

DHARMESH PARIKH & CO.

CHARTERED ACCOUNTANTS

303/304, "Milestone", Nr. Drive-in-Cinema, Opp. T.V Tower, Thaltej,
Ahmedabad-380 054. Phone: 91-79-27474466 Fax: 91-79-27479955

INDEPENDENT AUDITOR'S REPORT

To the Members of PRAYATNA DEVELOPERS PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Prayatna Developers Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2016, and the Statement of Profit and Loss and Cash Flow Statement for the period then ended, 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 stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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



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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016 and its losses and its cash flows for the period ended on that date.

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 "Annexure A", a statement on the matters specified in the paragraph 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Ahmedabad
Date : 02-05-2016



For, **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. 112054W

Chirag Shah

Chirag Shah
Partner
Membership No. 122510

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ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT RE: PRAYATNA DEVELOPERS PRIVATE LIMITED

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the period ended 31st March 2016, we report that:

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme which, in our opinion, is reasonable looking to the size of the Company and the nature of its business.
- (c) The title deeds of immovable properties, as disclosed in Note 8 on fixed assets to the financial statements, are held in the name of the Company.
- (ii) The Company has not carried out any commercial activities during the period ended on 31st March, 2016 and hence it does not carry any Inventory. Accordingly the provisions of paragraph 3 (ii) (a) & (b) of the Order are not applicable.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly the provisions of paragraph 3 (iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits from the public and hence 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 with regard to the deposits accepted from the public are not applicable.
- (vi) The company has not done any commercial activity during the period under review. Accordingly, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the period by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, provident fund and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues as referred above were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.



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- (b) According to the records of the Company and representations made by the Management, there are no statutory dues as mentioned in paragraph 3(vii)(a) which have not been deposited on account of any dispute.
- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or dues to debenture holders as at the balance sheet date.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly the provisions of Clauses 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 and all the details have been disclosed in financial statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the period under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

Place : Ahmedabad
Date : 02-05-2016



For, **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. 112054W

Chirag Shah

Chirag Shah
Partner
Membership No. 122510

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ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT RE: PRAYATNA DEVELOPERS PRIVATE LIMITED

(Referred to in paragraph 2 (f) of our Report of even date)

Report on the Internal Financial Controls under Clause i of sub-section 3 of section 143 of the Companies Act 2013 (the act).

We have audited the internal financial controls over financial reporting of the company as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the company for the period ended on that date.

Management's Responsibilities 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.

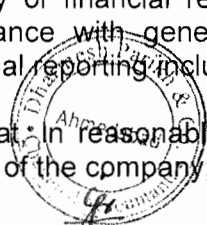
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



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- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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.

Place : Ahmedabad
Date : 02-05-2016



For, **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. 112054W

Chirag Shah

Chirag Shah
Partner
Membership No. 122510

PRAYATNA DEVELOPERS PRIVATE LIMITED

Balance Sheet as at 31st March, 2016

Particulars	Notes	As at 31st March, 2016 (₹ in Lakhs)
I. EQUITY AND LIABILITIES		
a) Shareholders' Funds		
Share Capital	3	2,401.00
Reserves and Surplus	4	(181.03)
		2,219.97
b) Non-Current Liabilities		
Long Term Borrowings	5	1,200.00
Deferred Tax Liabilities (Net)		-
Other Long Term Liabilities		-
Long Term Provisions	6	6.15
		1,206.15
c) Current Liabilities		
Short Term Borrowings	7	505.96
Trade Payables	8	0.28
Other Current Liabilities	9	61.67
Short Term Provisions	10	0.99
		568.90
Total		3,995.02
II. ASSETS		
a) Non-Current Assets		
Fixed Assets		
Tangible Assets	11	83.77
Intangible Assets		-
Capital Work-In-Progress	12	436.68
		520.45
Non-Current Investments		-
Long Term Loans & Advances	13	366.28
Other Non-Current Assets		-
		886.73
b) Current Assets		
Current Investments	14	145.11
Inventories		-
Trade Receivables		-
Cash and Bank Balances	15	9.31
Short Term Loans & Advances	16	2,953.86
Other Current Assets	17	0.01
		3,108.29
Total		3,995.02
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 Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W

