account every year. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds with LIC is provided for as liability in the books.

ii) **Leave Encashment**

Provision for leave encashment is determined and accrued on the basis of actuarial valuation.

iii) **Actuarial Gains/ Losses**

Actuarial gains/losses are immediately recognized in the profit and loss account.

i) **Income Taxes**

i) **Current Tax**

Provision for taxation has been made in accordance with the Income tax laws prevailing for the relevant assessment years.

ii) **Deferred Tax**

In accordance with the Accounting Standard 22 - Accounting for Taxes on Income, prescribed under The Companies (Accounting Standards) Rules 2006, the deferred tax for timing differences between the book and tax profits for the period is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.

ii) **Earnings per share**

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

k) **Provisions, Contingent Liabilities and Contingent Assets :**

**Provisions**

Provisions involving substantial degree of estimation in measurement are recognized when there is a probable present obligation and outflow of resources as a result of past events.

**Contingent Liabilities**

Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the Notes on Accounts.

**Contingent Assets**

Contingent assets are neither recognized nor disclosed in financial statements.

l) **Segment Reporting Policies**

The Company is principally engaged in the business of distribution of electricity, effluent & sewage facilities. There are no reportable segments as per Accounting Standards (AS) 17, "Segment Reporting."



### 3 Share capital

	As at 31-03-2013 Amt in Rs.	As at 31-03-2012 Amt In Rs.
Authorized shares		
1,31,50,000 Equity Shares of Rs. 10/- Each	131,500,000	131,500,000
	<u>131,500,000</u>	<u>131,500,000</u>
Issued, subscribed and fully paid-up shares	131,350,000	131,350,000
1,31,35,000 Equity Shares of Rs. 10/- Each Fully paid-up		
Total issued, subscribed and fully paid-up share capital	<u>131,350,000</u>	<u>131,350,000</u>

#### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at 31-03-2013		As at 31-03-2012	
	Nos	Amt In Rs.	Nos	Amt In Rs.
Shares outstanding at the beginning of the year	13,135,000	131,350,000	13,135,000	131,350,000
Shares Issued during the Year	-	-	-	-
Shares bought back during the Year	-	-	-	-
Shares outstanding at the end of the year	<u>13,135,000</u>	<u>131,350,000</u>	<u>13,135,000</u>	<u>131,350,000</u>

#### b. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

	As at 31-03-2013 Amt in Rs.	As at 31-03-2012 Amt in Rs.
Adani Ports & SEZ Limited, the holding company	131,350,000	131,350,000

#### c. Details of shareholders holding more than 5% shares in the company

Equity shares	As at 31-03-2013		As at 31-03-2012	
	No of shares held	% of Holding	No of shares held	% of Holding
Name of shareholder				
Equity shares of Rs. 10 each fully paid				
Adani Ports & Special Economic Zone Ltd	13,135,000	100.00%	13,135,000	100.00%

### 4 Reserves and Surplus

	As at 31-03-2013 Amt In Rs.	As at 31-03-2012 Amt In Rs.
<b>a. Capital Reserves</b>		
<u>Service Line Contribution</u>		
Opening Balance	114,543,842	13,654,892
Add : Received during the year	37,693,752	103,106,016
Less : Transfer to Profit and Loss statement	6,070,756	2,217,066
Closing Balance	<b>(a) 146,166,838</b>	<b>114,543,842</b>
<b>b. Securities Premium Account</b>		
Opening Balance	393,750,000	393,750,000
Add : Received during the year on share issue	-	-
Closing Balance	<b>(b) 393,750,000</b>	<b>393,750,000</b>
<b>c. Deficit in the statement of profit and loss</b>		
Opening Balance	(7,800,942)	(2,652,501)
Add : Profit / (Loss) for the year	5,600,790	(5,148,441)
	<b>(c) (2,200,152)</b>	<b>(7,800,942)</b>
<b>Total (a+b+c)</b>	<b>537,716,686</b>	<b>500,492,900</b>



