

G. K. Choksi & Co.

Chartered Accountants

'Madhuban', Nr. Madalpur Underbridge, Ellisbridge, Ahmedabad - 380 006.
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INDEPENDENT AUDITOR'S REPORT

To,

The Members of

Mundra Solar Technopark Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Mundra Solar Technopark Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, 2018, and its loss including other comprehensive income, its cash flow and changes in equity for the year 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 the "Annexure – A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts 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 including other comprehensive income, the statement of cash flows and statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of written representations received from the directors as on 31st March, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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" to this report;
 - 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 our best of our information and according to the explanations given to us :
 - i. The Company did not have any pending litigations.



- ii. The Company did not have any long-term contracts including derivatives 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.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101 895W]

Chartered Accountants

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SANDIP PARIKH

Partner

Mem. No. 040727

Place : Ahmedabad

Date : 04th May, 2018



ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and its situation.
 - (b) The Company has a regular programme for physical verification, in a phased periodic manner, which in our opinion is reasonable having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable property are held in the name of the Company.
- (ii) As explained to us, the Management of the Company has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to information and explanation given to us 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.
- (iv) In our opinion and according to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, Investment, guarantees and security.
- (v) According to information and explanation given to us the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, reporting under Clause 3 (v) of the order is not applicable to the Company.
- (vi) The Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013, for any of the services rendered by 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 provident fund, income-tax, sales tax, value added tax, employee state insurance, service tax, goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise and custom.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, goods and service tax, sales tax, value added tax, duty of custom, employee state insurance, service tax, cess and other material statutory dues were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (c) According to information and explanations given to us, the Company has no disputed outstanding statutory dues as at 31st March, 2018.
- (viii) In our opinion and according to information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- (ix) In our opinion and according to information and explanations given to us the term loans have been applied by the Company during the year for the purpose for which they were raised..
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid provided any managerial remuneration. Accordingly reporting under clause 3 (xi) of the order is not



applicable to the company.

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly reporting under clause 3 (xii) of the order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act where applicable for all transactions with related parties and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and therefore, the reporting under clause 3 (xiv) of the order is not applicable to the company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into non-cash transactions with directors or directors of its holding ,subsidiary or associate Company or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the reporting under clause 3 (xvi) of the order is not applicable to the company.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants



SANDIP PARIKH

Partner

Mem. No. 040727

Place : Ahmedabad

Date : May 04, 2018



ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls over financial reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Mundra Solar Technopark Private Limited** ("the Company") as of 31st March, 2018 in conjunction with our audit of standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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;
- (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.

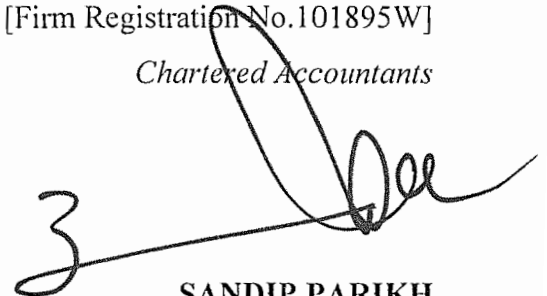
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, 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 G. K. CHOKSI & CO.

[Firm Registration No.101895W]

Chartered Accountants



SANDIP PARIKH

Partner

Place : Ahmedabad

Date : May 4, 2018

Mem. No. 040727

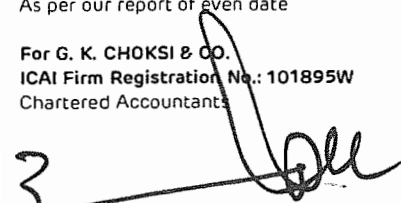


Mundra Solar Technopark Private Limited
Balance Sheet as at March 31, 2018

		₹ in Lacs	
Particulars	Notes	As at March 31, 2018	As at March 31, 2017
Assets			
Non-current assets			
Property, plant and equipment	3	77,323.86	76,906.85
Capital work-in-progress	3	17.27	356.38
Non-current financial assets			
(i) Other financial assets	4	7,935.49	7,706.03
Other non-current assets	5	1,761.08	4,177.15
		87,037.70	89,146.41
Current assets			
Inventories	6	46,977.42	47,934.99
Financial assets			
(i) Trade receivables	7	6,976.18	6,013.12
(ii) Cash and cash equivalents	8	1,141.48	159.32
(iii) Loans	9	40,301.23	-
(iv) Other financial assets	4	960.02	4,807.30
Other current assets	5	338.58	24.31
		96,694.91	58,939.04
Total assets		1,83,732.61	1,48,085.45
Equity and liabilities			
Equity			
Equity share capital	10	498.00	498.00
Other equity	11	(15,620.72)	(5,221.74)
Total equity		(15,122.72)	(4,723.74)
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	12	-	3,000.00
(ii) Other financial liabilities	13	35,888.91	34,855.75
Provisions	14	7.63	16.90
Other non-current liabilities	15	29,837.63	22,454.25
		65,734.17	60,326.90
Current liabilities			
Financial liabilities			
(i) Borrowings	12	1,13,765.55	51,899.18
(ii) Trade payables	16	7,621.47	6,959.22
(iii) Other financial liabilities	13	10,174.78	32,418.72
Other current liabilities	15	1,558.03	1,203.37
Provisions	14	1.33	1.80
		1,33,121.16	92,482.29
Total liabilities		1,98,855.33	1,52,809.19
Total equity and liabilities		1,83,732.61	1,48,085.45
The accompanying notes form an integral part of financial statements			

As per our report of even date

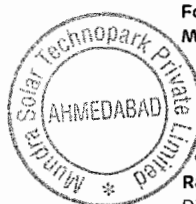
For G. K. CHOKSI & CO.
ICAI Firm Registration No.: 101895W
Chartered Accountants

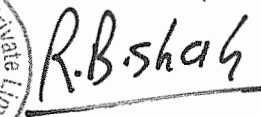

Sandip A Parikh
Partner
Membership No. 40727

Place: Ahmedabad
Date: May 04, 2018



For and on behalf of Board of Directors of
Mundra Solar Technopark Private Limited




Rakshit Shah

Director and Chief Executive Officer
DIN: 00103501

Place: Ahmedabad
Date: May 04, 2018


Rakesh Kumar Tiwary

Director
DIN: 06895533

Mundra Solar Technopark Private Limited
Statement of Profit and Loss for the year ended March 31, 2018

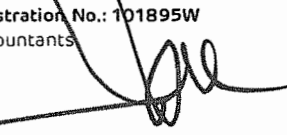
₹ in Lacs

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	17	1,525.16	1,005.97
Other income	18	2,176.02	61.65
Total income		3,701.18	1,067.62
Expenses			
Operating expenses	19	1.20	5.68
Employee benefits expense	20	140.91	69.51
Depreciation and amortization expense	3	3,122.07	889.15
Finance costs	21	10,656.13	4,848.70
Other expenses	22	179.74	406.65
Total expense		14,100.05	6,219.69
(Loss) before exceptional items and tax		(10,398.87)	(5,152.07)
Exceptional items		-	-
(Loss) before tax		(10,398.87)	(5,152.07)
Tax expense:	23		
Adjustment of tax relating to earlier periods		0.26	-
Deferred tax		-	-
Total tax expense		0.26	-
(Loss) for the year		(10,399.13)	(5,152.07)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains (losses) on defined benefit plans		0.15	1.37
Income Tax effect		-	-
Other comprehensive Income for the year		0.15	1.37
Total comprehensive Income for the year		(10,398.98)	(5,150.70)
Basic and diluted earnings per equity shares (in ₹) face value of ₹ 10 each	25	(208.82)	(104.03)