Chirag Shah
Partner
Mem. No. 122510



For and on behalf of the board of directors of
PRAYATNA DEVELOPERS PRIVATE LIMITED

Ashok Jagetiya
Director
DIN:-05185025

Dhaval Shah
Director
DIN:-02320719



Place : Ahmedabad
Date : 02-05-2016

Place : Ahmedabad
Date : 02-05-2016

PRAYATNA DEVELOPERS PRIVATE LIMITED

Statement of Profit and Loss for the period ended 31st March, 2016

Particulars	Notes	For the period from 23rd
		June, 2015 to 31st March, 2016 (₹ in Lakhs)
a) Income		-
b) Expenses		
Finance Costs	18	83.89
Other Expenses	19	97.14
Total Expenses		181.03
c) Loss Before Tax		(181.03)
d) Tax Expense		
Current Tax		-
Deferred Tax		-
Total Tax Expenses		-
e) Loss For The Period		(181.03)
f) Earning per Equity Share (Face Value of ₹ 10 each)	23	
Basic		(1.58)
Diluted		(1.08)
Summary of significant accounting policies	2	

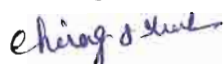
The accompanying notes are an integral part of the financial statements

As per our report of even date

For **Dharmesh Parikh & Co.**

Chartered Accountants

Firm Registration Number : 112054W



Chirag Shah

Partner


Mem. No. 122510

Place : Ahmedabad

Date : 02-05-2016



For and on behalf of the board of directors of
PRAYATNA DEVELOPERS PRIVATE LIMITED



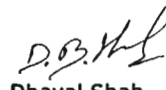
Ashok Jagetiya

Director

DIN:-05185025

Place : Ahmedabad

Date : 02-05-2016



Dhaval Shah

Director

DIN:-02320719



PRAYATNA DEVELOPERS PRIVATE LIMITED

Cash Flow Statement for the period ended 31st March, 2016

Particulars	For the period from 23rd June, 2015 to 31st March, 2016 (₹ in Lakhs)
I. CASH FLOW FROM OPERATING ACTIVITIES	
Loss Before Tax	(181.03)
Adjustment on account of :	
Finance Costs	83.89
Operating Profit / (Loss) Before Working Capital Changes	(97.14)
Movements in Working Capital :	
(Increase) / Decrease in Operating Assets	
Long term Loans and Advances	(360.18)
Short term Loans and Advances	(289.73)
Increase / (Decrease) in Operating Laibility	
Long Term Provisions	6.15
Trade Payables	0.28
Other Current Liabilities	12.91
Short Term Provisions	0.99
	(629.58)
Cash Flow from Operations	(726.72)
Less : Income Tax Paid	(6.10)
Net Cash Flow From Operating Activities	(732.82)
II. CASH FLOW FROM INVESTING ACTIVITIES	
Tangible Assets	(83.77)
Capital Work-In-Progress	(436.68)
Purchase of Current investments	(4,235.01)
Sale of Current investments	4,089.89
Margin Money	(1.00)
Change in other current liabilities	48.76
Short term Loans and advances related parties	(2,664.13)
Net Cash Flow From Investing Activities	(3,281.94)
III. CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds From Issuance of Share Capital	2,401.00
Proceeds From Short Term Borrowings	1,305.96
Repayment of Short Term Borrowings	(800.00)
Proceeds From Long Term Borrowings	1,200.00
Finance Cost	(83.89)
Net Cash Flow From Financing Activities	4,023.07
Net Increase / (Decrease) in Cash & Cash Equivalents	8.31
Cash & Cash Equivalents at the beginning of the year	-
Cash & Cash Equivalents at the end of the year	8.31
Notes to Cash Flow Statement :	
1 Reconciliation of Cash and cash equivalents with the Balance Sheet :	
Cash and cash equivalents as per Balance Sheet (Refer Note 15 (a))	8.31
2 Cash and cash equivalents including cash and bank balances and deposit with bank (Having Maturity less than 3 Months).	
3 The Cash Flow Statement has been prepared under the 'Indirect Mehtod' set out in Accounting Standard 3 'Cash Flow Statement'.	

