

Deloitte Haskins & Sells

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEZ ADITYAPUR LIMITED Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SEZ ADITYAPUR LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and 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 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 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 prescribed under section 133 of the Act, as applicable.

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 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 standalone 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 and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements 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.



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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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st 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 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 financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the 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 31st 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

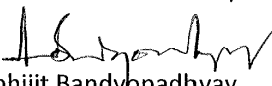


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- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to 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 were no amounts which were 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.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 302009E)


Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)

Place: Jamshedpur
Date: 15 April, 2016



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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 Over Financial Reporting 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 SEZ Adityapur Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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.

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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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.

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 judgement, 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.



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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 authorisations 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.

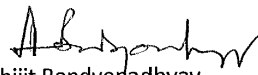
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 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, to the best of our information and according to the explanations given to us, 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, 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 Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 302009E)


Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)

Place: Jamshedpur
Date: 15 April, 2016



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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) The Company does not have any fixed assets and hence reporting under clause (i) of the CARO 2016 is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) 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 Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax as on March 31, 2016 on account of disputes.



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- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or

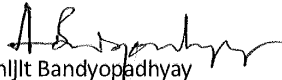


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persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 302009E)


Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)

Place: Jamshedpur
Date: 15 April, 2016



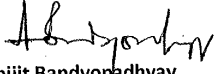
SEZ ADITYAPUR LIMITED
Balance Sheet as at March 31, 2016

	Note No.	As at March 2016 Rupees	As at March 2015 Rupees
(I) EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	01	500,000	500,000
(b) Reserves and surplus	02	(1,017,256)	(929,696)
		<u>(517,256)</u>	<u>(429,696)</u>
(2) Current liabilities			
(a) Other current liabilities		638,770	551,210
		<u>638,770</u>	<u>551,210</u>
TOTAL		<u>121,514</u>	<u>121,514</u>
(II) ASSETS			
(1) Current assets			
(a) Cash and cash equivalents	03	121,514	121,514
		<u>121,514</u>	<u>121,514</u>
TOTAL		<u>121,514</u>	<u>121,514</u>

See accompanying notes forming part of the financial statements. 04

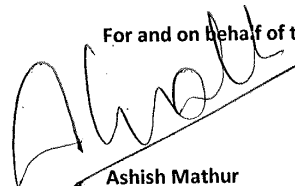
In terms of our report attached

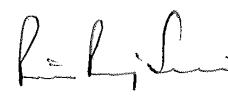
For Deloitte Haskins & Sells
Chartered Accountants


Abhijit Bandyopadhyay
Partner

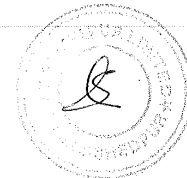
Jamshedpur, 15th April 2016

For and on behalf of the Board of Directors


Ashish Mathur
Chairman


Ritu Raj Sinha
Director

Jamshedpur, 15 April 2016



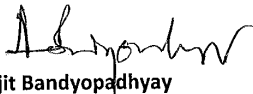
SEZ ADITYAPUR LIMITED
Statement of Profit and Loss Account for the Year Ended March 31, 2016

	Note No.	For the Year Ended 31 March 2016 Rupees	For the Year Ended 31 March 2015 Rupees
I. Revenue from operations		-	-
II. Other Income		-	-
III. TOTAL REVENUE (I+II)		-	-
IV. Expenses :			
Audit Fee		57,250	56,180
Miscellaneous expenses		30,310	46,848
TOTAL EXPENSES		87,560	103,028
V. LOSS BEFORE TAXES		(87,560)	(103,028)
VI. TAX EXPENSES			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
TOTAL TAXES		-	-
VII. LOSS AFTER TAXES (V-VI) FOR THE YEAR		(87,560)	(103,028)
Basic and Diluted Earnings per Share Rs..... (Face value of the Share Rs. 10/-)		(1.75)	(2.06)

See accompanying notes forming part of the financial statements.

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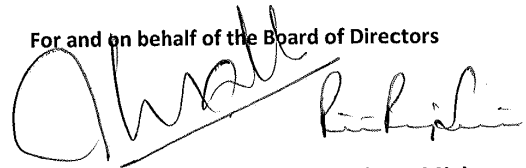
For Deloitte Haskins & Sells
Chartered Accountants



Abhijit Bandyopadhyay
Partner

Jamshedpur, 15th April 2016

For and on behalf of the Board of Directors



Ashish Mathur
Chairman

Ritu Raj Sinha
Director

Jamshedpur, 15 April 2016



SEZ ADITYAPUR LIMITED
Cash Flow Statement for the Year ended March 31, 2016

	For the Year Ended 31 March 2016	For the Year Ended 31 March 2015
	Rupees	Rupees
Cash Flow from Operating Activities		
Loss before taxes	(87,560)	(103,028)
Operating Loss before working capital changes	(87,560)	(103,028)
Adjustments for :		
Trade and other payables	87,560	52,466
Net cash Generated from operating activities	-	(50,562)
Net Increase / (Decrease in cash or cash equivalents)	-	(50,562)
Cash and cash equivalents at the beginning of the year	121,514	172,076
Cash and cash equivalents at the end of the year	121,514	121,514