The accompanying notes form an integral part of financials statements

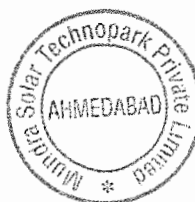
As per our report of even date

For G. K. CHOKSI & CO.
ICAI Firm Registration No.: 101895W
Chartered Accountants

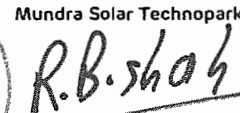
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Sandip A Parikh
Partner
Membership No. 40727

Place: Ahmedabad
Date: May 04, 2018



For and on behalf of Board of Directors of
Mundra Solar Technopark Private Limited



Rakshit Shah
Director and Chief Executive Officer
DIN: 00103501



Rakesh Kumar Tiwary
Director
DIN: 06895533

Place: Ahmedabad
Date: May 04, 2018



Mundra Solar Technopark Private Limited
Statement of Changes In Equity for the year ended March 31, 2018

Particulars	Equity share capital	Reserves and surplus	Total
		Retained earning	
Balance as at April 01, 2016	495.00	(71.04)	(71.04)
(Loss) for the year	-	(5,152.07)	(5,152.07)
Other comprehensive income	-	1.37	1.37
Total comprehensive income for the year	-	(5,221.74)	(5,150.70)
Share issue during the year	3.00	-	498.00
Balance as at March 31, 2017	498.00	(5,221.74)	(4,723.74)
(Loss) for the year	-	(10,399.13)	(10,399.13)
Other comprehensive income	-	0.15	0.15
Total comprehensive income for the year	-	(10,398.98)	(10,398.98)
Share issue during the year	-	-	-
Balance as at March 31, 2018	498.00	(15,620.72)	(15,122.72)

The accompanying notes form an integral part of financials statements

As per our report of even date

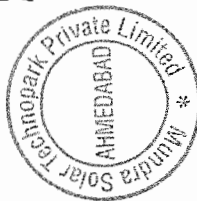
For G. K. CHOKSI & CO.
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 Chartered Accountants

Sandip A Parikh
 Partner
 Membership No. 40727

Place: Ahmedabad
 Date: May 04, 2018



For and on behalf of Board of Directors of
 Mundra Solar Technopark Private Limited



R.B. Shah

Rakshit Shah
 Director and Chief Executive Officer
 DIN: 00103501

Place: Ahmedabad
 Date: May 04, 2018

Rakesh Kumar Tiwary

Rakesh Kumar Tiwary
 Director
 DIN: 06895533

Mundra Solar Technopark Private Limited
Statement of Cash Flows for the year ended March 31, 2018

Particulars	₹ in Lacs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities		
(Loss) before tax as per statement of profit and loss	(10,398.87)	(5,152.07)
Adjustments for:		
Amortisation of unearned income under land lease/ Infrastructure usage agreements	(605.02)	-
Reversal of cost of sub lease land	(262.70)	
Depreciation and amortisation	3,122.07	889.15
Interest income	(775.27)	-
Government grant income	(934.76)	(60.77)
Net (gain)/loss on sale of current investments	(203.29)	(0.04)
Interest expense	7,948.59	3,048.47
Operating profit before working capital changes	(2,109.25)	(1,275.26)
Movements in working capital :		
(Increase)/decrease in trade receivables	(963.05)	541.03
(Increase)/decrease in inventories	957.57	(16,135.14)
(Increase)/decrease in financial assets	(285.98)	(766.39)
(Increase)/decrease in other assets	(314.27)	12.90
Increase in trade payables	662.25	6,859.51
Increase/(decrease) in other liabilities	69.86	7,406.94
Increase/(decrease) in provisions	(9.59)	5.69
Increase/(decrease) in financial liabilities	(22.41)	8,429.19
Cash generated from operations	(2,014.87)	5,078.47
Direct taxes paid (net)	(139.24)	(45.41)
Net cash Inflow/(Outflow) from operating activities (A)	(2,154.11)	5,033.06
Cash flows from investing activities		
Purchase of property, plant and equipments (Including capital work in progress and capital advances)	(18,003.93)	(32,067.15)
Loan given	(57,800.00)	-
Loan received back	17,500.00	-
Loan to employee	(1.23)	-
Interest received	715.30	-
Purchase/sale of investment in mutual fund (net)	203.29	0.04
Net cash (Outflow) from investing activities (B)	(57,386.57)	(32,067.11)
Cash flows from financing activities		
Proceeds from issuance of share capital	-	3.00
Government grant received	13,434.42	2,350.00
Proceeds from bank/FI borrowing	40,714.08	45,174.91
Repayment of bank/FI borrowing	(31,000.00)	-
Proceeds from inter corporate deposit (including short-term)	1,00,419.25	63,249.22
Repayment of inter corporate deposit (including short-term)	(55,652.00)	(79,868.95)
Interest paid	(7,392.91)	(3,717.13)
Net cash Inflow from financing activities (C)	60,522.84	27,191.05
Net increase / (decrease) in cash & cash equivalents (A + B + C)	982.16	157.00
Cash and cash equivalents at the beginning of the year	159.32	2.32
Cash and cash equivalents at the end of the year (Refer note-8)	1,141.48	159.32
Notes:		
Component of cash and cash equivalents		
Cash on hand	-	-
Balances with scheduled bank		
On current accounts	1,141.48	159.32
Cash and Cash Equivalents at the End of the Year	1,141.48	159.32

Summary of significant accounting policies refer note 2.2

(1) The Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 on Statement of Cash Flows statements notified under section 133 of The Companies Act, 2013 read with paragraph 7 of the Companies (Indian Accounting Standard) Rules, 2015 (as amended).

(2) Purchase of investment in Mutual Fund of ₹ 1,66,870.00 lacs (previous year ₹ 1.00 lacs) and sale of Mutual Fund of ₹ 1,67,073.29 lacs (previous year ₹ 1.04 lacs).

(3) Disclosure required under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2015 (as amended) is presented in note -34.

As per our report of even date

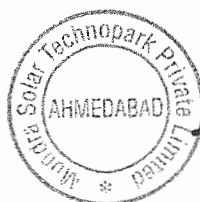
For G. K. CHOKSI & CO.
ICAI Firm Registration No.: 018995W
Chartered Accountants

Sandip A Parikh
Partner
Membership No. 40727

Place: Ahmedabad
Date: May 04, 2018



For and on behalf of Board of Directors of
Mundra Solar Technopark Private Limited



Rakshit Shah
Director and Chief Executive Officer
DIN: 00103501

Place: Ahmedabad
Date: May 04, 2018

Rakesh Kumar Tiwary
Director
DIN: 06895533

Mundra Solar Technopark Private Limited
Notes to Financial statements for the year ended March 31, 2018

1 Corporate information

Mundra Solar Techno park Private Limited ('MSTPL' or the Company) was incorporated on March 10, 2015 with an objective to develop Electronic Manufacturing Cluster (EMC) and related infrastructure facilities at Mundra. The Company is a Co-developer for providing infrastructure facilities, in the multi product special economic zone at Mundra, being developed by Adani Ports and Special Economic Zone Limited. Company's project has been in principle approved by Department of Electronics and Information Technology, Government of India for availing financial assistance under Electronics Manufacturing Clusters (EMC) scheme Notification No-252 dated 22th September, 2012 and subsequent Notification thereafter and Guidelines for EMC scheme issued by Ministry of Communications and Information Technology, Department of Electronics and Information Technology. The company has received in principle approval from above authorities on August 7, 2015.