The accompanying notes are an integral part of the financial statements

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

Chirag Shah
Partner
Mem. No. 122510

Place : Ahmedabad
Date : 02-05-2016

For and on behalf of the board of directors of
PRAYATNA DEVELOPERS PRIVATE LIMITED

Asnok Jagetiya
Director
DIN:-05185025

Place : Ahmedabad
Date : 02-05-2016

Dhaval Shah
Director
DIN:-02320719



1 Corporate Information

Prayatna Developers Private Limited, "The Company" is a private limited company domiciled in India and incorporated on 23rd June 2015 as a 100 % subsidiary of Adani Enterprise Limited. Adani group having its presence in thermal power generation, ports, mining and agri business, has also forayed into development of solar parks, solar power generation and wind power generation projects. The company is implementing solar power project having capacity of 105 MW in the state of Punjab. The Company gets synergetic benefit of the integrated value chain of Adani group.

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. Current & Non- Current Classification

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 Purpose of Cash Flow Statement)

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

e. Cash Flow Statement

The Cash Flow Statement is prepared in accordance with the format given under Accounting Standard-3 prescribed under The Companies (Accounting Standards) Rules, 2006 (as amended). Cash flows are reported using indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals 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. 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.

g. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

ii) Dividend Income is recognised when the Company's right to receive dividend is established by the Balance Sheet date.

h. Capital Work In Progress:

Capital work in progress includes the cost of fixed assets that are not ready to use at the balance sheet date.

i. Project Development Expenditure

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.

j. Employee Benefits**(i) Short Term Employees Benefits**

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employees benefits and are recognised in the period in which the employee renders the related service.

(ii) Post Employees 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, carried out by an independent actuary, using the Projected Unit Credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

(ii) Defined Contribution Plans :

Contribution to the provident fund scheme which is a defined contribution scheme 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 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. 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.

l. Related Party transactions

Disclosure of transactions with Related Parties, as required by Accounting Standard 18, "Related Party Disclosures" has been set out in separate note forming part of this schedule. Related parties as defined under clause 3 of the Accounting Standard-18 have been identified on the basis of representations made by key managerial personnel and information available with the Company.

m. Earning Per Share

In accordance with Accounting Standard 20 "Earning per Share" as prescribed under Companies (Accounting Standards) Rules, 2006 (as amended), Basic earnings per share is computed by dividing the profit / loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for the effects dividend, interest and other charges relating to the dilutive potential equity shares.

n. Taxes on Income**i) Current Tax :**

Tax expense comprises of current tax and deferred tax and includes any adjustments related to past periods in current and / or that may become necessary due to certain developments or reviews during the relevant period. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

In absence of taxable income in the current year, provision for taxation has not been made.

ii) Deferred Tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

o. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present values and are determined based on the best estimate required to settle the obligations 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 in the financial statements and are disclosed in the Notes. A contingent asset is neither recognised nor disclosed in the financial statements.

p. Applicability of other Accounting Standards

Though other Accounting Standards also apply to the company by virtue of the Companies (Accounting Standards) Rules 2006 (as amended), no disclosure for the same is being made as the company has not done any transaction to which the said Accounting Standard apply.



