

INDEPENDENT AUDITORS' REPORT

To,

The Members of
MUNDRA SOLAR PV LIMITED

Report on the Financial Statements:

We have audited the accompanying financial statements of **MUNDRA SOLAR PV LIMITED**, ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit & Loss and the Cash Flow Statement for the period from 1st June, 2015 to 31st March, 2016 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

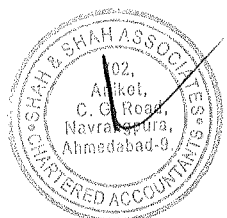
The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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



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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

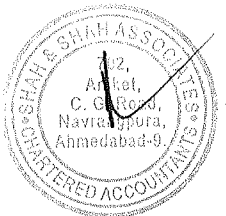
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2016;
- (ii) in the case of the statement of profit and loss, of the loss for the ten months period ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the ten months period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, as issued by Central Government of India in terms of sub section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure: A**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

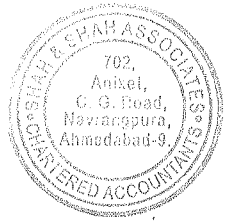


SHAH & SHAH ASSOCIATES
CHARTERED ACCOUNTANTS

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

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- 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 : 02.05.2016



For **SHAH & SHAH ASSOCIATES**

Chartered Accountants

FRN: 113742W


SUNIL K DAVE

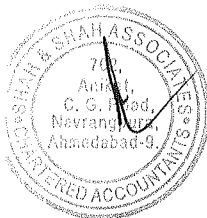
PARTNER

Membership Number: 047236

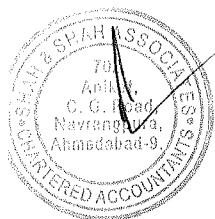
**"Annexure A" to the Independent Auditors' Report of even date on the
Financial Statements of MUDRA SOLAR PV LIMITED,**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the period ended 31st March, 2016:

1. In respect of its fixed assets:
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) Pursuant to long term lease deed agreement entered in to by the company with lessor, the company has acquired immovable property i.e. Land on lease hold basis 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. Accordingly, the provisions of clause 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.
4. Company has not granted loan to the persons covered under section 185 of the Companies Act, 2013 or give guarantees or securities in connection with loan taken by such persons. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 186 of the Act in respect of investments made by the company.
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. Since the Company has not commenced commercial production as on 31st March, 2016, in our opinion, requirements of maintenance of cost records under sub-section (1) of section 148 of the 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, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
8. Based on our audit procedures and as per the information and explanations given by the management, the company has not taken any loan or borrowings from any bank, financial institution or by way of issue of debentures. Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the company and hence not commented upon.
9. The company has not raised money by way of initial public offer or further public offer including debt instruments. However, the company has obtained term loan from companies which have been utilised for the purpose for which the same have been obtained.
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 period under review.
11. During the period under review, the company has not paid managerial remuneration; hence the provisions of clause 3(xi) of the order are 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.
13. The Company has entered in to transactions with related parties in compliance with Sections 177 and 188 of Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the company.



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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 : 02.05.2016



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


SUNIL K DAVE
PARTNER
Membership Number: 047236

"Annexure B" to the Independent Auditors' Report of even date on the Financial Statements of MUNDRA SOLAR PV LIMITED,

Referred to in paragraph 2(f) under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the period ended 31st March, 2016.

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

We have audited the internal financial controls over financial reporting of **MUNDRA SOLAR PV LIMITED**, ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the ten months period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

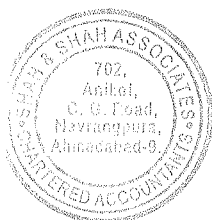
Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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



