

INDEPENDENT AUDITOR'S REPORT

To The Members of MUNDRA SYNENERGY LIMITED (Formerly known as ADANI SYNENERGY LIMITED)

Report on the standalone financial statements

Opinion

We have audited the attached standalone financial statements of **MUNDRA SYNENERGY LIMITED(Formerly known as ADANI SYNENERGY LIMITED)** ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (Collectively referred to as 'standalone financial statements').

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 Companies Act, 2013 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 (financial position) of the Company as at March 31, 2021, and its loss (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and



the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No.23 to the financial statements in respect of indirect project expenses pending allocation in respect of projects under implementation and the management's evaluation of COVID -19 impact on such projects which is highly uncertain.

Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially



misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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**" 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, the Statement of Changes in Equity 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 Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2016.

 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 B**".



SHAH & SHAH ASSOCIATES
CHARTERED ACCOUNTANTS

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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 required to be transferred to the Investor Education and Protection Fund by the Company.



Place : Ahmedabad
Date : 30th April, 2021
UDIN : 21030167AAAADE6799

For **SHAH & SHAH ASSOCIATES**
Chartered Accountants
FRN: 113742W

BHARAT A SHAH
PARTNER
Membership Number: 030167

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report of even date on Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act

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, the fixed assets have been physically verified by the management and no discrepancy was noticed on such physical verification.
 - c) The company does not have any immovable property and therefore the question of title deeds of immovable properties in the name of the company does not arise.
2. The company's business does not involve inventories and, accordingly, the requirements under paragraphs 3(ii) 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 Partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
4. The Company has not granted loan to the persons covered under section 185 of the Act or give guarantees or securities in connection with loan taken by such persons. Further the company has not made investments as per the provision of section 186 of the Companies Act, 2013.
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 Act and the Companies (Acceptance of Deposit) Rules, 2015.



6. Requirements of maintenance of cost records under sub-section (1) of section 148 of the Companies Act are not applicable to the company.
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, 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.
8. Based on our audit procedures and as per the information and explanations given by the management, the company has not taken any loans or borrowings from any bank or financial institution or government. In respect of debentures issued during the year, as these debentures are compulsory convertible debentures, there is no question of repayment.
9. The company has not raised money by way of initial public offer or further public offer including debt instruments and term loans.
10. There has been neither any fraud by the company nor any fraud on the company by its officers or employees has been noticed or reported during the year.
11. During the year, the company has not paid managerial remuneration; hence the compliance of provision of clause 3(xi) of the Order is not applicable to the company.
12. The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.



SHAH & SHAH ASSOCIATES
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13. As per information and explanations given to us, all the transactions with related parties are in compliance of the provisions of section 177 and 188 of the Companies Act, 2013, the details of which have been disclosed in the financial statements as required by the applicable accounting standard.
14. During the year under review, the company has made private placement of Zero coupon rate Compulsory Convertible Debentures to its holding company for aggregate amount of Rs. 64,02,13,100/-, out of which Rs.2,05,00,00/- has been received by banking channels and balance amount of Rs. 61,97,13,100/- has been converted from the amount of loan, outstanding on the date of allotment, obtained from the holding company including interest payable till the date of such conversion. As explained to us, subject to what is stated above, the company has complied with the requirement of section 42 of the Companies Act, 2013 and as explained to us, the amount raised have been used for the purposes for which the funds were raised.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Ahmedabad
Date : 30th April, 2021



For **SHAH & SHAH ASSOCIATES**
Chartered Accountants
FRN: 113742W

A handwritten signature in blue ink, appearing to read "Bharat A Shah".

BHARAT A SHAH
PARTNER
Membership Number: 030167

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section 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 **MUNDRA SYNENERGY LIMITED (Formerly known as ADANI SYNENERGY LIMITED)** ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS 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 of the Company 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 standalone 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 standalone 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 standalone 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 standalone 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, 2021, based on the criteria for internal financial control over financial reporting 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.

Place : Ahmedabad
Date : 30th April, 2021



For **SHAH & SHAH ASSOCIATES**
Chartered Accountants
FRN: 113742W

A handwritten signature in blue ink, appearing to read "Bharat A Shah".