5 Other long-term liabilities	As at 31-03-2013		As at 31-03-2012	
	Amt In Rs.		Amt In Rs.	
Security Deposits from Customers	101,055,188		92,106,137	
	<u>101,055,188</u>		<u>92,106,137</u>	

#### 6 Provisions

	Long Term Provisions		Short Term Provisions	
	As at 31-03-2013	As at 31-03-2012	As at 31-03-2013	As at 31-03-2012
	Amt In Rs.		Amt In Rs.	
Provision for employee benefits				
Gratuity	-	-	422,138	-
Leave benefits	518,687	223,992	55,884	7,573
Provision for Taxation	-	-	1,612,562	-
	<u>518,687</u>	<u>223,992</u>	<u>2,090,584</u>	<u>7,573</u>

#### 7 Short-term borrowings

	As at 31-03-2013		As at 31-03-2012	
	Amt In Rs.		Amt In Rs.	
<u>Unsecured</u>				
Loans & advances from holding company	-		17,000,000	
	<u>-</u>		<u>17,000,000</u>	

#### 8 Other current liabilities

	As at 31-03-2013		As at 31-03-2012	
	Amt In Rs.		Amt In Rs.	
<u>Other liabilities</u>				
Provision for Expenses	7,875,835		4,683,654	
Payable for Capital Goods	2,334,745		11,607,553	
Advance from customers	5,778,452		17,099,240	
Statutory Liabilities	1,908,420		853,237	
	<u>17,897,452</u>		<u>34,243,685</u>	

#### 10 Deferred Tax Assets (net)

	As at 31-03-2013		As at 31-03-2012	
	Amt In Rs.		Amt In Rs.	
<u>Deferred Tax Liability</u>				
Depreciation	-		31,319,002	
Others	-		-	
	<u>-</u>		<u>31,319,002</u>	
<u>Deferred Tax Assets</u>				
Unabsorbed Depreciation	-		32,655,523	
Others	-		185,801	
	<u>-</u>		<u>32,841,324</u>	
Net Deferred Tax Asset	-		1,522,322	
Deferred Tax (Asset) / Liability Provided during the year	-		(1,464,025)	

#### 11 Loans and advances

	Non-Current		Current	
	As at 31-03-2013	As at 31-03-2012	As at 31-03-2013	As at 31-03-2012
	Amt In Rs.		Amt In Rs.	
<u>Unsecured, considered good</u>				
Capital Advances	465,173	236,779	-	-
Advances to suppliers	-	-	346,531	1,130,826
<u>Other loans and advances</u>				
Balances with Government authorities	-	-	460,536	230,621
Loan to Employees	-	810,000	1,362,105	130,000
Prepaid Expenses	-	-	1,003,726	1,946,457
	<u>465,173</u>	<u>1,046,779</u>	<u>3,172,897</u>	<u>3,437,904</u>



12 Cash and bank balances

	Non-current		Current	
	As at 31-03-2013	As at 31-03-2012	As at 31-03-2013	As at 31-03-2012
	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.
<u>Balances with banks</u>				
In Current Accounts	-	-	2,143,905	1,844,124
In Fixed deposit account	-	-	16,070,646	-
Cash on hand	-	-	-	131
	-	-	<u>18,214,551</u>	<u>1,844,255</u>
<u>Other bank balances</u>				
Deposits with original maturity for more than 12 months	21,518	17,456	-	-
	<u>21,518</u>	<u>17,456</u>	-	-
Amount disclosed under non-current assets (note 14)	(21,518)	(17,456)	-	-
	-	-	<u>18,214,551</u>	<u>1,844,255</u>