PRAYATNA DEVELOPERS PRIVATE LIMITED

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

3 Share Capital

	As at 31st March, 2016 (₹ in Lakhs)
Authorised share Capital	
2,40,10,000 Equity shares of ₹ 10/- each	2,401.00
Issued, subscribed fully paid-up shares	
2,40,10,000 Equity shares of ₹ 10/- each fully paid	2,401.00
Total issued, subscribed and fully paid-up share capital	2,401.00

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

	As at 31st March, 2016 (₹ in Lakhs)	
Equity Shares	Numbers	(₹ in Lakhs)
At the beginning of the period	-	-
Issued during the period	2,40,10,000	2,401.00
Outstanding at the end of the period	2,40,10,000	2,401.00

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

c. Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company together with its nominees are as below :

	As at 31st March, 2016 (₹ in Lakhs)	
Equity Shares held by Holding Company	Numbers	(₹ in Lakhs)
Adani Enterprise Limited (together with its nominees)	2,40,10,000	2,401.00
	2,40,10,000	2,401.00

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

	As at 31st March, 2016 (₹ in Lakhs)	
Equity Shares held by Holding Company	Numbers	% holding in the class
Adani Enterprise Limited (together with its nominees)	2,40,10,000	100%
	2,40,10,000	100%

4 Reserves and Surplus

	As at 31st March, 2016 (₹ in Lakhs)
Surplus / (deficit) in the statement of profit and loss	
Balance as per last financial statements	-
(Loss) for the period	(181.03)
Net surplus / (deficit) in the statement of profit and loss	(181.03)
Total Reserves and Surplus	(181.03)

5 Long term Borrowings

	As at 31st March, 2016 (₹ in Lakhs)
10.5% Compulsory Convertible Unsecured Debenture	1,200.00
(Compulsory Convertible Unsecured Debenture of ₹ 1200 Lakhs having interest rate of 10.5%)	
	1,200.00



PRAYATNA DEVELOPERS PRIVATE LIMITED

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

6 Long Term Provisions

	As at 31st March, 2016 (₹ in Lakhs)
Provision for Employee Benefits	6.15
	<u>6.15</u>

7 Short Term Borrowings

	As at 31st March, 2016 (₹ in Lakhs)
Unsecured loans - Related Parties	505.96
	<u>505.96</u>

8 Trade Payables

	As at 31st March, 2016 (₹ in Lakhs)
-Micro, small and medium enterprises. (Refer Note 21)	-
-Others	0.28
	<u>0.28</u>

9 Other Current Liabilities

	As at 31st March, 2016 (₹ in Lakhs)
Statutory liabilities (includes PF and TDS)	12.91
Interest accrued but not due	18.33
Other Current Liabilities and Payables	29.55
Retention money	0.88
	<u>61.67</u>

10 Short Term Provision

	As at 31st March, 2016 (₹ in Lakhs)
Provision for Employee Benefits	0.99
	<u>0.99</u>



Notes to financial statements for the period ended 31st March, 2016

11. FIXED ASSETS

(₹ in Lakhs)

Particulars	Gross Block (at cost)			Depreciation and Amortisation			Net Block	
	As at 1st April 2015	Additions during the year	Deductions during the year	As at 31st March 2016	As at 1st April 2015	For the year	Deductions during the year	As at 31st March 2016
Tangible Assets								
Freehold Land	-	83.77	-	83.77	-	-	-	83.77
Total Fixed Assets	-	83.77	-	83.77	-	-	-	83.77



PRAYATNA DEVELOPERS PRIVATE LIMITED

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

12 Capital Work In Progress

As at 31st March, 2016
(₹ in Lakhs)

Project Development Expenditure	
Expenses	
Employee Benefit Expenses	11.90
Finance Cost	125.29
Other Expenses	305.70
Lease hold Land	46.20
Stk of Prj Mat-Dom	9.30
Less:-Income	
Interest Income	(61.01)
Income from Mutual Fund	(0.70)
Total CWIP	436.68
	436.68

13 Long term loans and advances (Unsecured, considered good)

As at 31st March, 2016
(₹ in Lakhs)

Capital advances (Land advances)	187.60
Advance Income tax	6.10
Prepaid Expenses	172.58
	366.28