The Company is a private Company domiciled in India and is incorporated under the provision of the Companies Act applicable in India. The registered office of the Company is located at "Adani House", Mithakhali six road, Navrangpura, Ahmedabad-380009.

The Company has entered into long term land lease agreement for land measuring 640.89 acres (Previous year : 640.89 acres) at multi product special economic zone at mundra with Adani Ports and Special Economic Zone Limited for development of EMC project, whereby part of the land is leased / proposed to be subleased to the units at EMC.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 04, 2018.

2 Basis of preparation

2.1 The financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

In addition, the financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

2.2 Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of sale/lease
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of sale/lease
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Inventories

Cost of land, land development and related infrastructure development comprising specific infrastructure are initially inventoried as work in progress - Inventories and proportionate cost of land and infrastructure development expenses is recognized in the profit and loss account to the extent of income earned from land lease/sale and infrastructure development.

Inventories are valued at lower of cost and net realisable value. Cost represents cost of land and all expenditure incurred in connection with, or attributable to the project, and being a long-term nature including borrowing cost.

c) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

d) Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, directly and indirectly attributable costs arising directly from the construction / development and borrowing costs if capitalization criteria are met directly attributable cost of bringing the asset / project to its working condition for the intended use. The Company has elected to regard previous GAAP carrying values of property as deemed cost at the date of transition to Ind AS.

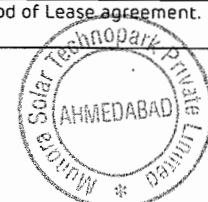
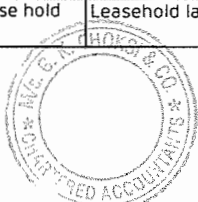
Capital work in progress included in PPE is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the borrowing costs for long-term construction projects if the recognition criteria are met. All other costs are recognized in profit or loss as incurred.

Borrowing cost relating to acquisition / construction of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013, except for the assets mentioned below for which useful lives estimated by the management. The identified component of PPE are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The Company has estimated the following useful life to provide depreciation on its certain PPE based on assessment made by expert and management estimate.

Category	PPE	Estimated Useful Life
Lease Hold Land /Lease hold Land Development	Leasehold land/Leasehold land development	Over the balance period of Lease agreement.



An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) 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, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Income from long term leases

As a part of its business activity, the Company sub-leases land and the infrastructure on long term lease basis to its customers. The Company recognises the land lease income based on the principles of leases as per Indian Accounting Standard – 17, Leases and accordingly, in case of land sub-lease transaction, the income in respect of leasehold premium is recognised on finance lease basis i.e. at the inception of sub-lease agreement / Memorandum of Understanding on creation of land leasehold rights in favour of the lessee as the significant right of economic ownership of the leased land vests with the lessee. In respect of land given on finance lease basis, the corresponding cost of the land is expensed off in the statement of profit and loss.

Infrastructure usage

Income from infrastructure usage fee in relation to the leased lands, the premium is recognised as revenue either upon fulfilment of contractual obligation as per the agreement / arrangements or is recognised over the balance contractual period on straight line basis. Infrastructure usage fee in excess of accrual of covered period is classified as deferred infrastructure income.

Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

f) Retirement and other employee benefits

i) Provident fund:

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

ii) Gratuity fund:

The company operates a defined benefit gratuity plan, which is currently unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- > Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- > Net interest expense

iii) Compensated absences:

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short term employee benefits. The company measures the expected cost of such absence as the additional amount that is expected to pay as a result of the unused estimate that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months as long term compensated absences which are provided for based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method. The Company presents the entire leave as current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve month after the reporting date.

g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h) Segment reporting

In accordance with the Ind-AS 108 - "Operating Segments", the Company has determined its business segment of developing Electronic Manufacturing Cluster. Since there are no other business segments in which the Company operates, there are no other primary reportable segments.

i) Related Party Transactions

Disclosure of transactions with Related Parties, as required by Ind-AS 24 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under Ind-AS 24 have been identified on the basis of representations made by key managerial personnel and information available with the Company.

j) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.



The Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rents are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

The Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

k) Earnings per share

The basic earnings per share has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

l) Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

m) Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

The Company is eligible and claiming tax deductions available under section 80IAB of the Income Tax Act, 1961 w.e.f FY 2015-16. In view of Company availing tax deduction under Section 80IAB of the Income Tax Act, 1961, deferred tax has been recognized in respect of temporary difference, which reverse after the tax holiday period in the year in which the temporary difference originate and no deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax, the temporary difference which originate first are considered to reverse first.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

n) Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, The Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

After, impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.



o) Provisions, contingent liabilities, contingent assets and commitments

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities is disclosed in the case of :

a present obligation arising from past events, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

a present obligation arising from past events, when no reliable estimate can be made.

a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments includes the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date

p) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- > In the principal market for the asset or liability, or
- > In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- > Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- > Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- > Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on a yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

-Disclosures for valuation methods, significant estimates and assumptions (refer note 24)

-Financial instruments (including those carried at amortised cost) (refer note 24)

q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- > Debt instruments at amortised cost
- > Debt instruments and derivatives at fair value through profit or loss (FVTPL)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments.

The Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI (Fair Value through OCI) criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.



Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- > The rights to receive cash flows from the asset have expired, or
- > The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure :

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. deposits, trade receivables and bank balances
- b) Lease receivables under Ind AS 17
- c) Loans, trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- > Trade receivables; and
- > All lease receivables resulting from transactions within the scope of Ind AS 17

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on loans, other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is used.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss (P&L). This amount is reflected under the head " Other Expense" in the P&L.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Derecognition

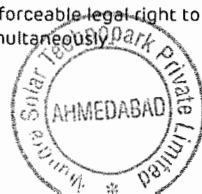
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



2.3 Significant accounting estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Depreciation

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Taxes

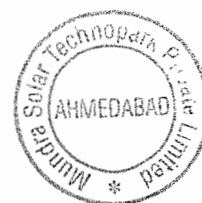
Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies (refer note 23).

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan are provided based on the present value of the gratuity obligation as determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date (refer note 29).