13 Other Current Assets

	Non-current		Current	
	As at 31-03-2013	As at 31-03-2012	As at 31-03-2013	As at 31-03-2012
	Amt in Rs.	Amt in Rs.	Amt in Rs.	Amt in Rs.
Unbilled Revenue	-	-	63,781,997	52,159,891
Other Receivable	-	-	-	-
<u>Unsecured, considered good</u>				
Non-current bank balances (note 13)	21,518	17,456	-	-
	<u>21,518</u>	<u>17,456</u>	<u>63,781,997</u>	<u>52,159,891</u>

14 Revenue from operations

	Year ended	Year ended
	31st March, 2013	31st March, 2012
	Amt in Rs.	Amt in Rs.
(a) Income from operation		
(i) Revenue from Power Sales	681,906,844	506,734,506
(ii) Other revenue related to power sales		
- Meter Rent	229,050	204,795
- Misc Income	408,435	969,685
(b) Other Operating Income	3,095,774	2,003,586
	<u>685,640,103</u>	<u>509,912,573</u>

15 Other Income

	Year ended	Year ended
	31st March, 2013	31st March, 2012
	Amt in Rs.	Amt in Rs.
Interest Income	282,674	5,625
Misc Income	114,309	-
	<u>396,983</u>	<u>5,625</u>

16 Purchase of Power

	Year ended	Year ended
	31st March, 2013	31st March, 2012
	Amt in Rs.	Amt in Rs.
Power Purchase	566,615,058	447,982,060
Transmission Charges	-	6,862,630
Scheduling Charges	24,060	579,033
Unscheduled Interchange Charges	2,268,085	(17,911,537)
	<u>568,907,203</u>	<u>437,512,186</u>



17 Employee benefit expense

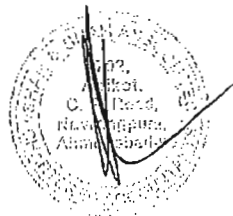
	Year ended 31st March, 2013 Amt in Rs.	Year ended 31st March, 2012 Amt in Rs.
Salaries, Wages, Bonus and Gratuity	19,195,807	20,056,026
Contribution to Provident Fund & other funds	1,117,461	509,373
Workmen and Staff Welfare Expenses	634,925	421,601
	<b>20,948,194</b>	<b>20,986,999</b>

18 Finance costs

	Year ended 31st March, 2013 Amt in Rs.	Year ended 31st March, 2012 Amt in Rs.
Interest on security Deposit	8,752,541	3,241,379
Bank charges and commission	432,607	546,455
Other Interest	-	352
	<b>9,185,148</b>	<b>3,788,186</b>

19 Other Expenses

	Year ended 31st March, 2013 Amt in Rs.	Year ended 31st March, 2012 Amt in Rs.
Infrastructure Usage Charges	18,159,118	15,241,743
Legal Expenses, Fees & Subscription	2,177,024	2,955,249
Travelling and Conveyance	1,751,138	1,536,138
Lease Rent	1,179,948	1,062,500
<b>Repairs &amp; Maintenance</b>		
Plant & Machinery	13,024,596	5,287,646
Building	1,316,749	9,083
Others	5,219	47,780
Advertisement and Publicity	1,544,909	463,018
Insurance	946,457	130,073
Power	552,095	-
<b>Payment to Auditor</b>		
Audit fee	50,000	50,000
Tax audit fee	20,000	20,000
Other Certification Charges	2,500	-
Miscellaneous Expenses	211,501	317,314
Communication Expenses	133,651	27,392
Stationary & Printing Expenses	30,155	19,906
Inspection & Testing Charges	156,369	3,161
Professional Charges	228,505	28,686
Security Charges	1,886,960	-
Stores & Spares Consumed	-	225,611
	<b>43,376,894</b>	<b>27,425,300</b>



20 Earnings per share (EPS)

	Year ended 31st March, 2013 Amt in Rs.	Year ended 31st March, 2012 Amt in Rs.
Profit/(loss) for the year as per Profit & Loss Account	5,600,790	(5,148,441)
No of equity shares at the beginning of the year	13,135,000	13,135,000
Add : Weighted average no of equity shares issued during the year	-	-
Weighted average no of equity shares in calculating basic EPS	13,135,000	13,135,000
Basic and diluted earnings (loss) per share (In rupees)	0.43	-0.39

21 Details of employee benefits

1. The company has recognised, in the statement of profit and loss for the current year, an amount of Rs. 8,06,562 (Previous Year Rs. 4,60,630) as expenses under the following defined contribution plan.