Place : Ahmedabad.
Date : 02.05.2016


SUNIL K DAVE
PARTNER
Membership Number: 047236


Balance Sheet as at 31st March 2016

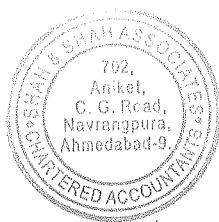
Particulars	Notes	As at 31st March 2016 (Amount in ₹)
<u>EQUITY AND LIABILITIES</u>		
Shareholders' Funds		
Share Capital	3	500,000
Reserves and Surplus	4	(416,408)
		83,592
Non-Current Liabilities		
Long-term Borrowings	5	590,973,678
Other Long-term liabilities	6	295,948,392
Long-term Provisions	7	11,536,125
		898,458,195
Current Liabilities		
Short-term Borrowings	8	1,077,116,726
Other Current Liabilities	9	578,990,199
Short-term Provisions	10	2,455,454
		1,658,562,379
Total		2,557,104,166
<u>ASSETS</u>		
Non-Current Assets		
Fixed Assets		
Tangible Assets	11	960,551,497
Capital Work-In-Progress	20	1,171,768,958
		2,132,320,455
Non-Current Investments	12	12,500,000
Long-term Loans and Advances	13	354,410,043
		2,499,230,498
Current Assets		
Current Investments	14	2,800,000
Cash and Cash Equivalents	15	38,813,006
Short-term Loans and Advances	16	5,099,126
Other Current Assets	17	11,161,536
		57,873,668
Total		2,557,104,166
Summary of significant accounting policies	2	

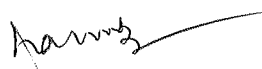
The accompanying notes are an integral part of the financial statements


As per our report of even date
For **Shah & Shah Associates**
Firm Registration Number : 113742W
Chartered Accountants

For and on behalf of the board of directors of
Mundra Solar PV Limited


Sunil K. Dave
Partner
Membership No.047236

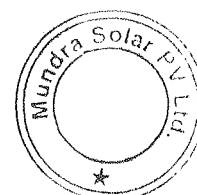



Rajiv Rustagi
Director
DIN 7193069


Narayanasamy Devendran
Director
DIN 06771657

Place : Ahmedabad
Date : 2nd May, 2016

Place : Ahmedabad
Date : 2nd May, 2016





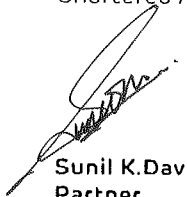
Statement of Profit and Loss for the Period from 1st June 2015 to 31st March 2016

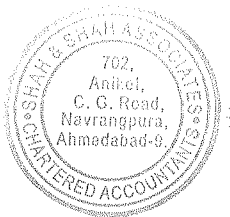
Particulars	Notes	For the period from 1st June 2015 to 31st March 2016 Amount in ₹
Income		-
Total Income		-
Expenses		
Other Expenses	18	113,020
Total Expenses		113,020
Profit / (Loss) Before Tax		(113,020)
Tax Expense		
Current Tax		303,388
Deferred Tax		-
Total Tax Expenses		303,388
Profit / (Loss) For The period		(416,408)
Earning per Equity Share (Face Value of ₹ 10 each)	19	
Basic		(8.33)
Diluted		(8.33)

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


As per our report of even date
For Shah & Shah Associates
 Firm Registration Number : 113742W
 Chartered Accountants

For and on behalf of the board of directors of
Mundra Solar PV Limited


Sunil K. Dave
 Partner
 Membership No.047236

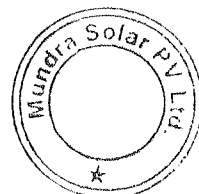



Rajiv Rustagi
 Director
 DIN 7193069


Narayanasamy Devendran
 Director
 DIN 06771657

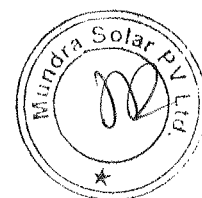
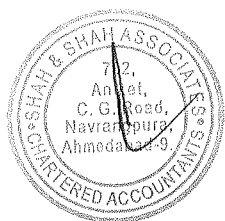
Place : Ahmedabad
 Date : 2nd May, 2016