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Mundra Solar Technopark Private Limited
Notes to Financials statements for the year ended March 31, 2018
Note 3 - Property, plant and equipment

Particulars	Property, plant and equipment								Capital work in progress	₹ in lacs
	Leasehold land	Leasehold land development	Building (including temporary structure)	Plant & equipment	Furniture & fixtures	Office equipment	Computer equipment	Vehicles		
Cost										
As at April 1, 2017	38,271.34	12,124.06	15,266.26	12,836.74	29.18	405.51	0.83	31.19	78,965.11	356.38
Additions	-	695.72	2,052.26	1,399.21	335.50	433.04	122.22	84.30	5,122.25	3,830.68
Deductions/Adjustment	(952.46)	-	-	-	-	-	-	-	(952.46)	4,169.79
As at March 31, 2018	37,318.88	12,819.78	17,318.52	14,235.95	364.68	838.55	123.05	115.49	83,134.90	17.27
Depreciation/amortisation										
As at April 1, 2017	1,656.31	93.21	103.31	180.26	0.41	22.62	0.08	2.06	2,058.26	-
Depreciation for the year	1,261.40	448.52	846.97	992.38	28.52	161.98	0.38	12.63	3,752.78	-
Deductions/(Adjustment)	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	2,917.71	541.73	950.28	1,172.64	28.93	184.60	0.46	14.69	5,811.04	-
Net Block										
As at March 31, 2018	34,401.17	12,278.05	16,368.24	13,063.31	335.75	653.95	122.59	100.80	77,323.86	17.27
As at March 31, 2017	36,615.03	12,030.85	15,162.95	12,656.48	28.77	382.89	0.75	29.13	76,906.85	356.38

Notes:

- (1) Company has capitalised depreciation of ₹ 630.71 lacs (previous year ₹ 600.80 lacs) as an expenditure during construction.
- (2) Company has capitalised borrowing cost of ₹ 97.60 lacs (previous year ₹ 1,310.20 lacs).
- (3) Leasehold land represent 281.02 acres of land, which is under development for common infrastructure and storage facilities under Greenfield Electronic Manufacturing Cluster (EMC) project out of total land area of 640.89 acres.
- (4) Building and Plant & Machinery includes warehouse given on operating lease basis :

Particulars	March 31, 2018		March 31, 2017	
	Building	Plant & equipment	Building	Plant & equipment
Gross block	3,878.73	4,703.93	3,883.30	4,491.54
Accumulated depreciation	175.39	402.52	40.08	88.60
Net block	3,703.34	4,301.41	3,843.22	4,402.94

- (5) Leasehold land represents land taken on financial lease from Adani Ports and Special Economic Zone Limited.



Mundra Solar Technopark Private Limited
Notes to Financial statements for the year ended March 31, 2018

4 Other financial assets

Non-current

Land lease receivable

Current

Security and other deposits

Interest accrued on deposits and loans

Government grant receivable (refer note 18(a))

Loans and advances to employees

Land lease receivable

As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
7,935.49	7,706.03
7,935.49	7,706.03
489.27	499.36
59.97	-
-	3,963.77
4.50	5.60
406.28	338.57
960.02	4,807.30

5 Other assets

Non current

Capital advances

Unsecured, considered good

(A)

Others (Unsecured)

Advance income tax (Net of provision for taxation)

(B)

Current

Advances recoverable in cash or in kind

Unsecured, considered good

(A)

Others (Unsecured)

Prepaid Expenses

Accrued revenue

Balances with statutory/ Government authorities

(B)

As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
1,576.69	4,131.74
1,576.69	4,131.74
184.39	45.41
184.39	45.41
1,761.08	4,177.15
2.67	3.74
2.67	3.74
0.62	-
188.49	-
146.80	20.57
335.91	20.57
338.58	24.31

6 Inventories

Land (Comprises cost of land and related development expenses)

Stores and spares

As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
46,974.19	47,932.66
3.23	2.33
46,977.42	47,934.99

7 Trade receivables

Current

Unsecured considered good unless stated otherwise (refer note (a) below)

Trade receivables

Receivables from related parties (refer note 32)

Notes:

- a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

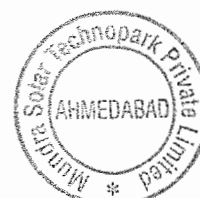
As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
40.56	0.08
6,935.62	6,013.04
6,976.18	6,013.12

8 Cash and cash equivalents

Balances with banks:

Balance in current account

As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
1,141.48	159.32
1,141.48	159.32



Mundra Solar Technopark Private Limited
Notes to Financial statements for the year ended March 31, 2018
9 Loans
Current

Loan to others
Loan to employees

As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
40,300.00	-
1.23	-
40,301.23	-

10 Share capital
Authorised

50,00,000 Equity Shares of ₹ 10 each (50,00,000 Equity Shares of ₹ 10 each as at March 31, 2017)

As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
500.00	500.00
500.00	500.00

Issued, subscribed and fully paid up shares

49,80,000 Equity Shares of ₹ 10 each (49,80,000 Equity Shares of ₹ 10 each as at March 31, 2017)

As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
498.00	498.00
498.00	498.00

Notes:
(a) Reconciliation of the number of the shares outstanding as the beginning and end of the year:

	As at March 31, 2018		As at March 31, 2017	
	No in Lacs	₹ in Lacs	No in Lacs	₹ in Lacs
At the beginning of the year	49.80	498.00	49.50	495.00
New Shares Issued during the year	-	-	0.30	3.00
At the end of the year	49.80	498.00	49.80	498.00

(b) Terms/rights attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company

Out of equity shares issued by the Company, shares held by its holding company and their associates & subsidiaries are as below:

	As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
Adani Green Technology Limited (Previously known as Sami Solar (Gujarat) Private Limited), the holding company (w.e.f. March 28, 2017)	190.00	190.00
19,00,000 equity shares of ₹ 10 each fully paid		
Mundra Solar Limited, subsidiary of holding company	125.00	125.00
12,50,000 equity shares of ₹ 10 each fully paid		
Mundra Solar PV Limited, subsidiary of holding company	125.00	125.00
12,50,000 equity shares of ₹ 10 each fully paid		

(d) Details of shareholder holding more than 5% shares in the Company

	As at March 31, 2018		As at March 31, 2017	
	No in Lacs	%	No in Lacs	%
Equity shares of ₹ 10 each fully paid				
Adani Ports and Special Economic Zone Limited and its nominee	5.50	11.04%	5.50	11.04%
Adani Green Technology Limited (Previously known as Sami Solar (Gujarat) Private Limited	19.00	38.15%	19.00	38.15%
Mundra Solar Limited	12.50	25.10%	12.50	25.10%
Mundra Solar PV Limited	12.50	25.10%	12.50	25.10%

11 Other equity
Retained earnings

Opening Balance
Add : (Loss) for the year

Other comprehensive income

Remeasurement of defined benefit plan (net of tax)
Closing balance

As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
(5,221.74)	(71.04)
(10,399.13)	(5,152.07)
0.15	1.37
(15,620.72)	(5,221.74)



Mundra Solar Technopark Private Limited
Notes to Financials statements for the year ended March 31, 2018

12 Borrowings

Long term borrowings

Non-current

Indian rupee loan from bank (refer note a) (Secured)	3,000.00	10,000.00
Less: Current maturities of long term loan (reclassified to other current financial liabilities (refer note 13))		
Indian rupee loan from bank	3,000.00	7,000.00
	-	3,000.00

Short term borrowings

Suppliers bills accepted under letter of credit (refer note c) (Secured)	27,888.99	25,174.91
Indian rupee loan from bank (refer note b) (Secured)	10,000.00	10,000.00
Loan from financial institution (refer note e) (Secured)	14,000.00	-
Inter corporate deposit (refer note d) (Unsecured)	61,876.56	16,724.27
	1,13,765.55	51,899.18

Total borrowings includes

Secured borrowings	54,888.99	45,174.91
Unsecured borrowings	61,876.56	16,724.27
Total borrowings	1,16,765.55	61,899.18

Notes:

(a) Rupee Term Loan from bank of ₹ 3,000.00 lacs (previous year ₹ 10,000.00) carries interest rate of 8.85% p.a. This is repayable in three structured monthly installments starting from February 28, 2018. The loan is secured by first hypothecation charge on Company's receivable from units being setup in Electronic Manufacturing Cluster towards one time amount to be received from lease of land and related infrastructure (with cover of 1.25 x).

