

MAHAGUJ POWER LLP
(Formerly known as Mahaguj Power Limited)
Statement of Assets and Liabilities as at 31 March 2020

		(Amt in Rupees)	
	Notes	As at 31-Mar-2020	As at 31-Mar-2019
<u>CONTRIBUTION AND LIABILITIES :</u>			
(I) PARTNERS' FUNDS			
(a) Partners' Funds	3	2,928,568	500,000
(b) Reserves and Surplus	4	(2,645,354)	(2,504,429)
		283,215	(2,004,429)
(II) LIABILITIES			
(a) Unsecured Loans	5	-	2,752,047
(b) Other Liabilities	6	17,700	41,818
		17,700	2,793,865
Total Contribution and Liabilities		300,915	789,436
<u>ASSETS :</u>			
(a) Property, Plant & Equipment		-	-
(b) Capital Work in Progress		-	-
(c) Investments	7	255,000	255,000
(d) Cash and Bank Balances	8	45,915	534,436
Total Assets		300,915	789,436

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **Dharmesh Parikh & Co.**
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the board of directors of
Mahaguj Power LLP

D. A. Parikh
Partner
Membership No. 045501
Place : Ahmedabad
Date :

Jatinkumar Jalundhwala
Designated Partner
DIN : 00137888
Place : Ahmedabad
Date : 05-May-2020

Bhavik Shah
Designated Partner
DIN : 00005781

MAHAGUJ POWER LLP

(Formerly known as Mahaguj Power Limited)

Statement of Profit and Loss for the year ended 31 March 2020

		(Amt in Rupees)	
	Notes	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
a) INCOME :			
Income from Operations		-	-
Other Income	9	25,500	-
Total Income		25,500	-
b) EXPENSES :			
Operating Expenses		-	-
Employee Benefit Expenses		-	-
Finance Costs	10	140,579	275,455
Depreciation and Amortisation Expense		-	-
Other Expenses	11	25,845	25,260
Total Expenses		166,424	300,715
c) Profit / (Loss) Before Tax		(140,924)	(300,715)
d) Tax Expense		-	-
e) Profit / (Loss) For The Year		(140,924)	(300,715)
(Loss) transferred to Partners' Accounts		-	-
(Loss) transferred to Reserves and Surplus		(140,924)	(300,715)
		(140,924)	(300,715)

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **Dharmesh Parikh & Co.**
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the board of directors of
Mahaguj Power LLP

D. A. Parikh
Partner
Membership No. 045501

Place : Ahmedabad
Date :

Jatinkumar Jalundhwala
Designated Partner
DIN : 00137888

Place : Ahmedabad
Date : 05-May-2020

Bhavik Shah
Designated Partner
DIN : 00005781

MAHAGUJ POWER LLP

(Formerly known as Mahaguj Power Limited)

Cash Flow Statement for the year ended 31 March 2020

	(Amt in Rupees)	
	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Tax	(140,924)	(300,715)
Adjustment on account of :		
Finance Cost	140,572	275,455
Dividend Income	(25,500)	-
Operating Profit / (Loss) Before Working Capital Changes	(25,852)	(25,260)
Movements in Working Capital :		
Increase / (Decrease) in Other Liabilities	(24,118)	612
Cash Generated from / (Used in) Operations	(49,970)	(24,648)
Less : Direct Taxes Paid	-	-
Net Cash Generated From / (Used in) Operating Activities	(49,970)	(24,648)
II. CASH FLOW FROM INVESTING ACTIVITIES		
Dividend Received	25,500	-
Net Cash Generated From / (Used in) Investing Activities	25,500	-
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from / (Repayment of) Borrowings (net)	(323,479)	247,909
Finance Cost Paid	(140,572)	(275,455)
Net Cash Generated From / (Used in) Financing Activities	(464,051)	(27,546)
Net Increase / (Decrease) in Cash & Cash Equivalents	(488,521)	(52,194)
Cash & Cash Equivalents at the beginning of the year	534,436	586,630
Cash & Cash Equivalents at the end of the year	45,915	534,436

Notes to Cash Flow Statement:

- (i) Reconciliation of cash and cash equivalents with the Balance Sheet:

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Cash and cash equivalents as per Balance Sheet (Refer note 8)	45,915	534,436

- (ii) The statement of cash flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flows'.

- (iii) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Particulars	As at 31-Mar-2019	Cash Flows	Non Cash Changes	As at 31-Mar-2020
Non - Current borrowings	-	-	-	-
Current borrowings	2,752,047	-	(2,752,047)	-
Total	2,752,047	-	(2,752,047)	-

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **Dharmesh Parikh & Co.**
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the board of directors of
Mahaguj Power LLP

D. A. Parikh
Partner
Membership No. 045501

Jatinkumar Jalundhwala
Designated Partner
DIN : 00137888

Bhavik Shah
Designated Partner
DIN : 00005781

Place : Ahmedabad
Date :

Place : Ahmedabad
Date : 05-May-2020

MAHAGUJ POWER LLP

(Formerly known as Mahaguj Power Limited)

Notes to Financial Statements for the year ended 31 March 2020

1 Corporate Information

Mahaguj Power LLP was incorporated on April 19, 2017 vide LLP Identification No. AAJ-1976 by conversion of the company Mahaguj Power Limited under Section 56 read with the Third Schedule of LLP Act, 2008. Limited Liability Partnership Agreement was executed on April 7, 2017.

The LLP plans to set up a Thermal Power Plant in the state of Odisha. The LLP is awaiting regulatory and other administrative approvals to commence development works at site. Considering the facts, the accounts are prepared under going concern basis.

2 Summary of Significant Accounting Policies

a) Basis of Preparation and Presentation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

These financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial statements are presented in INR except when otherwise stated.

b) Use of Significant Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with Ind AS requires management to make certain judgements, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumptions are required in particular for:

i) Recognition of deferred tax assets:

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

ii) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

c) Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

MAHAGUJ POWER LLP

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Notes to Financial Statements for the year ended 31 March 2020

d) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e) 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. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

For purposes of subsequent measurement, financial assets and liabilities are classified in various categories as under.

- > at amortised cost
- > fair value through other comprehensive income
- > fair value through profit and loss account

Financial instruments are subsequently measured and accounted based on their category. All financial instruments of the Company are covered under Amortised Cost. After initial measurement, such financial assets and liabilities are subsequently measured 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.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- a) The rights to receive cash flows from the asset have expired, or
- b) 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

Impairment of Financial Assets

The Company applies simplified approach model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses at each reporting date, right from its initial recognition.

Derecognition of Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

MAHAGUJ POWER LLP

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Notes to Financial Statements for the year ended 31 March 2020

f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying 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. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

g) Related Party Transactions

Disclosure of transactions with related Parties, as required by Accounting Standard 18 "Related Party disclosures" has been set out in separate note. Related parties as defined under clause 3 of the Accounting standard 18 have been identified on the basis of representation made by Key management personnel and information available with the LLP.

h) Taxes on Income

Tax expense comprises of current income tax and deferred tax.

i) Current Taxation

In the absence of any taxable income, provision for taxation has not been made in accordance with the income tax laws prevailing for the relevant assessment year.

ii) Deferred Taxation

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent it is probable that these assets can be realised in future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised 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 liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

i) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements. The nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

MAHAGUJ POWER LLP

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Notes to Financial Statements for the year ended 31 March 2020

4 Reserves & Surplus

	Amt in Rupees	
	As at 31-Mar-2020	As at 31-Mar-2019
Opening Balance	(2,504,429)	(2,203,714)
Add : Loss for the period	(140,924)	(300,715)
	(2,645,354)	(2,504,429)

5 Unsecured Loans

(Unsecured, Considered good)

	Amt in Rupees	
	As at 31-Mar-2020	As at 31-Mar-2019
Loan from Partners (Refer Note 14)	-	2,752,047
	-	2,752,047

Note :

Unsecured Corporate Loan is received from the partner for short-term purposes and it carries an interest rate of 12% p.a..

6 Other Liabilities

	Amt in Rupees	
	As at 31-Mar-2020	As at 31-Mar-2019
Financial Liabilities		
Sundry Creditors	-	15,826
Provision For Expense	17,700	17,700
Non- Financial Liabilities		
Statutory Dues Payable (TDS payable)	-	8,292
	17,700	41,818

7 Investment

(Trade Investments, valued at cost)

	Amt in Rupees	
	As at 31-Mar-2020	As at 31-Mar-2019
10% Cumulative Redeemable Preference Shares (unquoted, fully paid-up)		
25,500 shares of Rs. 10 each of Adani Gas Ltd	255,000	255,000
	255,000	255,000

8 Cash & Cash Equivalents

	Amt in Rupees	
	As at 31-Mar-2020	As at 31-Mar-2019
Balances with banks		
- In Current Account	45,915	534,436
	45,915	534,436

MAHAGUJ POWER LLP

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Notes to Financial Statements for the year ended 31 March 2020

9 Other Income

	Amt in Rupees	
	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
Dividend Income	25,500	-
	25,500	-

10 Finance Cost

	Amt in Rupees	
	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
Interest on Borrowings	140,572	275,455
Bank Charges	7	-
	140,579	275,455

11 Other Expense

	Amt in Rupees	
	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
Legal and Professional Fees	8,145	7,560
Payment to Auditors		
- Statutory Audit Fees	17,700	17,700
- Other Services	-	-
	25,845	25,260

12 Income Tax Expense**a. Calculation of Deferred Tax Liability / Asset (net)**

	Amt in Rupees	
	As at 31-Mar-2020	As at 31-Mar-2019
Deferred Tax Liabilities		
Depreciation	-	-
Deferred Tax Assets		
Carried Forward Losses	86,294	35,272
	86,294	35,272

During the current year, as per the Ind AS 12, "Income Taxes", the Company would have a net deferred tax asset, on account of unused tax losses. The deferred tax asset of Rs 86,294/- (Previous Year - Rs 35,272/-) will be recognised, as and when there is a virtual certainty that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

b. Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate :

This note presents the reconciliation of Income Tax charged as per the Tax Rate specified in Income Tax Act, 1961 and the actual provision made in the Financial Statements as at 31st March 2020 & 31st March 2019 with breakup of differences in Profit as per the Financial Statements & as per Income Tax Act, 1961.

	Amt in Rs.	
	31-Mar-2020	31-Mar-2019
Profit / (Loss) Before Tax	(140,924)	(300,715)
Tax Rate for Corporate Entity as per Income Tax Act, 1961	31.20%	26.00%
Tax Expense as per Income Tax Act, 1961	(43,968)	(78,186)
Tax on Current year losses for which no deferred tax asset is recognised	43,968	78,186
Income tax recognised in profit and loss account at effective rate	-	-

MAHAGUJ POWER LLP

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Notes to Financial Statements for the year ended 31 March 2020

13 Contingent Liabilities & Commitments

	Amt in Rupees	
	As at 31-Mar-2020	As at 31-Mar-2019
Contingent Liabilities, to the extent not provided for Commitments	-	-
Estimated amount of contracts remaining to be executed on capital accounts (net of advances)	-	-
	-	-

14 Related Parties

Controlling Entity	:	Adani Enterprises Limited - Partner
	:	Adani Infrastructure Private Limited - Partner
Subsidiary Company	:	Nil
Fellow Subsidiary	:	Nil
<i>(with transactions during the year)</i>		
Associates	:	Nil
Key Management Personnel	:	Mr. Jatinkumar Jalundhwala - Designated Partner
	:	Mr. Bhavik Shah - Designated Partner

Information in respect of Related Parties	Amt in Rupees 31-Mar-2020	Amt in Rupees 31-Mar-2019
<u>Loan Repaid/Conversion of Loan to Partner's Fund</u>		
Controlling Entity : Adani Enterprises Limited	2,752,047	-
<u>Interest Expense</u>		
Controlling Entity : Adani Enterprises Limited	140,572	275,455
<u>Unsecured Loan Balance</u>		
Controlling Entity : Adani Enterprises Limited	-	2,752,047

15 Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. There are no subsequent events to be recognized or reported that are not

16 Other Disclosures

- (a) The financial statements were approved for issue by the partners on 5th May 2020.
- (b) Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification. Further, the figures have been rounded off to the nearest rupee.

As per our report of even date
For **Dharmesh Parikh & Co.**
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the board of directors of
Mahaguj Power LLP

D. A. Parikh
Partner
Membership No. 045501

Place : Ahmedabad
Date :

Jatinkumar Jalundhwala
Designated Partner
DIN : 00137888

Place : Ahmedabad
Date : 05-May-2020

Bhavik Shah
Designated Partner
DIN : 05304897

MAHAGUJ POWER LLP

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Notes to Financial Statements for the year ended 31 March 2020

NOTE : 3**PARTNERS' FUNDS**

(Amt in Rupees)								
Sr No	Name of the Partner	% Holding	Name of Designated Partner	Opening Balance as at 01-Apr-2019	Addition During the Period	Withdrawal During the Period	Profit / (Loss) Distribution During the Period	Closing Balance as at 31-Mar-2020
1	Adani Enterprises Limited	99.98%	Mr. Jatinkumar Jalundhwala	499,500	2,428,568	-	-	2,928,068
2	Adani Infrastructure Private Limited	0.02%	Mr. Bhavik Shah	500	-	-	-	500
TOTAL				500,000	2,428,568	-	-	2,928,568