Place : Ahmedabad
 Date : 2nd May, 2016





Particulars	For the period from 1st June 2015 to 31st March 2016 (Amount in ₹)
A. Cash flow from operating activities	
Profit / (Loss) before tax from operations	(113,020)
Operating profit before working capital changes	(113,020)
Changes in Working Capital:	
(Increase) / Decrease in Operating Assets :	
Long-term Loans and Advances	(45,000)
Short-term Loans and Advances	(5,099,126)
Other Current Assets	(11,161,536)
Increase / (Decrease) in Operating Liabilities :	
Other Long-term Liabilities	295,948,392
Long-term Provisions	11,536,125
Other Current Liabilities	576,334,882
Short-term Provisions	2,167,776
Cash generated from operations	869,568,493
Less: (Taxes paid) / refund received	(15,710)
Net cash from operating activities (A)	869,552,783
B. Cash flow from investing activities	
Capital Expenditure on Fixed assets including capital advance	(2,489,117,270)
Profit on sale of units of Mutual Fund	981,839
Interest income received	157,091
Purchase of Non Current Investments	(12,500,000)
Purchase of Current Investments	(492,800,000)
Proceeds from sale of Current Investments	490,000,000
Net cash used in investing activities (B)	(2,503,278,340)
C. Cash flow from financing activities	
Proceeds from Long-term borrowings	615,973,678
Repayment of Long-term borrowings	(25,000,000)
Proceeds from Short-term borrowings	1,588,564,885
Repayment of Short-term borrowings	(507,500,000)
Proceeds from issue of Equity Share	500,000
Net cash used in financing activities (C)	1,672,538,563
Net increase / (decrease) in cash and cash equivalents (A+B+C)	38,813,006
Cash and cash equivalents at the beginning of the year	
Cash and cash equivalents at the end of the year	38,813,006



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Cash Flow Statement for the period ended 31st March 2016

Particulars

For the period from 1st
June 2015 to
31st March 2016
(Amount in ₹)

Notes to Cash Flow Statement :

1. Reconciliation of Cash and cash equivalents with the Balance Sheet:

Balances with Banks

-On Current Accounts

-On Deposit Accounts

Margin Money

3,911,625

34,901,381

38,813,006

2. The Cash Flow Statement has been prepared under the Indirect Method set out in Accounting Standard 3 'Cash Flow Statement'.

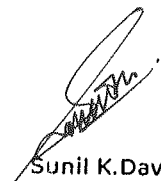
See accompanying notes forming part of the financial statements.

In terms of our report attached

For Shah & Shah Associates

Firm Registration Number : 113742W

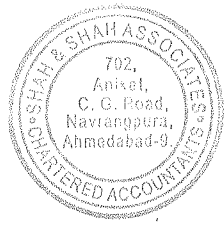
Chartered Accountants



Sunil K. Dave

Partner

Membership No. 047236



Place : Ahmedabad

Date : 2nd May, 2016

For and on behalf of Board of Directors
Mundra Solar PV Limited


Rajiv Rustagi

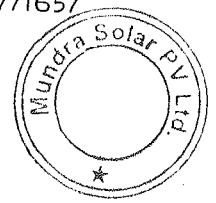
Director

DIN 7193069


Narayanasamy Devendran

Director

DIN 06771657



Place : Ahmedabad

Date : 2nd May, 2016



1 Corporate information

Mundra Solar PV Limited ("the Company", "MSPVL") is a company domiciled in India and incorporated on 1st June 2015 under the provisions of Companies Act, 2013 as a 100% Subsidiary of Adani Green Energy Limited to carry on the business of manufacturing of Solar Photovoltaic Equipment's and Ancillaries in Special Economic Zone area (i.e. SEZ area) at Mundra, District Kutch, Gujarat. During the period under review, company is in the process of set up of manufacturing facilities for proposed manufacturing project at Mundra.

2 Summary of significant accounting policies**a. Basis of Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the 2013 Act, as applicable. The financial statements have been prepared on accrual basis under historical cost convention and going concern basis.

b. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in 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 the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c. Tangible Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises of its purchase price, any non-refundable duties and taxes and any attributable cost for bringing the assets ready for their intended use. Borrowing costs directly attributable to qualifying assets / capital projects are capitalized and included in the cost of fixed assets to the extent they relate to the period till such assets are ready for their intended use.

d. Project Development Expenditure / Capital Work in Progress

Expenditure related to and incurred during implementation of capital projects is included under "Capital Work in Progress" or "Project Development Expenditure" as the case may be. The same is allocated to the respective fixed assets on completion of construction/ erection of the capital project/ fixed assets.

e. Intangible assets

Intangible assets are stated at cost, less accumulated amortization and impairment losses if any.

f. Depreciation / Amortisation

- i) Depreciation of fixed assets is provided on Straight Line Method at rates and in the manner specified in Schedule II of the Companies Act 2013, to conform to the requirements of 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.
- iii) Cost of Leasehold land is amortized over a period of lease.

g. Leases

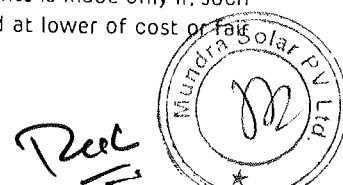
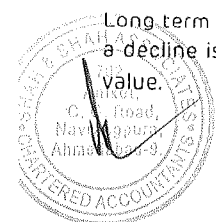
Finance leases including rights of use in leased land, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liabilities.