14 Current Investments

(Carried at lower of Cost and Net Realisable Value)

As at 31st March, 2016
(₹ in Lakhs)

Investment in Mutual Fund (Unquoted)	145.11
1)5321.929 units of ₹ 1000 of Religer Invesco Liquid Fund-Direct Plan-Growth	110.11
2)948.098 units of ₹ 1000 of Reliance Liquid Fund-Treasury plan-Growth Plan	35.00
	145.11
Aggregate amount of-Quoted Investment	-
-Unquoted Investment	145.11
Net Asset Value of Unquoted Investment	146.00

15 Cash and Bank Balances

As at 31st March, 2016
(₹ in Lakhs)

(a) Cash and Cash Equivalent	
Balance with Bank	
In current accounts	8.31
(b) Other Bank Balance	
Margin money deposits (More than 3 months but less than 12 months)	1.00
	9.31

16 Short Term Loans and Advances (Unsecured, Considered Good)

As at 31st March, 2016
(₹ in Lakhs)

Advances to Employees	5.00
Loans and Advances to Related Parties	2,664.13
Prepaid Expenses	252.89
Deposits to vendors and others	31.84
	2,953.86



PRAYATNA DEVELOPERS PRIVATE LIMITED

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

17 Other Current Assets (Unsecured, Considered Good)

As at 31st March, 2016
(₹ in Lakhs)

Interest accrued but not due	0.01
	<u>0.01</u>

18 Finance Costs

For the period from
23rd June, 2015 to
31st March, 2016
(₹ in Lakhs)

Bank Commission and Charges	83.89
	<u>83.89</u>

19 Other Expense

For the period from
23rd June, 2015 to
31st March, 2016
(₹ in Lakhs)

Preliminary Expense Written Off	0.13
Filing Fees	28.79
Payment to Auditors - Statutory audit	0.17
Business development expenses	68.05
	<u>97.14</u>

20 Contingent Liabilities & Commitments

Based on the information available with the Company, there is no contingent liability as at the year end 31st March 2016.

As at
31st March, 2016
(₹ in Lakhs)

Capital Commitments

21 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.



PRAYATNA DEVELOPERS PRIVATE LIMITED

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

22 Related Parties

The Management has identified the following entities and individuals as related parties of the Company for the period ended 31st March, 2016 for the purpose of reporting as per AS 18 - Related Party Transactions which are as under:-

Ultimate controlling Entity	:	S B Adani Family Trust (SBAFT)
Holding Company	:	Adani Enterprises Limited
Entities under common control / associate company	:	Adani Green Energy (UP) Limited Adani Infra (India) Ltd
(With whom transactions are done)		
Key Management Personnel	:	Mr. Mehul Kapadia, Director Mr. Dhaval Shah, Director Mr. Ashok Jagetiya, Director

Aggregate of transactions for the period ended with these parties have been given below.

Information in respect of

Related Parties		As at 31st March, 2016 (₹ in Lakhs)
<u>Share Capital Received</u>		
Holding Company	Adani Enterprises Limited	2,401.00
<u>Fund Received</u>		
Holding Company	Adani Enterprise Limited	1,305.96
<u>Long term Borrowings (Debenture)</u>		
Holding Company	Adani Enterprise Limited	1,200.00
<u>Fund Repaid</u>		
Holding Company	Adani Enterprise Limited	800.00
<u>Interest on loan taken</u>		
Holding Company	Adani Enterprise Limited	49.07
<u>Reimbursement of Expenses</u>		
Holding Company	Adani Enterprise Limited	0.13
<u>Loan Given</u>		
Entities under common control / associate company	Adani Infra (India) Limited	2,664.13
<u>Interest on loan Given</u>		
Entities under common control / associate company	Adani Infra (India) Limited	54.59
<u>Land Sale</u>		
Entities under common control / associate company	Adani Green Energy (UP) Limited	160.07
<u>Balance Liability Transferred</u>		
Entities under common control / associate company	Adani Infra (India) Limited	5.00
<u>Balances with Related Parties</u>		
Adani Enterprises Limited (Debenture)		1,200.00
Adani Enterprises Limited (Loan taken)		505.96
Adani Enterprises Limited (Interest Accrued but not due)		18.33
Adani Enterprises Limited (Accounts Payable)		0.13
Adani Infra (India) Limited (Accounts Payable)		5.00
Adani Infra (India) Limited (Loan given)		2,664.13



PRAYATNA DEVELOPERS PRIVATE LIMITED

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

23 Earning Per Share (EPS)

	For the period from 23rd June, 2015 to 31st March, 2016 (₹ in Lakhs)
Profit / (Loss) for calculation of basic and diluted EPS	(181.03)
Weighted average number of equity shares for calculating Basic EPS	1,14,58,763
Weighted average number of equity shares for calculating Diluted EPS	1,67,92,097
Face value of equity shares	10
Basic Earning Per Share (in Rupees)	(1.58)
Diluted Earning Per Share (in Rupees) (Refer Note Below)	(1.08)
(Note:- As per the terms of agreement Face Value has been considered for calculating weighted average number of equity shares for Compulsory convertible Debenture.)	

- 24 a) 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):

Particular	As at 31st March, 2016 (₹ in Lakhs)
i. Reconciliation of Opening and Closing Balances of defined benefit obligation	
Liability at the beginning of the Year	-
Current Service Cost	0.51
Past Service Cost	3.03
Interest Cost	-
Benefit paid	-
Liability Transferred in	-
Liability Transferred out	-
Net Actuarial losses (gain) Recognised	-
Liability at the end of the Year	3.54
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets	
Plan assets at the beginning of the Year, at Fair value	-
Expected return on plan assets	-
Contributions	-
Benefit paid	-
Actuarial gain/(loss) on plan assets	-
Transfer to other company	-
Plan assets at the end of the Year, at Fair Value	-
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets	
Obligations at the end of the Year	3.54
Plan assets at the end of the Year, at Fair value	-
Asset/(Liability) recognized in balance sheet as on 31st March 2016	(3.54)
iv. Gratuity Cost for the Year	
Current service cost	0.51
Interest cost	-
Expected return on plan assets	-
Actuarial Gain or (Loss)	-
Past service cost-vested benefit recognised during the year	3.03
Net Gratuity cost	3.54
v. Actuarial Assumptions	
Discount Rate (per annum)	7.90%
Expected rate of return on plan assets	
Annual Increase in Salary Cost	10.00%
vi. Experience Adjustment	
On Plan Liability (Gain) / Losses	-
On Plan Asset Gain / (Losses)	-



PRAYATNA DEVELOPERS PRIVATE LIMITED

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

25 Other Disclosures

- (a) In the opinion of the management and to 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 values stated, if realized in ordinary course of business, except unless stated otherwise. The provision for all known current liabilities is adequate and not in excess of amount considered reasonably necessary.
- (b) Other statutory Disclosure

Value of Imports Calculated on CIF Basis
Expenditure in Foreign Currency
Earnings in Foreign Currency

For the period from
23rd June, 2015 to
31st March, 2016
(₹ in Lakhs)

Nil
Nil
Nil

26 Previous Year Comparatives

As this is the first financials of the company for the period from 23rd June, 2015 to 31st March, 2016, previous year comparatives are not presented in the financial statements.

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

Chirag Shah

Chirag Shah
Partner
Mem. No. 122510



Place : Ahmedabad

Date : 02-05-2016

For and on behalf of the board of directors of
PRAYATNA DEVELOPERS PRIVATE LIMITED

Ashok Jagatiya

Ashok Jagatiya
Director
DIN:-05185025

Place : Ahmedabad

Date : 02-05-2016

Dhaval Shah

Dhaval Shah
Director
DIN:-02320719