(b) Short Term Loan from bank of ₹ 10,000.00 lacs carries interest rate of 1 year MCLR. The outstanding loan balance as on March 31, 2018 will be repayable on maturity March 28, 2019. The loan is secured by exclusive charge on entire current assets and property, plant and equipment of the company.

(c) Bill accepted under Inland LC from bank of ₹ 27,888.99 lacs carries interest rate of 7.60% p.a. Out of total outstanding loan balance ₹ 25,174.91 lacs will be repayable on maturity February 21, 2019 and ₹ 2,714.09 lacs will be repayable on maturity September 12, 2018. The loan is secured by exclusive charge on entire current assets and property, plant and equipment of the company.

(d) Inter corporate deposit of ₹ 38,301.51 lacs (Previous year ₹ 16,724.27) is received from Adani Enterprises Ltd., the Ultimate holding company, at the interest rate of 10.00% p.a. The outstanding loan balance as on March 31, 2018 will be repayable at maturity on May 31, 2018.

Inter corporate deposit of ₹ 23,575.05 lacs is received from Adani Infra (India) Limited at the interest rate of 11.85% p.a. The outstanding loan balance as on March 31, 2018 will be repayable at maturity on February 22, 2019.

(e) Loan from Financial Institution of ₹ 14,000.00 lacs carries interest rate of 10.25% p.a. The outstanding loan balance as on March 31, 2018 will be repayable on Maturity February 16, 2019. The loan is secured by subservient floating charge on all the project assets (fixed and current asset including loans and advances).

13 Other financial liabilities

Non-current

Obligations under lease land	35,888.91	34,855.75
	35,888.91	34,855.75

Current

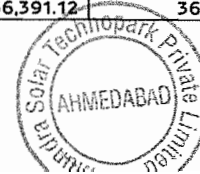
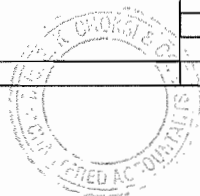
Current maturities of long term borrowings (refer note 12)	3,000.00	7,000.00
Interest accrued but not due on borrowings	272.29	101.65
Deposits from customers	107.14	107.14
Capital creditors, retention money and other payable	6,315.55	23,674.56
Obligations under lease land	479.80	1,535.37
	10,174.78	32,418.72

Notes:

a) Assets taken under finance leases –

The Company has entered into long term land lease agreement for land measuring 640.89 acres (Previous year : 640.89 acres) at multi product special economic zone at Mundra with Adani Ports and Special Economic Zone Limited for development of EMC project, whereby part of the land measuring 359.87 acres is leased / proposed to be subleased to the units at EMC. The annual lease rent is subject to revision every three years on April 01 by 20% escalation of the previous amount. The lease rent terms are for the period of 30 years. There is no contingent rent and no restrictions imposed by the lease arrangements. The Company has taken land on finance leases with lease terms of 30 years. The Company has paid ₹ 519.39 lacs (Previous year : ₹ 1382.06 lacs) during the year towards minimum lease payment (MLP). Future minimum rentals payable under finance leases as at 31 March are as follows:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	519.39	479.80	1,662.03	1,535.37
After one year but not later than five years	8,775.54	6,627.44	8,376.66	6,336.95
More than five years	1,17,987.09	29,261.47	1,20,380.42	28,518.80
Total minimum lease payables	1,27,282.02	36,368.71	1,30,419.11	36,391.12
Less: Amounts representing finance charges	(90,913.31)	-	(94,027.99)	-
Present value of minimum lease Payables	36,368.71	36,368.71	36,391.12	36,391.12



Mundra Solar Technopark Private Limited
Notes to Financials statements for the year ended March 31, 2018
14 Provisions
Non-current

Provision for gratuity(refer note 29)
Provision for compensated absences

Current

Provision for gratuity (refer note 29)
Provision for compensated absences

As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
4.61	11.01
3.02	5.89
7.63	16.90
0.41	0.18
0.92	1.62
1.33	1.80

15 Other liabilities
Non-current

Unearned Income under land lease/ Infrastructure usage agreements
Deferred Income - Government grant (refer note 18)

Current

Statutory liability
Deferred Income - Government grant (refer note 18)
Current maturities of unearned income under land lease/ Infrastructure usage agreements
Advance from customers

As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
15,924.37	16,529.38
13,913.26	5,924.87
29,837.63	22,454.25
48.72	241.57
875.64	328.13
605.02	605.02
28.65	28.65
1,558.03	1,203.37

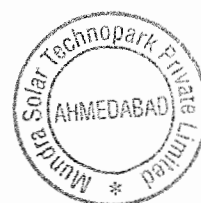
16 Trade payables

Trade payables

As at March 31, 2018 ₹ in Lacs	As at March 31, 2017 ₹ in Lacs
7,621.47	6,959.22
7,621.47	6,959.22



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Mundra Solar Technopark Private Limited
Notes to Financials statements for the year ended March 31, 2018

17 Revenue from operations

Land and warehouse lease income
Interest on assets given under finance lease
Operating and maintenance income
Deferred infrastructure income

For the year ended March 31, 2018	For the year ended March 31, 2017
₹ in Lacs	₹ in Lacs
189.53	69.77
663.68	641.28
66.93	67.00
605.02	227.92
1,525.16	1,005.97

Note:

a) Asset given under finance lease

The company has given land on finance lease to various parties. All leases include a clause to enable upward revision of the rental charge every three years by 20%. These leases have terms of up to 30 years. The lease agreements entered are non-cancellable. The company has also received one-time income of upfront premium of ₹ 3,000 per Sq. mtr for use of common infrastructure and ₹ 2,000 per Sq. mtr towards land from the customers.

Future minimum lease receivables under finance leases together with the present value of the net minimum lease payments receivable ("MLPR") are as follows:

Particulars	As at March 31, 2018		As at March 31, 2017	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
Within one year	439.80	406.28	366.50	338.57
After one year but not later than five years	1,935.13	1,461.45	1,847.17	1,397.39
More than five years	26,215.47	6,474.04	26,743.23	6,308.64
Total minimum lease receivables	28,590.40	8,341.77	28,956.90	8,044.60
Less: Amounts representing finance charges	(20,248.63)	-	(20,912.30)	-
Present value of minimum lease receivables	8,341.77	8,341.77	8,044.60	8,044.60

b) Assets given under operating lease

The Company has given warehouse on operating lease for period of 30 year ending on 17th July 2045.