A leased asset is depreciated on a straight line basis over the useful life of the asset. However, If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized leased assets is depreciated on a straight line basis over the shorter of the estimated useful life of the asset or the lease term.

Assets acquired on leases where a significant portion of risks and rewards incidental to ownership is retained by the lessor are classified as operating lease. Lease rentals under operating leases are recognised in the Statement of Profit and Loss.

h. Investments

Long term investments are carried at cost. Provision for diminution in the value of long-term investments is made only if, such a decline is other than temporary in the opinion of the management. Current Investments are carried at lower of cost or fair value.



i. Borrowing costs

Borrowing costs includes interest on borrowings, amortisation of ancillary costs incurred for borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest cost. Such costs to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the borrowings. Borrowing costs that are attributable to construction / acquisition of qualifying assets are capitalized as part of the cost of such assets up to the date the assets are ready for their intended use.

j. Foreign exchange transactions

i) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction.

ii) Monetary items denominated in foreign currencies outstanding at the balance sheet date are restated at the rates prevailing on that date. The exchange differences arising on settlement / restatement of long term foreign currency monetary items are capitalized as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets.

k. Employee Benefits

(i) Defined Benefits 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 which is carried out by an independent actuary using the Projected Unit Credit method considering discount rate based on the prevailing market yields of Indian government bonds at the valuation date for the expected term of the obligation. Actuarial gains and losses are charged to the project development expenditure account till the commencement of commercial production otherwise, the same is charges to the statement of Profit and Loss for the period.

(ii) Defined Contribution Plans :Contribution to the provident fund scheme which is a defined contribution schemes is charged to the project development expenditure account till the commencement of commercial production otherwise, the same is charges to the statement of Profit and Loss for the period, in which the contribution to the respective funds accrue.

(iii) Compensated Absences: Provision for compensated Absences and its classification between current and non-current liabilities are based on independent actuarial valuation at each Balance Sheet date. Actuarial gains and losses are charged to the project development expenditure account till the commencement of commercial production otherwise, the same is charges to the statement of Profit and Loss for the period.

l Taxes on Income**Current Tax :**

Tax expense comprises of current tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of Income-tax Act, 1961.

m. Earnings per share:

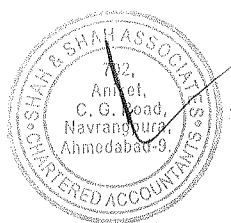
Basic earnings per share is computed by dividing the profit / loss after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for the effects of dividend, interest and other charges relating to the dilutive potential equity shares by weighted average number of equity shares plus dilutive potential equity shares.

n. 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 probable that there will be an outflow of resources. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

o. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non - current.



Per

3 Share Capital

As at 31st March 2016

Amount in ₹

Authorised shares

50000 Equity shares of ₹ 10/- each

500,000

Issued, subscribed fully paid-up shares

50,000 Equity shares of ₹ 10/- each fully paid

500,000

Total issued, subscribed and fully paid-up share capital

500,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

At the beginning of the period

Issued during the period

Outstanding at the end of the period

As at 31st March 2016

Numbers

Amount in ₹

50,000

500,000

50,000

500,000

b. Terms / rights attached to equity shares

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, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company.

c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Shares held by the holding company together with its nominees are as below :

Equity Shares by Holding Company

Adani Green Energy Limited

As at 31st March 2016

Numbers

Amount in ₹

50,000

500,000

50,000

500,000

d. Details of shareholders holding more than 5% shares in the company

Equity Shares by Holding Company

Adani Green Energy Limited

(together with its nominees)

As at 31st March 2016

Numbers

% holding in the class

50,000

100%

50,000

100%

4 Reserves and Surplus

Surplus / (deficit) in the statement of profit and loss

Balance as per last financial statements

Profit / (Loss) for the period

Net surplus / (deficit) in the statement of profit and loss

As at 31st March 2016

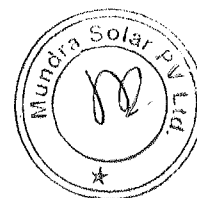
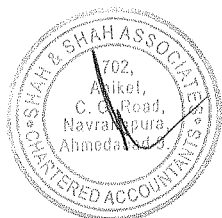
Amount in ₹