	(Amt in Rs.)	
	2012-13	2011-12
Contribution to		
Contribution to Provident Fund	806,562	460,630
Total	806,562	460,630

2. The Company has a defined gratuity plan. Every employee gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Company of India (LIC) in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Profit and Loss Account

a) Net Employee benefit expense (recognised in Employee Cost)

Particulars	(Amt in Rs.)	
	Gratuity (Funded) 31-Mar-13	Gratuity (Funded) 31-Mar-12
Current Service cost	117,759	107,482
Interest Cost on benefit obligation	8,925	14,360
Expected return on plan assets	(23,295)	(10,261)
Actuarial loss / (gain) recognised in the year	487,812	(191,833)
Net benefit expense	591,201	(80,252)

Note: Actual return on plan assets Rs. 548

Balance Sheet

b) Details of Provision for gratuity

Particulars	(Amt in Rs.)	
	Gratuity (Funded) 31-Mar-13	Gratuity (Funded) 31-Mar-12
Present value of defined benefit obligation	720,040	104,996
Fair value of plan assets	297,902	274,059
Surplus/(deficit) of funds	(422,138)	169,063
Net asset/ (liability)	(422,138)	169,063

c) Changes in Present Value of the defined benefit obligation are as follows:

Particulars	Gratuity (Funded)	
	31-Mar-13	31-Mar-12
Defined benefit obligation at the beginning of the Period	104,996	174,055
Current Service cost	117,759	107,482
Interest Cost	8,925	14,360
Actuarial (gain) / loss on obligations	(488,960)	(190,900)
Benefits paid	-	-
Defined benefit obligation at the end of the period	720,040	104,996

d) Changes in Fair Value of Plan Assets are as follows:

Particulars	Gratuity (Funded)	
	31-Mar-13	31-Mar-12
Opening fair value of plan assets	274,059	124,380
Expected return	23,295	10,261
Contribution by employer	-	138,485
Benefits Paid	-	-
Actuarial gains / (losses)	548	933
Closing fair value of plan assets	297,902	274,059

Note:

1. The present value of the plan assets represents the balance available with the LIC as at the end of the period. The total value of Plan Assets amounting to Rs. 2,97,902 is as certified by the LIC.

2. The Company's expected contribution to the fund in the next financial year is Rs. 1,64,783





e) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Benefit Contribution to	2012-13 %	2011-12 %
Investments with Insurers	100%	100%

The overall expected rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation has to be settled.

f) The principle assumptions used in determining Gratuity obligations are as follows:

Particulars	Gratuity (Funded) 31-Mar-13	Gratuity (Funded) 31-Mar-12
Discount rate	8.50%	8.50%
Expected rate of return on plan assets	8.50%	8.50%
Rate of Escalation in Salary (per annum)	6.00%	6.00%
Mortality	LIC 1994-96 (Ultimate)	LIC 1994-96 (Ultimate)
Attrition rate	2.00%	2.00%

The estimates of future salary increases considered in actuarial valuation and take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

g) Amounts for the current period is as follows:

(Amt In Rs.)