The total future minimum lease rentals receivable at the Balance Sheet date is as under:

For a period not later than one year
For a period later than one year and not later than five years
For a period later than five years

For the year ended March 31, 2018	For the year ended March 31, 2017
₹ in Lacs	₹ in Lacs
188.85	188.85
951.79	868.70
12,511.72	12,783.66
13,652.36	13,841.21

18 Other Income

Interest income from

Bank deposits
Customers and others
Refund of income tax
Profit on sale of mutual fund
Reversal of cost of sub lease land
Government grant income (refer note (a) below)
Total Other income

For the year ended March 31, 2018	For the year ended March 31, 2017
₹ in Lacs	₹ in Lacs
2.82	-
772.45	-
-	0.84
203.29	0.04
262.70	-
934.76	60.77
2,176.02	61.65

Note (a) : Movement of government grant during the year :

At 1st April

Received during the year
Released to the statement of profit and loss
At 31 March (refer note 15)

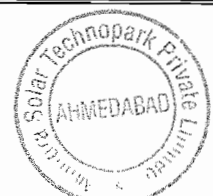
Current
Non-current

March 31, 2018	March 31, 2017
₹ in Lacs	₹ in Lacs
6,253.00	-
9,470.66	6,313.77
(934.76)	(60.77)
14,788.90	6,253.00
875.64	328.13
13,913.26	5,924.87
14,788.90	6,253.00

19 Operating expenses

Cost of sub lease land
Store & spares consumed (net of reimbursement)

For the year ended March 31, 2018	For the year ended March 31, 2017
₹ in Lacs	₹ in Lacs
-	5.68
1.20	-
1.20	5.68



Mundra Solar Technopark Private Limited
Notes to Financials statements for the year ended March 31, 2018

20 Employee benefit expense

Salaries and wages
Contribution to provident and other funds
Gratuity (refer note 29)
Staff welfare expenses

For the year ended March 31, 2018	For the year ended March 31, 2017
₹ in Lacs	₹ in Lacs
130.56	51.79
6.80	2.68
2.31	2.11
1.24	12.93
140.91	69.51

21 Finance costs

Interest on
Fixed loans, buyer's credit, short term etc.
Interest on asset taken under finance lease
Bank and other finance charges
Others

For the year ended March 31, 2018	For the year ended March 31, 2017
₹ in Lacs	₹ in Lacs
7,259.74	3,048.47
2,706.58	1,723.51
688.85	76.72
0.96	-
10,656.13	4,848.70

22 Other expenses

Maintenance charges
Power & fuel
Rates and taxes
Insurance (net of reimbursement)
Other repairs and maintenance (net of reimbursement)
Legal and professional expenses
Payment to auditors (refer note (a) below)
Communication expenses
Travelling and conveyance
Directors sitting fee
Miscellaneous expenses

For the year ended March 31, 2018	For the year ended March 31, 2017
₹ in Lacs	₹ in Lacs
155.82	248.64
7.13	133.08
0.23	1.96
-	0.03
-	0.58
8.95	3.82
5.00	5.00
-	1.03
0.75	6.75
1.86	0.78
-	4.98
179.74	406.65

Note: (a)

Payment to auditor

As auditor:
Audit fee

For the year ended March 31, 2018	For the year ended March 31, 2017
₹ in Lacs	₹ in Lacs
5.00	5.00
5.00	5.00

23 Income tax

The major component of income tax expenses for the year ended March 31, 2018 and March 31, 2017 are as under

a) Profit and loss section

Current income tax:
Adjustment in respect of current income tax of previous years
Deferred tax:
Relating to origination and reversal of temporary differences

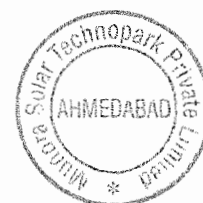
Tax expense reported in the Statement of profit and loss

For the year ended March 31, 2018	For the year ended March 31, 2017
₹ in Lacs	₹ in Lacs
0.26	-
-	-
0.26	-

b) Balance sheet section

Advance tax (Net of provision)

March 31, 2018	March 31, 2017
₹ in Lacs	₹ in Lacs
184.39	45.41
184.39	45.41



Mundra Solar Technopark Private Limited
Notes to Financials statements for the year ended March 31, 2018

c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017

	March 31, 2018		March 31, 2017	
	%	₹ in Lacs	%	₹ in Lacs
Accounting profit/(loss) before taxation		(10,399.13)		(5,152.07)
Tax using the Company's domestic rate	30.90%	(3,213.33)	34.61%	(1,783.03)
Tax effect of :				
Deduction under chapter VI-A	-	-	15.31%	(788.82)
Deferred tax asset not recognised based on probability	-30.90%	3,213.33	-49.92%	2,571.85
Effective tax rate	0.00%	-	0.00%	-
Income tax expenses charged to profit and loss		-		-

d) Deferred tax liability (net)

	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2018	March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
	₹ In Lacs	₹ In Lacs	₹ In Lacs	₹ In Lacs
Deferred tax liabilities:				
Present value of lease receivable	2,168.86	2,782.75	(613.89)	94.97
Book V/s tax WDV impact	2,845.32	311.76	2,533.56	303.54
Book V/s tax inventory impact	3,798.04	-	3,798.04	-
	8,812.22	3,094.51	5,717.71	398.51
Deferred tax assets:				
Present value of future lease rent payable	9,455.87	7,207.04	2,248.83	1,542.68
Asset on upfront infrastructure income being taxed on receipts	3,196.51	4,254.80	(1,058.29)	1,915.92
Unamortised government grant	2,315.71	-	2,315.71	-
	14,968.09	11,461.84	3,506.25	3,458.60
	8,812.22	3,094.51	5,717.71	398.51
DTA recognised to the extent of DTL	-	-	-	-

Deferred tax assets aggregating ₹ 6,155.86 lacs (March 31, 2017 ₹ 8,367.34 lacs) has not been recognised in respect of deferred income offered for income tax based on the probability of its set off against future taxable income and there are no other tax planning opportunities or other evidence of recoverability in the near future. Accordingly deferred tax asset is recognised up to the extent of deferred tax liability of ₹ 8,812.22 lacs (March 31, 2017 ₹ 3,094.51 lacs).

24 Financial instruments, financial risk and capital management

24.1 Category-wise classification of financial instruments:

Particulars	Refer note	As at March 31, 2018			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
Financial asset					
Trade receivables	7	-	-	6,976.18	6,976.18
Cash and cash equivalents	8	-	-	1,141.48	1,141.48
Loans	9	-	-	40,301.23	40,301.23
Others financial assets	4	-	-	8,895.51	8,895.51
Total		-	-	57,314.40	57,314.40
Financial liabilities					
Borrowings	12,13	-	-	1,16,765.55	1,16,765.55
Trade payables	16	-	-	7,621.47	7,621.47
Other financial liabilities	13	-	-	43,063.69	43,063.69
Total		-	-	1,67,450.71	1,67,450.71

Particulars	Refer note	As at March 31, 2017			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
Financial asset					
Trade receivables	7	-	-	6,013.12	6,013.12
Cash and cash equivalents	8	-	-	159.32	159.32
Others financial assets	4	-	-	12,513.33	12,513.33
Total		-	-	18,685.77	18,685.77
Financial liabilities					
Borrowings	12,13	-	-	61,899.18	61,899.18
Trade payables	16	-	-	6,959.22	6,959.22
Other financial liabilities	13	-	-	60,274.47	60,274.47
Total		-	-	1,29,132.87	1,29,132.87

24.2 Financial Instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.



24.3 Financial risk objective and policies

The Company's principal financial liabilities, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include loans, security and other deposits trade and lease receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Company is mainly exposed to interest rate risk, credit risk and liquidity risk.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The Company's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

(i) Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and period of borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit/(loss) before tax for the year ended 31st March, 2018 would decrease / increase by ₹ 65.00 Lacs (for the year ended 31st March, 2017: ₹ 100.00 Lacs). This is mainly attributable to interest rates on variable rate long term borrowings and short term borrowings.

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets), including deposits with banks and other financial instruments.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy.

(iii) Concentrations of Credit Risk form part of Credit Risk

Considering that the Company provides land on lease and related infrastructure facilities to various companies to develop Electronics Manufacturing Clusters at Mundra, the Company is significantly dependent on few customers. A loss of any of these customers could adversely affect the operating result or cash flow of the Company.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below analysis derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

								₹ In Lacs
Contractual maturities of financial liabilities as at March 31, 2018	Refer Note	On demand	within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years	Over 5 year	Total	
Borrowings	12,13	-	1,16,765.55	-	-	-	1,16,765.55	
Other financial liabilities	13	-	7,174.78	3,274.33	3,353.11	29,261.47	43,063.69	
Trade and other payables	16	-	7,621.47	-	-	-	7,621.47	
Total		-	1,31,561.80	3,274.33	3,353.11	29,261.47	1,67,450.71	

								₹ In Lacs
Contractual maturities of financial liabilities as at March 31, 2017		On demand	within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years	Over 5 year	Total	
Borrowings	12,13	-	58,899.18	3,000.00	-	-	61,899.18	
Other financial liabilities	13	-	25,418.72	3,274.33	3,062.62	28,518.80	60,274.47	
Trade and other payables	16	-	6,959.22	-	-	-	6,959.22	
Total		-	91,277.12	6,274.33	3,062.62	28,518.80	1,29,132.87	



Mundra Solar Technopark Private Limited
Notes to Financials statements for the year ended March 31, 2018

24.4 Capital management

For the purposes of the company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the company's capital management is to maximize shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is net debt (total debt less cash and cash equivalents) divided by total capital plus net debt.

Particulars	Refer note	March 31, 2018	March 31, 2017
Total Borrowings	12	1,16,765.55	61,899.18
Less: Cash and bank balance	8	1,141.48	159.32
Net Debt (A)		1,15,624.07	61,739.86
Total Equity (B)	10,11	(15,122.72)	(4,723.74)
Total Equity and net debt (C = A + B)		1,00,501.35	57,016.12
Gearing ratio		115.05%	108.28%

25 Earnings per share

Profit/(Loss) attributable to equity shareholders of the Company

Weighted average number of equity shares

Basic and Diluted earning per share (in ₹)

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Profit/(Loss) attributable to equity shareholders of the Company	(10,399.13)	(5,152.07)
Weighted average number of equity shares	49.80	49.53
Basic and Diluted earning per share (in ₹)	(208.82)	(104.03)

26 Capital commitments & other commitment

Capital commitments

Particulars	As at March 31, 2018	₹ in Lacs As at March 31, 2017
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	23,393.31	26,336.26

27 Contingent liabilities not provided for

Based on the information available with the Company, there is no contingent liability as at March 31, 2018 (as at March 31, 2017 NIL).

28 Segment information

The Company is primarily engaged in one business segment, namely developing Electronic Manufacturing Cluster as determined by chief operational decision maker, in accordance with Ind AS - 108 "Segment Reporting"

Considering the inter relationship of various activities of the business, the chief operational decision maker monitors the operating results of its business segment on overall basis. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

29 Disclosures as required by Ind AS - 19 Employee Benefits

The company has a defined gratuity plan which is unfunded. Under the plan every employee who has completed at least five year of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summaries the component of the net benefits expense recognised in the statement of profit and loss account and amounts recognised in the balance sheet for the respective plan.

Gratuity

a) Changes in present value of the defined benefit obligation are as follows:

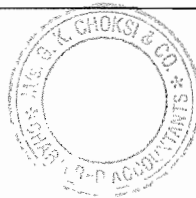
Particulars	March 31, 2018	₹ in Lacs March 31, 2017
Present value of the defined benefit obligation at the beginning of the year	11.19	8.94
Current service cost	1.46	2.58
Past Service Cost	-	-
Interest cost	0.85	0.71
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	(0.72)	-
- change in financial assumptions	0.78	(1.87)
- experience variance	(0.21)	0.50
Benefits paid	(8.04)	-
Acquisition Adjustment	(0.29)	0.33
Present value of the defined benefit obligation at the end of the year	5.02	11.19

b) Net asset/(liability) recognised in the balance sheet

Contribution to	March 31, 2018	₹ in Lacs March 31, 2017
Present value of the defined benefit obligation at the end of the year	5.02	11.19
Amount recognised in the balance sheet	(5.02)	(11.19)
Net (liability)/asset - Current	(0.41)	(0.18)
Net (liability)/asset - Non-current	(4.61)	(11.01)

c) Expense recognised in the statement of profit and loss for the year

Particulars	For the year ended March 31, 2018	₹ in Lacs For the year ended March 31, 2017
Current service cost	1.46	2.58
Interest cost on benefit obligation	0.85	0.71
Total Expense	2.31	3.29
Less: Capitalised	-	(1.18)
Net Expense included in employee benefits expense	2.31	2.11



d) Recognised in the other comprehensive income for the year

Particulars	₹ in Lacs	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Actuarial (gain)/losses arising from		
- change in demographic assumptions	(0.72)	-
- change in financial assumptions	0.78	(1.87)
- experience variance	(0.21)	0.50
Recognised in comprehensive income	(0.15)	(1.37)

e) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2018	March 31, 2017
Weighted average duration (based on discounted cashflows)	8 years	9 years

Expected Cash flows over the next (Value on undiscounted basis)	₹ in Lacs	
	March 31, 2018	March 31, 2017
1 year	0.41	0.18
2 to 5 years	2.19	11.33
6 to 10 years	2.85	1.29
More than 10 years	5.11	15.75

f) Quantitative sensitivity analysis for significant assumption is as below

Increase/(decrease) on present value of defined benefits obligation at the end of the year

Particulars	March 31, 2018		March 31, 2017	
Assumptions	Discount rate			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(0.35)	0.41	(0.88)	1.04

Particulars	March 31, 2018		March 31, 2017	
Assumptions	Salary Growth rate			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	0.40	(0.35)	1.04	(0.89)

Particulars	March 31, 2018		March 31, 2017	
Assumptions	Attrition rate			
Sensitivity level	50% Increase of attrition rate	50% Decrease of attrition rate	50% Increase of attrition rate	50% Decrease of attrition rate
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(0.29)	0.35	(0.12)	0.13

Particulars	March 31, 2018		March 31, 2017	
Assumptions	Mortality rate			
Sensitivity level	10% Increase of mortality rates	10% Decrease od mortality rates	10% Increase of mortality rates	10% Decrease od mortality rates
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	0.01	0.01	*	*

* Figures being nullified on conversion to ₹ in lacs.

Sensitivity Analysis Method

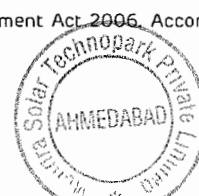
The sensitivity analysis have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

g) The principle assumptions used in determining gratuity obligations are as follows:

Particulars	₹ in Lacs	
	March 31, 2018	March 31, 2017
Discount rate	7.80%	7.60%
Rate of escalation in salary (per annum)	8.00%	7.00%
Mortality	As per table of sample mortality from India Assured Lives Mortality (2006-08)	As per table of sample mortality from India Assured Lives Mortality (2006-08)
Attrition rate	12% for 4 years & below and 12% thereafter	10% for 4 years & below and 1% thereafter

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

30 As per the company there are no supplier being covered under the Micro, Small and Medium Enterprises Development Act 2006. Accordingly no information is required to be reported in the financial statements.



Mundra Solar Technopark Private Limited

Notes to Financial statements for the year ended March 31, 2018

31 Standard issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs ("MCA") has issued certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2018. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

1. Ind AS 115-Revenue from contract with customers
2. Ind AS 21-The effect of changes in foreign exchanges rates
3. Ind AS 40-Investment property
4. Ind AS 12-Income taxes
5. Ind AS 28-Investment in associates and joint ventures
6. Ind AS 112-Disclosure of interest in other entities

These amendments are effective for annual periods beginning on or after April 01, 2018. Application of these amendments will not have any recognition and measurement impact. However, it will require additional disclosure in the financial statements.

These amendments does not have material impact on Company's financial statements. The Company will adopt these amendments, if applicable, from their applicability date.

32 Related Parties transactions

Particulars	Name of Company
Ultimate Holding Company	Adani Enterprise Limited
Holding Company	Adani Green Energy Limited [w.e.f. September 3, 2015 to March 27,2017]
	Adani Green Technology Limited [previously known as Sami Solar (Gujarat) Private Limited]
Fellow Subsidiary	Mundra Solar Limited
	Mundra Solar PV Limited
	Adani Infra (India) Limited
Entities where management of holding Company has significant influence	Adani Ports and Special Economic Zone Limited
	Adani Power Dahej Limited
	Adani Power Limited
	Adani Power Rajasthan Limited
	Adani Renewable Energy Park Rajasthan Limited
	Adani Hospitals Mundra Private Limited
Key managerial personnel	MPSEZ Utilities Private Limited
	Mr. Amit Uplenchwar (Chief Executive Officer and Director) up to January 12, 2018
	Mr. Rakshit Bhavik Shah (Chief Executive Officer and Director) from January 12, 2018

Terms and conditions of transactions with related parties

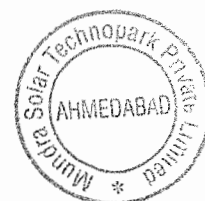
Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes:

(i) The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

(ii) Aggregate of transactions for the year ended with these parties have been given below.

Transactions	Name of Related Party	₹ in Lacs	
		March 31, 2018	March 31, 2017
Land lease income	Mundra Solar PV Limited	139.62	139.62
	Mundra Solar Limited	214.17	214.17
Maintenance income	Mundra Solar PV Limited	25.50	25.50
	Mundra Solar Limited	39.11	39.11
Rendering of services (including reimbursement of expenses)	Mundra Solar PV Limited	668.29	62.94
	Mundra Solar Limited	237.45	-
One time usage charges	Mundra Solar PV Limited	-	7,801.38
	Adani Ports and Special Economic Zone Limited	1.42	2,192.85
Interest expenses	Adani Enterprises Limited	1,724.71	1,940.55
	Adani Renewable Energy Park Rajasthan Limited	9.64	-
	Adani Infra (India) Limited	392.90	-
	Adani Ports and Special Economic Zone Limited	675.20	1,641.22
Lease rent and maintenance expense	MPSEZ Utilities Private Limited	276.12	195.83
	Adani Power Dahej Limited	-	0.79
Purchase of goods	Adani Power Rajasthan Limited	4.30	-
	Adani Power Limited	0.75	130.44



Mundra Solar Technopark Private Limited
Notes to Financial statements for the year ended March 31, 2018

Services availed (including reimbursement of expenses)	Adani Ports and Special Economic Zone Limited	41.61	-
	Adani Hospitals Mundra Private Limited	55.52	11.75
	MPSEZ Utilities Private Limited	-	9.81
	Adani Power Limited	0.65	48.60
Land lease premium paid	Adani Ports and Special Economic Zone Limited	-	10,498.78
Loan taken	Adani Ports and Special Economic Zone Limited	327.00	15,549.22
	Adani Renewable Energy Park Rajasthan Limited	5,500.00	6,500.00
	Adani Infra (India) Limited	39,750.04	-
	Adani Enterprises Limited	55,227.24	42,146.50
Loan repayment	Adani Ports and Special Economic Zone Limited	327.00	47,946.72
	Adani Renewable Energy Park Rajasthan Limited	5,500.00	6,500.00
	Adani Infra (India) Limited	16,175.00	-
	Adani Enterprises Limited	33,650.00	25,422.23

₹ in Lacs

Closing balance	Name of related party	As at March 31, 2018	As at March 31, 2017
Capital creditor and other payables	Adani Ports and Special Economic Zone Limited	5,449.82	5,449.82
Trade payable(including Provision)	Adani Ports and Special Economic Zone Limited	7,489.42	6,987.36
	Adani Hospitals Mundra Private Limited	5.33	10.57
	Adani Power Limited	0.75	74.52
	Adani Power Rajasthan Limited	4.30	-
	Adani Power Dahej Limited	-	0.79
Other current assets	Mundra Solar PV Limited	78.98	-
	Mundra Solar Limited	93.24	-
Borrowings	Adani Enterprises Limited	38,301.51	16,724.27
	Adani Infra (India) Limited	23,575.04	-
Deposit given	Adani Ports and Special Economic Zone Limited	482.56	482.56
Loans and advances	MPSEZ Utilities Private Limited	77.35	16.80
Interest payable on inter corporate deposit	Adani Renewable Energy Park Rajasthan Limited	8.67	-
Customer advance	Mundra Solar PV Limited	28.63	28.63
Trade receivable	Mundra Solar PV Limited	932.78	382.61
	Mundra Solar Limited	6,002.84	5,630.43

33 Event occurred after the Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 04, 2018, there were no subsequent events to be recognised or reported that are not already disclosed.

34 Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2015 (as amended)

Particulars of liabilities arising from financing activity	Note No.	As at March 31, 2017	Net cash flows	Non Cash Changes		As at March 31, 2018
				Effect due to changes in foreign exchange rates	Others	
Borrowings	12,13	61,899.18	54,481.33	-	385.04	1,16,765.55
Total		61,899.18	54,481.33	-	385.04	1,16,765.55

35 Previous year figures are regrouped wherever necessary.

The accompanying notes form an integral part of financials statements
As per our report of even date

For G. K. CHOKSI & CO.
ICAI Firm Registration No.: 101895W
Chartered Accountants

Sandip A Parikh
Partner
Membership No. 40727

Place: Ahmedabad
Date: May 04, 2018



For and on behalf of Board of Directors of
Mundra Solar Technopark Private Limited

Rakshit Shah
Director and Chief Executive Officer
DIN: 00103501

Place: Ahmedabad
Date: May 04, 2018

Rakesh Kumar Tiwary
Director
DIN: 06895533