(416,408)

(416,408)

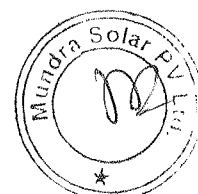
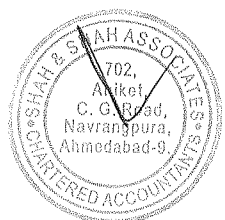
Total Reserves and Surplus

(416,408)



Rec

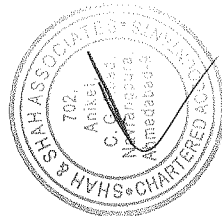
5 Long-term Borrowing	As at 31st March 2016
	Amount in ₹
Unsecured loans:	
Inter corporate deposit from related parties	590,973,678
(The above loan is repayable on mutually agreed dates within a period of 5 years from the date of loan agreement i.e. 7th January, 2016. The above loan carries an interest rate of 10.60% p.a.)	
	590,973,678
6 Other Long-term Liabilities	As at 31st March 2016
	Amount in ₹
Obligation under lease land	295,948,392
	295,948,392
7 Long-term Provision	As at 31st March 2016
	Amount in ₹
Provision for Employee Benefits	
Provision for Gratuity	7,506,603
Provision for Compensated absences	4,029,522
	11,536,125
8 Short-term Borrowing	As at 31st March 2016
	Amount in ₹
Unsecured loans	
Trade Credit - From Bank	373,008,037
Inter corporate deposit from related parties	704,108,689
	1,077,116,726
9 Other Current Liabilities	As at 31st March 2016
	Amount in ₹
Interest accrued but not due	145,752
Statutory liabilities	7,111,855
Project creditors	569,530,054
Accruals for Employee	2,202,538
	578,990,199
10 Short-term Provision	As at 31st March 2016
	Amount in ₹
Provision for Employee Benefits	
Provision for Gratuity	176,106
Provision for Compensated absences	1,991,670
Provision for Income Tax (Net of TDS)	287,678
	2,455,454



Note 11 : Fixed Assets Schedule as at 31st March 2016

PARTICULAR	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 1st April, 2015	Additions during the period	Deductions during the period	As at 31st March 2016	As at 1st April, 2015	During the period	Deductions during the period	As at 31st March 2016	As at 31st March 2015
Lease hold land	-	607,030,000	-	607,030,000	-	3,869,955	-	603,160,045	-
Computers	-	2,007,817	-	2,007,817	-	83,969	-	1,923,848	-
Plant & Machinery	-	62,234,126	-	62,234,126	-	828,176	-	61,405,950	-
Right of use in Leased Land	-	295,948,392	-	295,948,392	-	1,886,738	-	294,061,654	-
TOTAL	-	967,220,335	-	967,220,335	-	6,668,838	-	960,551,497	-

Depreciation of ₹ 66,68,838 relating to the project assets have been allocated to capital work in progress.



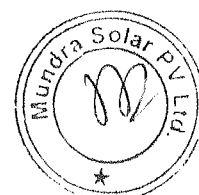
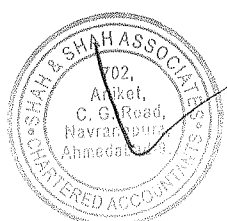
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Mundra Solar PV Limited

Notes to Financial Statements for the year ended 31st March 2016

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12 Non Current Investment	As at 31st March 2016
	Amount in ₹
Trade Investments (Valued at cost)	
In Equity Shares (Unquoted)	
12,50,000 Fully paid equity Shares of ₹ 10/- each of Mundra Solar Technopark Private Limited.	12,500,000
	12,500,000
13 Long-term loans and advances	As at 31st March 2016
	Amount in ₹
Capital Advances	
Deposit	354,365,043
	45,000
	354,410,043
14 Current Investments	As at 31st March 2016
(Valued at lower of cost and fair value)	Amount in ₹
Investment in mutual funds (Quoted)	
1146.55 units of Reliance Liquid Fund - Cash Plan - Direct Growth Plan	2,800,000
Value of Quoted Investment	
Cost ₹ 28,00,000	
Market Value ₹ 28,03,950	
	2,800,000
15 Cash and Cash Equivalents	As at 31st March 2016
	Amount in ₹
Cash and Cash Equivalent	
Balance with Bank	
-In current accounts	3,911,625
Other Bank Balance	
Fixed deposits with bank	34,901,381
(Pledged with bank as margin against letter of credits issued)	
	38,813,006
16 Short-term Loans and Advances	As at 31st March 2016
	Amount in ₹
(Unsecured, considered good)	
Advances recoverable in cash or in kind or for value to be received	525,765
Loans and advances to employees	590,000
Balance with Government Authorities	353,411
Prepaid Insurance	3,629,950
	5,099,126
17 Other Current Asset	As at 31st March 2016
	Amount in ₹
Non trade receivable	11,161,536
	11,161,536