Gratuity	Mar'13	Mar'12
Defined benefit obligation	720,040	104,996
Plan Assets	297,902	274,059
Surplus / (deficit)	(422,138)	169,063
Experience loss (gain) on plan liabilities	(488,360)	(175,958)
Experience loss (gain) on plan assets	548	933

## 22 Related Party Disclosures

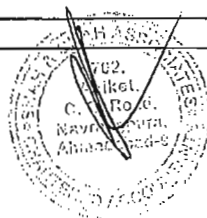
The Management has identified the following entities and individuals as related parties of the Company for the year ended March 31, 2013 for the purposes of reporting as per AS 18 – Related Party Transactions, which are as under:

Criteria	Name of the Company
Ultimate Holding Entity	Adani Enterprises Ltd. [Holding Company of APSEZL] [w.e.f.01.04.2010]
Holding Company	Adani Ports and Special Economic Zone Limited
Fellow Subsidiary (APSEZL) (Companies with whom transaction has been made during the year)	Mundra SEZ Textile and Apparel Park Private Limited
Fellow Subsidiary (AEL)(Companies with whom transaction has been made during the year)	Adani Power Ltd
Key Management Personnel	1 Dr. Malay Mahadevia 2 Mr. Pankaj Modi 3 Mr. B. Ravl

Aggregate of transactions for the year ended with these parties have been given below.

(Amt In Rs.)

Particulars	Ultimate Holding Company	Holding Company	Fello Subsidiary (APSEZL)	Fellow Subsidiary
	Adani Enterprise Ltd	Adani Port & SEZ Ltd	Mundra SEZ Textile and Apparel Park	Adani Power Ltd
<b>(A) Volume of Transactions</b>				
<b>Sale of Power</b>				
2012-13	-	391,862,147	450,797	37,087,230
2011-12	-	227,093,792	364,597	111,368,370
<b>Purchase of Capital Goods (Capital work In Progress)</b>				
2012-13	-	1,210,464	-	-
2011-12	-	8,574,658	-	-
<b>Security Deposit Received</b>				
2012-13	-	13,856,316	5,063	-
2011-12	-	40,085,929	5,063	-
<b>Service Line Contribution Received</b>				
2012-13	-	17,000,000	-	-
2011-12	-	33,213,209	-	-
<b>Connection Form &amp; Misc Income</b>				
2012-13	-	18,800	-	-
2011-12	-	15,821	-	10,020



<b>Reimbursement of Expenses</b>				
2012-13	112,360	2,829,864	4,365	7,497
2011-12	812,251	12,754,009	-	-
<b>Infrastructure Usage Charges</b>				
2012-13	-	17,828,417	-	-
2011-12	-	15,241,743	-	-
<b>Lease Rent</b>				
2012-13	-	1,000,312	-	-
2011-12	-	1,062,500	-	-
<b>Loan Taken during the year</b>				
2012-13	-	158,500,000	-	-
2011-12	-	247,100,000	-	-
<b>Loan repaid during the year</b>				
2012-13	-	175,500,000	-	-
2011-12	-	230,100,000	-	-
<b>Purchase of Power</b>				
2012-13	11,639,147	552,095	-	553,866,750
2011-12	193,676,890	-	-	261,746,832
<b>(B) Balance at the end of the year</b>				
<b>Dues Receivable</b>				
2012-13	-	-	-	-
2011-12	921,159	10,914,868	40,157	10,703,413
<b>Dues Payable</b>				
2012-13	-	14,631,145	-	52,317,700
2011-12	-	13,129,461	-	47,917,354

- 23 The company is engaged in the business of distribution of power. Accordingly additional information pursuant to provision of paragraph 3,4C,4D of the Part-II of Schedule VI to the Companies Act, 1956 is given under to the extent applicable.

Sr. No.	Particulars	2012-13 Unit In Mus	2011-12 Unit In Mus
ia)	Unit Purchased	141.223	117.225
ib)	UI Purchased	5.271	(0.381)
i	Net Units Purchased (Inclusive of UI)	146.494	116.844
ii)	Unit Sold	140.634	109.110
iii)	Transmission & Distribution Losses (Inclusive of GETCO/WR transmission losses)	5.860	7.735
iv)	Transmission & Distribution Losses (%)	4.00%	6.62%

24 **Capital Commitments** (Amt In Rs.)