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Abhijit Bandyopadhyay
Partner

For and on behalf of the Board of Directors

Ashish Mathur
Chairman

Ritu Raj Sinha
Director

Jamshedpur, 15th April 2016

Jamshedpur, 15 April 2016



SEZ ADITYAPUR LIMITED

NOTES FORMING PART OF THE BALANCE SHEET

	AS AT 31.03.2016 Rupees	AS AT 31.03.2015 Rupees
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Note 01 (a) : SHARE CAPITAL

Authorised :

50,000 Equity Shares of Rs.10 each (Previous Year : 50,000 Equity Shares of Rs. 10/- each)	500,000	500,000
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Issued , Subscribed and Fully Paid up :

50,000 Equity Shares of Rs.10 each (Previous Year : 50,000 Equity Shares of Rs. 10/- each)	500,000	500,000
	500,000	500,000

Note 01 (b) : Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	50,000	500,000
Shares Issued during the year	-	-
Shares outstanding at the end of the year	50,000	500,000

Note 01 (c) : Disclosure of Shareholders holding more than 5% of the total shares

Name of Shareholder	31-Mar-16		31-Mar-15	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jamshedpur Utilities & Services Company Ltd and Its nominees	25,500	51%	25,500	51%
Gammon Infrastructure Projects Limited	19,000	38%	19,000	38%
Adityapur Industrial Area Development Authority	5,500	11%	5,500	11%

Note 02 : RESERVES AND SURPLUS

	31.03.2016 Rupees	31.03.2015 Rupees
(b) Surplus:		
Opening Balance	(929,696)	(826,668)
Add/ Less : Net Profit/ (Loss) for the current period	(87,560)	(103,028)
Closing Balance	(1,017,256)	(929,696)
	(1,017,256)	(929,696)

Note 03: CASH AND CASH EQUIVALENTS

	31.03.2016 Rupees	31.03.2015 Rupees
Balances with Banks in current account	121,514	121,514
	121,514	121,514



SEZ ADITYAPUR LIMITED

Note 04 : NOTES TO THE FINANCIAL STATEMENTS

1 Corporate Information

The Company was incorporated on 30th October, 2006 to develop the Special Economic Zone at Adityapur, Jamshedpur. The Company was incorporated to undertake the Project for development of first SEZ of Jharkhand on 90 years BOT basis. The Project involves the development, design, financing, construction, marketing and operation and maintenance of the SEZ, comprising Units, Common Areas, Common Facilities and Utilities and Amenities, by a private sector participant along with AIADA on the build operate and transfer (BOT) basis, with the right to grant sub-leases, licenses and sub-authorizations for development and operation and maintenance of the SEZ.

2 Basis For Accounting and preparation of financial statements

The financial statement of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention on an accrual basis of accounting. The accounting policies adopted in the preparation of the financial statement are consistent with those followed in the previous year.

3 Provisions

Provisions are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

4 Earnings per Share

The Company reports earnings per equity share in accordance with Accounting Standard-20, Earnings per Share notified by the Central Government under the Companies (Accounting Standards) Rules,2006

5 Related party disclosure :-

(a) List of related parties with which the company had transactions during the year

Party Name	Relationship
Jamshedpur Utilities and Services Co. Ltd.	Holding Company

	2015-16	2014-15
Expenses incurred by JUSCO on behalf of company.	86,490	52,466
Amount Payable as on 31 March 2016	581,520	495,030

6 Expenses Includes:

	2015-16	2014-15
(i) Auditors Remuneration (excluding applicable service taxes)		
(a) For services as statutory Auditors	50,000	50,000

7 Earnings per Share (EPS)

	2015-16	2014-15
(i) Profit / (Loss) after Tax	(87,560)	(103,028)
(ii) Profit attributable to ordinary Shareholders	(87,560)	(103,028)
(iii) Weighted average number. of Ordinary Shares for Basic /Diluted EPS	50,000	50,000
(iv) Nominal value of Ordinary Shares	10	10
(v) Basic / Diluted Earnings per Ordinary Share	(1.75)	(2.06)

8 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.



Ashish Mathur
Ashish Mathur
 Chairman

For and on behalf of the Board of Directors

Ritu Raj Sinha
Ritu Raj Sinha
 Director



Jamshedpur, 15 April 2016