BHARAT A SHAH
PARTNER

Membership Number: 030167

MUNDRA SYNENERGY LIMITED
(Formerly Known as ADANI SYNENERGY LIMITED)
BALANCE SHEET AS AT 31-Mar-2021

Amt in Rupees

Particulars	Notes	As at	
		31-Mar-21	31-Mar-20
ASSETS			
I NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3	54,236	157,746
(b) Capital Work in Progress			
(i) Capital Inventory		24,045	24,045
(ii) Indirect Project Expenditure pending allocation	4	633,104,452	599,938,027
		633,182,733	600,119,818
II CURRENT ASSETS			
(a) Financial Assets			
(i) Cash & cash equivalents	5	9,101,040	1,269,131
(ii) Other Financial Assets	6	440,000	167,536
(b) Other Current Assets	7	4,428,847	3,178,558
		13,969,887	4,615,225
TOTAL		647,152,620	604,735,043
EQUITY AND LIABILITIES :			
I SHAREHOLDERS' FUNDS			
(a) Equity Share Capital	8	500,000	500,000
(b) Instrument Entirely Equity in Nature	9	640,213,100	-
(c) Other Equity	10	(2,082,453)	(2,026,681)
Total Equity		638,630,647	(1,526,681)
LIABILITIES			
II NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	11	-	587,968,535
(b) Provisions	12	481,536	1,423,200
		481,536	589,391,735
III CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Other Financial Liabilities	13	7,747,043	14,595,641
(b) Other Current Liabilities	14	151,121	1,959,881
(c) Provisions	15	142,273	314,467
		8,040,437	16,869,989
TOTAL		647,152,620	604,735,043

Significant Notes & Accounting Policies

2

The accompanying notes are an integral part of the financial statements.
As per our attached report of even date

For Shah & Shah Associates
ICAI Firm Registration No.: 113742W
Chartered Accountants

(Signature)

Bharat A Shah
Partner
Membership No. 30167

Place : Ahmedabad
Date : 30th April, 2021



For and on behalf of the Board
Mundra Synenergy Limited

(Signature)

Vneet S Jaain
Director
DIN : 00053906

Place : Ahmedabad
Date : 30th April, 2021

(Signature)

Pranav Adani
Director
DIN 00008457

MUNDRA SYNENERGY LIMITED
(Formerly Known as ADANI SYNENERGY LIMITED)
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31-Mar-2021

		Amt in Rupees		
	Particulars	NOTES	For the Year Ended 31-Mar-2021	For the Year Ended 31-Mar-2020
	REVENUE			
I	Revenue from Operations		-	-
II	Other Income		-	-
III	Total Revenue (I+II)		-	-
	EXPENSES			
	Finance costs		-	-
	Other expenses	16	55,772	69,532
	Total Expenses		55,772	69,532
V	Profit / (Loss) for the year before Taxation (III - IV)		(55,772)	(69,532)
VI	Tax Expense:		-	-
VII	Profit / (Loss) for the year (V - VI)		(55,772)	(69,532)
VIII	Other Comprehensive Income			
	- Item that will not be reclassified to Profit & Loss			
	(a) Remeasurement of Post employee benefit obligation		-	-
	(b) Income tax relating to these items		-	-
	Total Other Comprehensive Income		-	-
IX	Total Comprehensive Income for the Year (VII+VIII)		(55,772)	(69,532)
	Earnings (Loss) per Equity Share (in `) of face value of ` 10 each			
	- Basic		(1.12)	(1.39)
	- Diluted		(1.12)	(1.39)
	Significant Notes & Accounting Policies	2		

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For Shah & Shah Associates

ICAI Firm Registration No.: 113742W

Chartered Accountants

Bharat A Shah

Bharat A Shah

Partner

Membership No. 30167

Place : Ahmedabad

Date : 30th April, 2021



For and on behalf of the Board

Mundra Synenergy Limited

Vneet S Jaain

Vneet S Jaain

Director

DIN : 00053906

Place : Ahmedabad

Date : 30th April, 2021

Pranav Adani

Pranav Adani

Director

DIN 00008457

MUNDRA SYNERGY LIMITED
(Formerly Known as ADANI SYNERGY LIMITED)
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH,2021

A. Equity Share Capital

Particulars	No. of Shares	Amount in Rupees
Balance as at 1 st April 2019	50,000	500,000
Changes in the Equity Share Capital during the year	-	-
Balance as at 31 st March 2020	50,000	500,000
Changes in the Equity Share Capital during the year	-	-
Balance as at 31 st March 2021	50,000	500,000

B. Instrument entirely in nature of Equity - Compulsorily Convertible Debentures

Particulars	Numbers	Amt in Rupees
Balance as at 1 st April 2019	-	-
Compulsory Convertible Debentures issued during the year	-	-
As at 31 st March 2020	-	-
Compulsory Convertible Debentures issued during the year	6,402,131	640,213,100
As at 31 st March 2021	6,402,131	640,213,100

Note:

The Company has issued 0% Compulsorily Convertible Debentures to its holding company Adani Enterprises Limited which shall be mandatorily converted in equity shares of the Company at par in the ratio of 10:1 at any time after the expiry of 5 years but before 10 years from the date of issue.