Relc

18 Operating and Other Expense

For the period from 1st June
2015 to 31st March 2016Preliminary expenses
Audit fees to Auditor

Amount in ₹

33,020

80,000

113,020

19 Earning Per Share (EPS)

As at 31st March 2016
Amount in ₹

Profit / (Loss) for calculation of basic and diluted EPS

(416,408)

Weighted average number of equity shares for calculating Basic EPS

50,000

Weighted average number of equity shares for calculating Diluted EPS

50,000

Face value of equity shares

10

Basic Earning Per Share (in ₹)

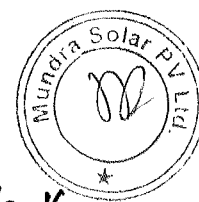
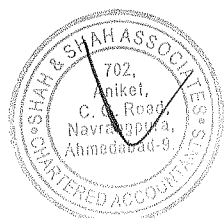
(8.33)

Diluted Earning Per Share (in ₹)

(8.33)

20 Detail of capital Work in Progress including certain expenses of revenue nature allocable to new projects and capital inventory, consequently expenses disclosed under the respective notes are net of such amount.

Particulars	Year ended March 31, 2016 Amount in ₹
A. Project expenditure	
B. Capital Inventory	348,568,055
C. Expenditure during Construction Period:	676,625,540
Personnel Expenses	
Salaries, Wages & Bonus	57,609,364
Contribution to Provident Fund and other funds	2,921,957
Workmen and Staff Welfare Expenses	3,238,900
Other Expenses	63,770,221
Lease Rent	6,980,845
Insurance	6,823,848
Professional Expenses	805,246
Maintenance Charges	1,274,763
Travelling Expenses	3,102,345
Administration and Other Expenses	5,166,549
Financial Expenses	24,153,596
Interest and Finance Charges	54,560,232
Depreciation	6,668,838
Total Expenditure (a)	1,174,346,482
Interest Income on Bank Deposit	(157,091)
Profit on sale/disposal of units of Mutual funds.	(981,839)
Total Income (b)	(1,138,930)
Net (a+b)	1,173,207,552
Amount Capitalized during the year	-
Foreign Exchange Fluctuation Loss /(Gain)	(1,438,594)
Total Capital Work in Progress	1,171,768,958



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21 Contingent Liabilities & Commitments

As at 31st March 2016
Amount in ₹

Contingent Liabilities	
Capital commitments	Nil
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	13,792,522,963
	13,792,522,963

22 Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet Date.

Particulars	Currency	Amount in FC	Amount in ₹
Trade Credit from bank	USD	5,629,885	373,008,037
Other Current liability	USD	816,915	54,124,735
Interest accrued but not due	USD	2,200	145,752

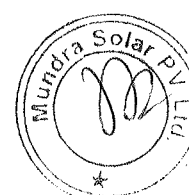
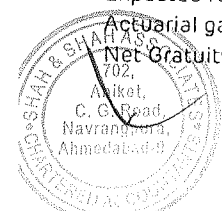
23 As per Accounting standard 15 "Employee Benefits", the disclosure as defined in the accounting standard are given below.

(a) Defined Benefit Plan

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, 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.