Particulars	As at March 31, 2013	As at March 31, 2012
Estimated amount of contracts (Net of advances) remaining to be executed on capital account and not provided for	16,314,579	27,599,394

25 **Contingent Liabilities not provided for** (Amt In Rs.)

S.No	Particulars	As at March 31, 2013	As at March 31, 2012
a.	Bank Guarantee given by bankers on behalf of the company	75,000,000	75,000,000

- 26 (a) Based on the future projections of profitability as well as deduction available under section 80IA of Income Tax Act, 1961, in the opinion of the management of the company, there does not exist virtual certainty that the company will have to pay taxes as per the normal rates within the specified period in section 115JAA of Income Tax Act, 1961. Therefore, in accordance with "Guidance Note on accounting for credit available in respect of minimum alternate tax under Income Tax Act, 1961" issued by Institute of Chartered Accountants of India, MAT credit receivable by the company for the financial year ended on 31st March, 2013 has not been recognised as an asset.



26 (b) In the situation where the Company is entitled to a tax holiday under the Income tax Act, 1961, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

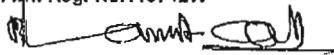
The company has deferred tax asset as on 31/03/2013. Deferred tax assets, which is arising only on account of unabsorbed depreciation and carried forward losses, have not been considered for recognition, as there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Therefore, net deferred tax asset has not been recognized in the accounts of the company and Deferred Tax Asset carried from previous year of Rs. 15,22,322/- has also been charged off to Statement of Profit & Loss for the year.

27 The company follows accounting policy of providing depreciation on its fixed assets on SLM basis. As regards the rates of depreciation, hitherto, the company followed the higher of (i) rates as per Appendix III of CERC (Terms and conditions of Tariff) Regulations, 2009 which are in line with Annexure I of GERC (Multi Year Tariff) Regulations, 2011. (ii) rates prescribed under Schedule XIV to the company's act, 1956.

In view of Notification no. 51/23/2011-CL-III dated 31 May, 2011 issued by Ministry of Corporate Affairs (MCA), effective from 1 April, 2011, the Company has changed its accounting policy as regards the rates of depreciation and has provided the same at the rates as per Appendix III of CERC (Terms and conditions of Tariff) Regulations, 2009. Depreciation for the year is lower by Rs. 2,78,603/- and Profit for the year is higher by that amount on account of such changes.

28 Details of Income & Expenses for the Common Effluent Treatment Service rendered during the year are as under :  
As certified by the management and accepted by the auditor.

Particular	For the year March 31, 2013	For the year March 31, 2012
	Amt. Rs.	Amt. Rs.
Income	3,095,774	2,003,586
Expenditure		
Employee benefits exp	444,785	-
Electricity Expense	552,095	-
Other Exp	268,648	-
Total	1,265,528	-

As per our report attached  
For SHAH & SHAH ASSOCIATES  
Chartered Accountants  
Firm Reg. No.113742W  
  
BHARAT A. SHAH  
Partner  
Membership No. 30167

Place : Ahmedabad  
Date : 25 APR 2013



For and on behalf of the Board of Directors

  
Director

  
Director

Place : Ahmedabad

Date : 25 APR 2013

**Annexure-IX**  
**Certificate of 'Standard' borrowal  
account**

**To Whomsoever It May Concern**

MPSEZ Utilities Private Limited has availed Term Loan from RBL Bank Limited, Shaibag Branch, Ahmedabad.

1. We confirm that the Account of the Borrower in the books of RBL Bank Limited, Shahibag Branch, Ahmedabad for the Term Loan availed from RBL Bank Limited, Shahibag Branch, Ahmedabad is "Standard" as on the date of issue of this certificate.
2. This certificate is being issued only for the purpose of submission to Hon'ble Gujarat Electricity Regulatory Commission.
3. It is clarified that this Certificate is issued without any risk and responsibility on the part of RBL Bank Limited or any of its officials in any respect whatsoever, more particularly either as guarantor or otherwise.
4. This Certificate is issued for the above mentioned specific purpose and on the specific request of MPSEZ Utilities Private Limited.