B. Other Equity

Amt in Rupees

Particulars	Retained Earnings
Balance as at 1 st April 2019	(1,957,149)
Add : Loss for the year	(69,532)
Other Comprehensive Income for the year	-
Balance as at 31 st March 2020	(2,026,681)
Balance as at 1 st April 2020	(2,026,681)
Add : Loss for the year	(55,772)
Other Comprehensive Income for the year	-
Balance as at 31 st March 2021	(2,082,453)

As per our attached report of even date

For Shah & Shah Associates

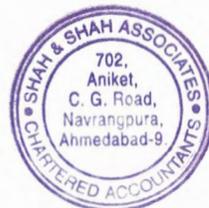
ICAI Firm Registration No.: 113742W

Chartered Accountants



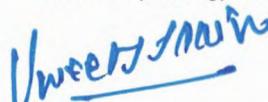
Bharat A Shah
Partner
Membership No. 30167

Place : Ahmedabad
Date : 30th April,2021



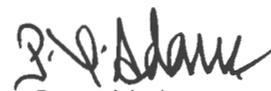
For and on behalf of the board of directors of

Mundra Synenergy Limited



Vneet S Jaain
Director
DIN : 00053906

Place : Ahmedabad
Date : 30th April,2021



Pranav Adani
Director
DIN 00008457

MUNDRA SYNENERGY LIMITED
(Formerly Known as ADANI SYNENERGY LIMITED)
STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED ON 31-Mar-2021

Amt in Rupees

S.NO.	PARTICULARS	For the Year Ended on 31-Mar-2021		For the Year Ended on 31-Mar-2020	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit Before Tax		(55,772)		(69,532)
	Adjustment for:				
	Depreciation and Amortization	-		-	
	Total Adjustments to Net Profit		-		-
	Operating Profit Before Working Capital Changes		(55,772)		(69,532)
	Adjustment for:				
	(Increase)/decrease in Loans and other financial assets and other current assets	(1,522,752)		(2,954,651)	
	(Increase)/decrease in Other Non Current Assets	-		-	
	Increase/(decrease) in Long term provisions	(941,664)		(5,546,836)	
	Increase/(decrease) in Short term provisions	(172,194)		(1,222,047)	
	Increase/(decrease) in Other current financial liabilities	(6,848,598)		6,894,833	
	Increase/(decrease) in Other Current liabilities	(1,808,760)		(89,628)	
	Total Working Capital Changes		(11,293,968)		(2,918,329)
	Cash Generated From/(Used In) Operations		(11,349,740)		(2,987,861)
	Direct Tax (Paid)/ Refund		-		-
	Net Cash flow Generated/(Used In) from Operating Activities		(11,349,740)		(2,987,861)
B	CASHFLOW FROM INVESTING ACTIVITIES				
	Purchase of Capital Asset	-		-	
	Payment towards Indirect Expenditure During Construction year	(33,062,916)		(31,668,774)	
	Net Cash Used in Investing Activities		(33,062,916)		(31,668,774)
C	CASHFLOW FROM FINANCING ACTIVITIES				
	Proceeds from borrowing taken	-		34,650,000	
	Repayment of borrowing taken	(587,968,535)		-	
	Proceeds from issue from Compulsorily Convertible Debentures	640,213,100		-	
	Net Cash Used from Financing Activities		52,244,565		34,650,000
D	Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)		7,831,909		(6,635)
	Effect of Exchange Rate Difference on Cash and Cash Equivalents		-		-
	Cash and Cash Equivalents at the beginning of the Year		1,269,131		1,275,766
	Cash and Cash Equivalents at the End of the Period		9,101,040		1,269,131
	Components of cash and cash equivalents				
	Balances with banks				
	- In Current Account		9,101,040		1,269,131
	Total cash and cash equivalents (Refer note 5)		9,101,040		1,269,131

Notes :

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

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and Cash Equivalents (Refer note 5)	9,101,040	1,269,131
	9,101,040	1,269,131

- (ii) The Cash Flow Statement has been prepared under the Indirect method as set out in Indian Accounting Standard-7 on Cash Flow Statement notified under the Companies (Indian Accounting Standards) Rules, 2015



MUNDRA SYNENERGY LIMITED
(Formerly Known as ADANI SYNENERGY LIMITED)
STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED ON 31-Mar-2021

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

As at 31st March, 2021 :

Particular	As at 1st April, 2020	Net Changes	Other Changes	As at 31st March, 2021
Non - Current borrowings	587,968,535	-	(587,968,535)	-
Compulsorily Convertible Debentures	-	20,500,000	619,713,100	640,213,100
Current borrowings	-	-	-	-
Total	587,968,535	20,500,000	31,744,565	640,213,100

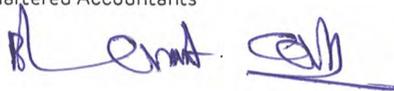
As at 31st March, 2020 :

Particular	As at 1st April, 2019	Net Changes	Other Changes	As at 31st March, 2020
Non - Current borrowings	504,827,590	83,140,945	-	587,968,535
Current borrowings	-	-	-	-
Total	504,827,590	83,140,945	-	587,968,535

For Shah & Shah Associates

ICAI Firm Registration No.: 113742W

Chartered Accountants



Bharat A Shah

Partner

Membership No. 30167

Place: Ahmedabad

Date : 30th April, 2021



For and on behalf of the board of directors of
Mundra Synenergy Limited



Vneet S Jaain

Director

DIN : 00053906

Place: Ahmedabad

Date : 30th April, 2021



Pranav Adani

Director

DIN : 00008457

MUNDRA SYNERGY LIMITED
(Formerly Known as ADANI SYNERGY LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

NOTE : 1 CORPORATE INFORMATION

- Mundra Synergy Limited was originally incorporated as Adani Synergy Limited on 14th February, 2014 as Public Limited Company under the Companies Act, 1956 vide CIN no. U40106GJ2014PLC078744. The registered office of the Company is located at " Adani House", Nr. Mithakali Six Roads, Navrangpura, Ahmedabad - 380009.

- Mundra Synergy Limited is a 100% subsidiary of Adani Enterprises Limited (AEL), with an objective of producing, operating, maintaining, distribution and transportation of synthetic energy, liquid fuel and chemicals obtained from coal, pet-coke, natural gas, oil shale, or biomass, plastics or rubber waste, gaseous fuels produced in a similar way, common use of the term "synthetic fuel".

NOTE : 2 SIGNIFICANT ACCOUNTING POLICIES ADOPTED BY THE COMPANY IN THE PREPARATION & PRESENTATION OF THE ACCOUNTS :-

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 on historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period. 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 ESTIMATES

The preparation of financial statements in conformity with ind AS requires management to make certain 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 / materialized.

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.

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) CURRENT & NON-CURRENT

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

d) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASHFLOW STATEMENTS)

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



MUNDRA SYNENERGY LIMITED
(Formerly Known as ADANI SYNENERGY LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

e) CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) 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.

f) DEPRECIATION

- i) Depreciation of property, plant and equipments is provided on Straight Line Method based on the useful life of the assets in the manner specified in Schedule II of the Companies Act 2013.
- ii) Depreciation on Assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

g) PROPERTY, PLANT & EQUIPMENTS

- i) Property, Plant and Equipments, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses & net of Taxes (net of Cenvat and VAT credit wherever applicable).
- ii) All direct cost attributable to respective assets are capitalized to the assets. Other indirect expenses are capitalized to assets in proportion of the value of the assets. Borrowing cost relating to acquisition / construction of Property, Plant and Equipment which take substantial period of time to get ready for its intended use are included in the value of assets till such assets are ready to be put to use.
- iii) Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.
- vi) An item of Property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of Property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised in profit or loss.

h) CAPITAL WORK IN PROGRESS

- i) The cost of property, plant and equipment not put to use before the year end and Capital Inventory, are disclosed under capital work-in-progress.
- ii) Expenditure incurred during the period of construction including, all direct & indirect overheads, incidental and related to construction is carried forward and on completion, the costs are allocated to the respective property, plant and equipment.

i) 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.



MUNDRA SYNENERGY LIMITED
(Formerly Known as ADANI SYNENERGY LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

i) 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

ii) 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 ECLs at each reporting date, right from its initial recognition.

iii) Derecognition of financial liability

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

j) EMPLOYEE BENEFITS

Employee benefits includes gratuity, compensated absences, contribution to provident fund.

A) Short term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of salaries and wages at the undiscounted amount of the benefits expected to be paid wholly within twelve months of rendering the service.

B) Post Employment Benefits

i) Defined Benefit Plans

The employees' gratuity scheme is a defined benefit scheme. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on actuarial valuations, carried out by an independent actuary, using the Projected Unit Credit method. Actuarial gains and losses are recognised in Other Comprehensive Income.

ii) Defined Contribution Plans

Contribution to the provident fund scheme which is a defined contribution schemes is charged to the statement of Profit and Loss as the same is incurred.

iii) Long-term employee benefits

Long term employee benefits comprise of compensated absences. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date. Actuarial gains and losses are recognised in the statement of Profit and Loss.

iv) For the purpose of presentation of defined benefit plans and other long term benefits, the allocation between short term and long term provisions has been made as determined by an actuary.

k) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

l) 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 clause 9 of the Ind AS 24 have been identified on the basis of representation made by management and information available with the Company.



MUNDRA SYNENERGY LIMITED
(Formerly Known as ADANI SYNENERGY LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

m) EARNING 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. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

n) TAXES ON INCOME

i) 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.

- Deferred tax includes MAT tax credit. The Company reviews such tax credit asset at each reporting date to assess its recoverability.

ii) 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.

o) PROVISIONS & CONTINGENT LAIBILITIES

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 neither recognised nor disclosed in the financial statements.



MUNDRA SYNENERGY LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

NOTE : 3 PROPERTY, PLANT & EQUIPMENTS

PARTICULARS	Amt in Rupees	
	Tangible Asset	Computer
As at 31 March 2020		
Gross Carrying Value	705,922	
Addition during the Year	-	
Deduction during the Year	-	
Closing Gross Carrying Value	705,922	
Accumulated Depreciation		
Opening Accumulated Depreciation	442,009	
Depreciation during the year	106,167	
Closing Accumulated Depreciation	548,176	
Net Carrying Amount	157,746	
As at 31 March 2021		
Gross Carrying Value		
Opening Gross Carrying Amount	705,922	
Addition during the year at cost	-	
Deduction during the Year	-	
Closing Gross Carrying Value	705,922	
Accumulated Depreciation		
Opening Accumulated Depreciation	548,176	
Depreciation during the year	103,509	
Closing Accumulated Depreciation	651,686	
Net Carrying Amount	54,236	



MUNDRA SYNENERGY LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

NOTE : 4 Indirect Project Expenditure pending allocation

During the year, the company has capitalised the following indirect expenses including borrowing cost which are specifically attributable to construction of project under implementation and shall be added to the cost of fixed asset on completion of Project.

PARTICULARS	Amt in Rupees	
	AS AT 31-Mar-2021	AS AT 31-Mar-2020
Balance as at the beginning of the year	599,938,027	519,672,141
Expenses incurred during the year		
Interest on borrowing	21,336,807	53,879,479
Salaries, Wages & Bonus	12,799,794	17,506,820
Gratuity expense (Refer to note 20(a))	(311,558)	552,847
Contribution to Provident Fund and other funds	699,890	987,550
Staff welfare expense	143,368	266,527
Professional Services	(2,134,650)	4,556,020
Travelling and Conveyance	462,471	2,306,236
Communication Expense	66,795	104,240
Depreciation	103,509	106,167
Closing Balance as at closing of the year	633,104,452	599,938,027

NOTE : 5 CASH AND CASH EQUIVALENTS

Amt in Rupees

PARTICULARS	Amt in Rupees	
	AS AT 31-Mar-2021	AS AT 31-Mar-2020
Cash & Cash Equivalents		
i) Balances with banks		
- In Current Account	9,101,040	1,269,131
	9,101,040	1,269,131

**NOTE : 6 OTHER CURRENT FINANCIAL ASSETS
(Unsecured, considered good)**

Amt in Rupees

PARTICULARS	Amt in Rupees	
	AS AT 31-Mar-2021	AS AT 31-Mar-2020
Recoverable from - Related parties	-	167,536
Advances recoverable in cash or in kind or for value to be received	440,000	-
	440,000	167,536

**NOTE : 7 OTHER CURRENT ASSETS
(Unsecured, considered good)**

Amt in Rupees

PARTICULARS	Amt in Rupees	
	AS AT 31-Mar-2021	AS AT 31-Mar-2020
Advance against expenses	463,301	463,301
Balances with Government Authorities	75,002	72,780
Excess Contribution towards Gratuity	3,890,544	2,642,477
	4,428,847	3,178,558



MUNDRA SYNENERGY LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

NOTE : 8 SHARE CAPITAL

Particulars	AS AT 31-Mar-2021		AS AT 31-Mar-20	
	No. of Share	Amount in Rs.	No. of Share	Amount in Rs.
AUTHORISED Equity Shares of ` 10/- each	50,000	500,000	50,000	500,000
	50,000	500,000	50,000	500,000
ISSUED, SUBSCRIBED & PAID-UP Equity shares of ` 10/- Each Fully Paid up	50,000	500,000	50,000	500,000
	50,000	500,000	50,000	500,000
(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
Equity shares				
	AS AT 31-Mar-2021		AS AT 31-Mar-20	
	No. of Share	Amount in Rs.	No. of Share	Amount in Rs.
At the beginning of the period	50,000	500,000	50,000	500,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	50,000	500,000	50,000	500,000
(b) Terms/ rights attached to equity shares				
The company has only one class of equity shares having a 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.				
(c) 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 are as below:				
Equity shares of ` 10/- Each Fully paid				
Name of Share Holders	AS AT 31-Mar-2021		AS AT 31-Mar-20	
	No. of Share	Amount in Rs.	No. of Share	Amount in Rs.
Adani Enterprise Limited, the Holding Co. (Along with its nominees)	50,000	500,000	50,000	500,000
(d) Details of shareholders holding more than 5% shares in the company				
Equity shares of ` 10/- Each Fully paid				
Name of Share Holders	AS AT 31-Mar-2021		AS AT 31-Mar-20	
	No. of Share	% holding in the Class	No. of Share	% holding in the Class
Adani Enterprise Limited, the Holding Company (Along with its nominees)	50,000	100%	50,000	100%



MUNDRA SYNENERGY LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

NOTE : 9 INSTRUMENT ENTIRELY EQUITY IN NATURE

PARTICULARS	Amt in Rupees	
	AS AT 31-Mar-2021	AS AT 31-Mar-2020
0% Compulsorily Convertible Debentures classified as equity (As at 31/03/2021 Outstanding Nos. 64,02,131 and as at 31/03/2020 Nil)	640,213,100	-
	640,213,100	-

Note:

The Company has issued 0% Compulsorily Convertible Debentures to its holding company Adani Enterprises Limited which shall be mandatorily converted in equity shares of the Company at par in the ratio of 10:1 at any time after the expiry of 5 years but before 10 years from the date of issue.

NOTE : 10 OTHER EQUITY

PARTICULARS	Amt in Rupees	
	AS AT 31-Mar-2021	AS AT 31-Mar-2020
(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS		
Balance as per last balance sheet	(2,026,681)	(1,957,149)
Add : Loss for the year	(55,772)	(69,532)
Less : Other Comprehensive Income	-	-
	(2,082,453)	(2,026,681)

NOTE : 11 LONG TERM BORROWINGS

PARTICULARS	Amt in Rupees	
	AS AT 31-Mar-2021	AS AT 31-Mar-2020
Unsecured Loans		
Loan from related parties		
-From Adani Enterprises Limited , Holding Company	-	587,968,535
	-	587,968,535

- Above unsecured loan has been taken at the interest rate Of 10.25% per annum.

NOTE : 12 LONG TERM PROVISIONS

PARTICULARS	Amt in Rupees	
	AS AT 31-Mar-2021	AS AT 31-Mar-2020
Provision for employee benefits		
Provision for Gratuity (refer note: 20(a))	-	-
Provision for Leave Encashment	481,536	1,423,200
	481,536	1,423,200

NOTE : 13 OTHER CURRENT FINANCIAL LIABILITIES

PARTICULARS	Amt in Rupees	
	AS AT 31-Mar-2021	AS AT 31-Mar-2020
Creditors for expenditure on capital account	-	4,576,000
Employees Dues	464,222	630,134
Other creditors	7,282,821	9,389,507
	7,747,043	14,595,641



MUNDRA SYNERGY LIMITED
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 NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

NOTE : 14 OTHER CURRENT LIABILITIES

Amt in Rupees

PARTICULARS	AS AT 31-Mar-2021	AS AT 31-Mar-2020
Statutory Dues Payable	151,121	1,959,881
	151,121	1,959,881

NOTE : 15 SHORT TERM PROVISIONS

Amt in Rupees

PARTICULARS	AS AT 31-Mar-2021	AS AT 31-Mar-2020
Provision for employee benefits		
Provision for Gratuity (refer note 20(a))	-	-
Provision for Leave Encashment	142,273	314,467
	142,273	314,467



MUNDRA SYNENERGY LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

NOTE : 16 OTHER EXPENSES

Amt in Rupees

PARTICULARS	For the Year Ended on 31-Mar-21	For the Year Ended on 31-Mar-20
Legal and Professional Fees	13,472	27,532
Office Expenses	1,000	700
Payment to Auditors - Statutory Audit Fees	41,300	41,300
	55,772	69,532



MUNDA SYNENERGY LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

17 The carrying value of financial instruments by categories as of March 31, 2021 is as follows :

Particulars	Amortised cost	Total
Financial Assets		
Cash and cash equivalents	9,101,040	9,101,040
Other Financial assets	440,000	440,000
Total	9,541,040	9,541,040
Financial Liabilities		
Borrowings	-	-
Other Financial Liabilities	7,747,043	7,747,043
Total	7,747,043	7,747,043

The carrying value of financial instruments by categories as of March 31, 2020 is as follows :

Particulars	Amortised cost	Total
Financial Assets		
Cash and cash equivalents	1,269,131	1,269,131
Other Financial assets	167,536	167,536
Total	1,436,667	1,436,667
Financial Liabilities		
Borrowings	587,968,535	587,968,535
Other Financial Liabilities	14,595,641	14,595,641
Total	602,564,176	602,564,176

18 Fair Value Hirerachy :

Since the Company does not have any financial asset or liability measured at fair value, all financial assets and liabilities of the Company have been valued at amortised cost and their values are not expected to be different than those presented in financial statements.



MUNDA SYNERGY LIMITED
(Formerly Known as ADANI SYNERGY LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

19 Financial Instruments and Risk Review

The Company's principal financial liabilities comprise borrowings, provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include receivables, cash and cash equivalents and other business related receivables. In the ordinary course of business, the Company is mainly exposed to risks resulting from interest rate movements (interest rate risk), liquidity risk and credit risk.

Interest Risk

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Group'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 interest rate risk. 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 Group's policies and risk objectives.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has adopted the policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. Cash are held with creditworthy financial institutions.

Liquidity Risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial obligations, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.



MUNDRA SYNENERGY LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

NOTE : 20 DISCLOSURES IN RESPECT OF EMPLOYEE BENEFIT OBLIGATIONS

a) Defined Benefit Obligations :

The Company provides for gratuity for eligible employees in India as per the Payment of Gratuity Act, 1972, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Disclosures in respect of the defined benefit obligation (i.e. Gratuity) are as follows.

Particulars	As at 31/Mar/2021	As at 31/Mar/2020
i. Change in Obligations during the year		
Present Value of Obligations at the beginning of the year	3,559,956	7,609,356
Current Service Cost	198,207	350,416
Interest cost	175,646	204,148
Actuarial loss/(gain)	(270,142)	324,930
Benefit paid	(1,395,358)	-
Acquisition Adjustment	-	-
Liability Transfer (Out)	(936,509)	(4,928,894)
Present Value at the end of the year	1,331,800	3,559,956
ii. Change in Plan Assets during the year		
Present Value of Plan Assets at the beginning of the year	6,202,433	4,288,867
Expected return on plan assets	415,269	326,648
Employer's Contributions	(1,395,358)	1,586,918
Actuarial (loss)/gain	-	-
Benefit paid	-	-
Present Value at the end of the year	5,222,344	6,202,433
iii. Net Asset / (Liability) recognised in the Balance Sheet		
Present Value of Obligations	(1,331,800)	(3,559,956)
Fair Value of Plan Assets	5,222,344	6,202,433
Net Asset / (Liability)	3,890,544	2,642,477
iv. Expense recognised in the Statement of Profit and Loss		
Current Service Cost	198,207	350,416
interest cost	175,646	204,148
Expected return on the plan assets	(415,269)	(326,648)
	(41,416)	227,916
v. Expense recognised in Other Comprehensive Income		
Actuarial (Gains) / Losses	(270,142)	324,930
Return on plan assets, excluding amount recognised in net interest expense	-	-
	(270,142)	324,930

vi. Actuarial Assumptions & Sensitivity Analysis

The principal actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, turnover rate and mortality. The same are shown below :

	As at 31/Mar/2021	As at 31/Mar/2020
Discount Rate	6.70%	6.70%
Expected Rate of Return on Plan Assets	8.00%	8.00%
Mortality / Pre-retirement	100%	100%
Turnover Rate	1%	1%
Rate of Escalation in Salary (p.a.)	8.00%	8.00%



MUNDRA SYNENERGY LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below :

Particulars	Increase in assumptions		Decrease in assumptions	
	As at	As at	As at	As at
	31/Mar/2021	31/Mar/2020	31/Mar/2021	31/Mar/2020
Discount Rate (- / + 1%)	1,134,523	3,233,585	1,573,830	3,939,286
Salary Growth Rate (- / + 1%)	1,568,187	3,930,658	1,135,023	3,234,435
Attrition Rate (- / + 1%)	1,302,140	3,527,632	1,366,569	3,597,396
Mortality Rate (- / + 1%)	1,330,973	3,558,920	1,332,632	3,560,997

vii. Maturity Profile of Obligations

The average duration of the defined benefit plan obligation at the end of the reporting period is 17 years (31 March 2020: 50 years). The expected maturity analysis of gratuity benefits is as follows :

	As at	As at
	31/Mar/2021	31/Mar/2020
Less than a year	38,621	65,074
Between 2 to 5 years	150,052	333,718
Between 5 to 10 years	170,023	3,752,711
Beyond 10 years	4,265,620	3,798,416
	4,624,316	7,949,919

viii. Risk Exposure and Asset Liability Matching

Through its defined benefit plan of Gratuity, the Company is exposed to its number of risks, viz. asset volatility, changes in return on assets, inflation risks and life expectancy. The Company has purchased insurance policy, which is a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

(b) Defined Benefit Contributions :

The company operates defined benefit contribution in the form of Provident Fund, liability in respect of which is provided for on actual contribution basis. The company has recognised an amount of Rs.6,99,890/- (PY: Rs.9,87,550/-) as provident fund expense under the defined contribution plans

(c) Other Long Term Employee Benefits :

Other long term employee benefits comprise of compensated absences/leaves, which are recognised based on actuarial valuation. The actuarial liability for compensated absences as at the year ended 31st March, 2021 is Rs.6,23,809/- (Previous Year Rs.17,37,667/-)



MUNDRA SYNENERGY LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

NOTE : 21 RELATED PARTIES DISCLOSURES

Pursuant to the IND AS - 24 – Related Party Transactions, as prescribed under Companies (Accounting Standard) Rules, 2015 (as amended) the disclosure relating to transactions entered into with related parties by the Company, as identified by the management are disclosed as under.

i) Name of related parties & description of relationship

Criteria	Name of Company
Controlling Entity	Shantilal Bhudhermal Adani Family Trust (SBFT)
Holding Company	Adani Enterprises Limited
Fellow Subsidiary	Mundra Copper Ltd
	Bilaspur Pathrapali Road Pvt Ltd
	Mundra Solar PV Ltd
Enterprise over which controlling entity has significant influence	Adani Township And Real Estate
	Adani Power Mundra Ltd
	Adani Vizhinjam Port Pvt Ltd
	Adani Power Maharashtra Ltd

ii) Transaction with Related parties

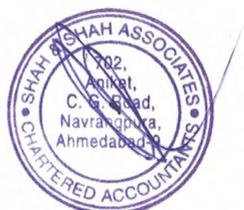
Amt in Rupees

Related Party	Nature of Transaction	For the year ended 31-03-2021	For the year ended 31-03-2020
Adani Enterprises Limited	Borrowings (Loan Taken)	10,800,000	34,650,000
Adani Enterprises Limited	Interest paid	21,304,154	53,878,830
Adani Enterprises Limited	Repayment of loan	598,768,535	-
Adani Enterprises Limited	Issue of Compulsory Convertible Debentures	640,213,100	-
Mundra Copper Ltd	Employee Liabilities Transfer Out	-	1,525,694
Adani Township And Real Estate	Services Availed	-	2,974
Adani Power Mundra Ltd	Services Availed	-	2,650
Adani Vizhinjam Port Pvt Ltd	Employee Liabilities Transfer Out	-	6,175,327
Bilaspur Pathrapali Road Pvt Ltd	Employee Liabilities Transfer Out	1,002,054	-
Adani Enterprises Limited	Employee Liabilities Transfer Out	-	1,053,802

iii) Balances with Related Parties

Amt in Rupees

Category	Name of Related Party	As at	As at
		March 31, 2021	March 31, 2020
Borrowings (Loan)	Adani Enterprises Limited	-	587,968,535
Other liabilities	Mundra Copper Ltd	-	1,525,694
	Adani Enterprises Limited	-	1,238,239
	Bilaspur Pathrapali Road Pvt Ltd	1,002,054	-
	Adani Vizhinjam Port Pvt Ltd	6,163,327	6,163,327
Advance recoverable in cash or kind	Adani Power Maharashtra Ltd	-	164,845
Advance for Expenses Paid	Mundra Solar PV Ltd	-	2,691



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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

NOTE : 22 EARNINGS PER SHARE

Particulars	For the year ended 31-Mar-2021	For the year ended 31-Mar-2020
Net (Loss) as per Statement of Profit and Loss Account	(55,772)	(69,532)
Weighted average number of equity shares	50,000	50,000
Basic and Diluted Earnings (Loss) Per Share	(1.12)	(1.39)

NOTE : 23 Projects Under Implementation and Impact of COVID-19

(A) The company is presently undertaking implementation of two mega projects, Coal to Polygeneration Complex at Mundra, and Coal to Polygeneration complex in Jharkhand, which is under progress as at 31st March, 2021. Considering the size & nature of these projects, technical & other complexities involved, requirements of obtaining regulatory and other approvals which is time consuming, etc., the gestation period of these projects is substantially and abnormally long. The management of the company is taking all necessary steps expeditiously including identification of technology and its tie up, acquisition of land, negotiations for financial and/or technology partner, obtaining Government and other regulatory approvals and is confident of putting these projects on stream within reasonable future. Various alternatives and options are also being pursued for funding of these projects.

Considering the above factors, the management believes that these projects which are under implementation are "qualifying assets" under the provisions of applicable accounting standard and therefore ; also considering generally accepted accounting practices & principles , indirect pre-operative revenue expenses incurred during construction stage including interest on borrowings need to be capitalised which shall be included in the cost of assets ultimately created on completion of these projects. Accordingly, as stated in Note-4, indirect pre operative expenses incurred till 31st March, 2021 aggregating to Rs. 63,31,04,452/- including Rs. 3,31,66,426/- incurred during the year are capitalised and shown as "Indirect project expenditure pending allocation" in the balance sheet.

(B) The outbreak of Coronavirus(Covid—19) pandemic globally and in India is causing disturbances and slowdown and deferment of economic activity. The impact of coronavirus on the company's ongoing projects will depend upon future developments that can not be reliably predicted and is not possible in view of highly uncertain economic environment. However, the company has evaluated impact of this pandemic on its projects which are presently in construction stage having long gestation period. Based on the review and current indicators of future economic conditions, in the opinion of the management of the company there will not be significant impact on completion of these projects as well as assumption of going concern is met with.



MUNDRA SYNERGY LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31-Mar-2021

NOTE : 24 CONTINGENT LIABILITY

Based on the information available with the company, there is no contingent liability as at the year ended March, 31, 2021 and at the year ended March, 2020.

NOTE : 25 DISCLOSURES UNDER MSMED ACT

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

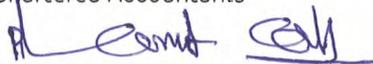
NOTE : 26 REGROUPINGS

Previous year figures have been regrouped wherever necessary.

As per our report of even date

For Shah & Shah Associates

ICAI Firm Registration No.: 113742W
Chartered Accountants



Bharat A Shah

Partner

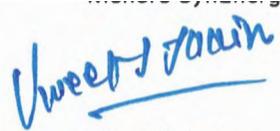
Membership No. 30167

Place: Ahmedabad

Date : 30th April, 2021



For and on behalf of the board of directors of
Mundra SynEnergy Limited



Vneet S Jain

Director

DIN : 00053906

Place: Ahmedabad

Date : 30th April, 2021



Pranav Adani

Director

DIN : 00008457