The status of gratuity plan as required under AS-15 (revised):

Particulars	As at 31st March 2016 Amount in ₹ Gratuity
i. Reconciliation of Opening and Closing Balances of defined benefit obligation.	
Present Value of Defined Benefit Obligations at the beginning of the year	-
Past Service Cost	5,937,546
Current Service Cost	1,745,163
Interest Cost	-
Benefit paid	-
Net Actuarial loss / (gain) Recognised	-
Present Value of Defined Benefit Obligations at the end of the year	7,682,709
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets.	
Fair Value of Plan assets at the beginning of the year	-
Expected return on plan assets	-
Contributions	-
Benefit paid	-
Actuarial gain / (loss) on plan assets	-
Fair Value of Plan assets at the end of the year	-
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets.	
Present Value of Defined Benefit Obligations at the end of the year	7,682,709
Fair Value of Plan assets at the end of the year	-
Net Asset / (Liability) recognized in balance sheet as at the end of the year	(7,682,709)
iv. Gratuity Cost for the year	
Past Service Cost	5,937,546
Current Service Cost	1,745,163
Recovery for past service cost	5,937,546
Gratuity Paid during the year	72,654
Interest cost	-
Expected return on plan assets	-
Actuarial gain / (loss)	-
Net Gratuity cost recognised in the statement of Profit and Loss	1,817,817



2016
11

v. Actuarial Assumptions.

Discount rate (per annum)	7.90%
Salary growth rate (per annum)	10.00%
Withdrawal Rates as given under Indian Assured Lives Mortality (2006-08) Ultimate	2.87%
Retirement Age	58 Years

Amount for current year for defined benefit obligation and fair value of plan:

Particular	2015-16
Present Value of defined benefit obligation at the end of the year	7,682,709
Fair value of plan assets at the end of the year	-
Net assets / (Liability) at the end of the year	(7,682,709)
Experience loss / (gain) adjustment on plan liability	-
Experience gain / (loss) adjustment on plan assets	-

The actuarial liability for compensated absences (Privilege Leave) as at the year ended 31st March, 2016 is ₹ 41,33,525.

The actuarial liability for compensated absences (Sick Leave) as at the year ended 31st March, 2016 is ₹ 18,87,667.

(b) Defined Contribution Plan

For the period from 1st June
2015 to 31st March 2016
(Amount in ₹)

Employer's Contribution to Provident Fund	2,838,627
Employer's Contribution to Superannuation Fund	83,330

24 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. This has been relied upon by the auditors.

25 Other Disclosures

- (a) In the opinion of the management and to the best of their knowledge and belief, the value under the head of Current and Non-Current Assets (other than Fixed Assets and Non-Current Investments) are approximately of the value stated, if realised in ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

(b) Other Statutory Information :

For the period ended on 31st
March 2016
Amount in ₹

(i) CIF value of imports

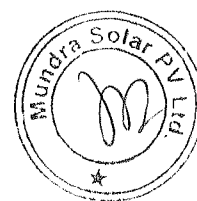
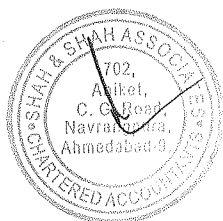
Value of imports calculated on CIF basis - Project Stock	270,623,673
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(ii) Expenditure incurred in Foreign Currency

Technology License / Process Consultancy	9,429,010
Finance Charge	145,752

(iii) Earnings in Foreign Currency

Nil



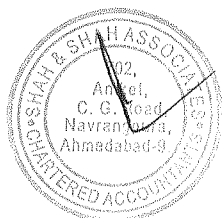
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26 Related Parties

The Management has identified the following entities as related parties of the company for the year ended 31st March 2016 for the purpose of reporting as per Accounting Standard 18 - Related Party Transactions which are as under

A. Related Parties where control exists.

Ultimate Controlling Entity	:	S B Adani Family Trust ("SBAFT")
Ultimate Holding Company	:	Adani Enterprise Limited
Holding Company	:	Adani Green Energy Limited
Entities over which ultimate Controlling entity, key Management personnel, Directors and their relative are able to exercise significant Influence.	:	Adani Properties Private Limited Adani Power Limited Adani Ports and Special Economic Zone Limited Mundra Solar Technopark Private Limited Adani Synenergy Limited Adani Power Rajasthan Limited MPSEZ Utilities Private Limited Adani Infra (India) Limited Adani Power Maharashtra Limited Adani Agrifresh Limited Adani Agri Logistics Limited
Key Management Personnel	:	Mr. Dev Prakash Joshi Mr. Narayanasamy Devendran Mr. Rajiv Kumar Rustagi Mr. Rajesh Kumar Jha

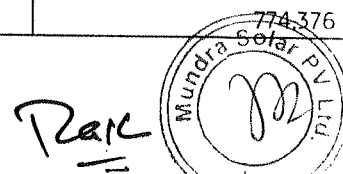
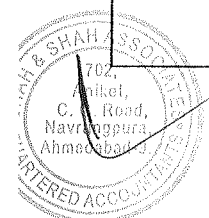


B. Detail of Related Party Transactions for the year ended 31st March 2016

Nature of Transaction	Name of Related Party	31st March, 2016 Amount in ₹
Share Capital Received	Adani Green Energy Limited	500,000
Expenses Paid	Adani Green Energy Limited Adani Synergy Limited Adani Power Rajasthan Limited Adani Ports and Special Economic Zone Limited Mundra Solar Technopark Private Limited MPSEZ Utilities Private Limited	33,020 2,691 1,461,131 8,726,413 8,255,608 25,000
Borrowing Taken	Adani Enterprise Limited Adani Green Energy Limited Adani Infra (India) Limited Adani Properties Private Limited	1,006,034,527 5,096,004 200,478,158 615,973,678
Borrowing Repaid	Adani Enterprise Limited Adani Green Energy Limited Adani Infra (India) Limited Adani Properties Private Limited	345,000,000 2,500,000 160,000,000 25,000,000
Interest on Borrowing	Adani Enterprise Limited Adani Green Energy Limited Adani Infra (India) Limited Adani Properties Private Limited	31,413,947 106,672 531,288 6,121,864
Purchase of Material	Adani Power Limited Adani Power Maharashtra Limited Adani Power Rajasthan Limited	108,900 614,200 23,584,339
Purchase of Asset	Adani Power Maharashtra Limited Mundra Solar Technopark Private Limited	57,584,126 607,030,000
Investment in Equity Share	Mundra Solar Technopark Private Limited	12,500,000
Towards Gratuity provision	Adani Infra (India) Limited Adani Agri Logistics Ltd Adani Wilmar Limited Adani Township and Real Estate Co Private Limited	2,670,291 187,742 106,083 774,376
Employee Loan Transfer	Adani Agrifresh Limited Adani Agri Logistics Limited Adani Infra (India) Limited Adani Power Limited Adani Power Maharashtra Limited Adani Power Rajasthan Limited	60,000 80,000 215,000 101,941 60,000 125,000

C. Balances with related parties

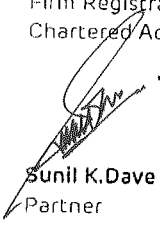
Nature of Transaction	Name of Related Party	As at 31st March 2016 Amount in ₹
Borrowings	Adani Enterprise Limited Adani Green Energy Limited Adani Infra (India) Limited Adani Properties Private Limited	661,034,527 2,596,004 40,478,158 590,973,678
Accounts Payables (Including provisions)	Adani Green Energy Limited Adani Power Limited Adani Ports and Special Economic Zone Limited Adani Synenergy Limited Adani Power Rajasthan Limited Adani Power Maharashtra Limited Mundra Solar Technopark Private Limited Adani Agrifresh Limited	33,020 4,257 7,685,509 2,691 25,017,466 58,198,326 72,804,528 60,000
Accounts Receivables	Adani Infra (India) Limited Adani Agri Logistics Limited Adani Wilmar Limited Adani Township and Real Estate Co. Private Limited	2,670,291 187,742 106,083 774,376

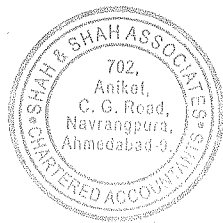


27 Previous Year Comparatives

This, being the first financial statements of the Company since incorporation, Figures are drawn for the period from 1st June 2015 to 31st March 2016 and hence, there are no comparatives figures to present.

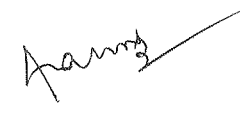
As per our report of even date
For Shah & Shah Associates
Firm Registration Number : 113742W
Chartered Accountants


Sunil K. Dave
Partner
Membership No. 047236




Place : Ahmedabad
Date : 2nd May, 2016

For and on behalf of the board of directors of
Mundra Solar PV Limited


Rajiv Rustagi
Director
DIN 7193069

Place : Ahmedabad
Date : 2nd May, 2016


Narayanasamy Devendran
Director
DIN 06771657