Thanking you,

For RBL Bank Ltd



Authorised Signatory

(Dwigesh Joshi, Vice President – Corporate and Institutional Banking)



Date: 22 Jan 18

## **Annexure-X**

**Certificate stating that RBI has not classified the Applicant as a 'wilful defaulter'.**


**To Whomsoever It May Concern**

MPSEZ Utilities Private Limited has availed Term Loan from RBL Bank Limited, Shahibag Branch, Ahmedabad.

1. We have checked and confirm that the name of MPSEZ Utilities Private Limited does not appear in the Wilful Defaulter List of Reserve Bank of India, as on the date of issue of this Certificate
2. This certificate is being issued only for the purpose of submission to Hon'ble Gujarat Electricity Regulatory Commission.
3. It is clarified that this Certificate is issued without any risk and responsibility on the part of RBL Bank Limited or any of its officials in any respect whatsoever, more particularly either as guarantor or otherwise.
4. This Certificate is issued for the above mentioned specific purpose and on the specific request of MPSEZ Utilities Private Limited.

Thanking you,

For RBL Bank Ltd



Authorised Signatory

(Dwigesh Joshi, Vice President – Corporate and Institutional Banking)



Date: 22 Jan 18

## **Annexure-XI**

**Undertaking by MUPL for  
requirement of Code of Conduct  
as per Distribution of Electricity  
Licence (additional requirements  
of Capital Adequacy,  
Creditworthiness and Code of  
Conduct) Rules, 2005.**



## Undertaking

We **MPSEZ Utilities Pvt. Ltd.**, a company registered under the Companies Act of 1956 and having our registered office at **Adani House, Nr Mithakhali Circle, Navrangpura, Ahmedabad 380 009, Gujarat**, (hereinafter called as "Applicant"), give this UNDERTAKING on the \_\_\_ day of **February 2018** at **Ahmedabad** IN FAVOUR of **Gujarat Electricity Regulatory Commission** (hereinafter called as "GERC").

WHERE AS, we are filling application to the Secretary, GERC for Grant of Distribution Licence to MPSEZ Utilities Pvt. Ltd. for supply of electricity in the area of Dholera Special Investment Region, Gujarat.

WHERE AS, for grant of Distribution Licence the Applicant is required to satisfy Code of Conduct specified in Distribution of Electricity Licence (additional requirements of Capital Adequacy, Creditworthiness and Code of Conduct) Rules, 2005.

**NOW IN CONSIDERATION OF THE FOREGOING**, We hereby undertake:

1. That we have not been found guilty or have not been disqualified under any of the following provisions within the last three years from the date of the application for the grant of licence:
  - 1.1 Section 203, section 274, section 388B or section 397 of the Companies Act, 1956;
  - 1.2 Section 276, section 276B, section 276BB, section 276C, section 277 or section 278 of the Income tax Act, 1961;
  - 1.3 Section 15C, section 15G, section 15H or section 15HA of the Securities and Exchange Board of India Act 1992;
  - 1.4 Clause (b), (bb), (bbb), (bbbb), (c) or (d) of sub-section (1) of section 9 of the Excise Act 1944;
  - 1.5 Section 132 or section 135 of the Customs Act 1962;
2. That we are not a company in whose case licence was suspended under section 24 or revoked under section 19 of the Act, within the last three years from the date of application.
3. That no petition for winding up of the company or any other group company of our promoter has been admitted under section 443 (e) of the Companies Act, 1956 on the ground of its being unable to pay its debts.

IN WITNESS WHERE OF this Undertaking is executed by the undersigned on the \_\_\_\_ **day**  
**of February 2018** and the place first mentioned above.

Signed by, for and on behalf of:

**For M/s MPSEZ Utilities Pvt. Ltd.**

**Authorized Signatory**

Witness: