

DHARMESH PARIKH & CO.
CHARTERED ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

To
The Members of Adani Power Dahej Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Adani Power Dahej Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements read with the Matter of Emphasis paragraph given below 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 31 March 2015 and its losses and its cash flows for the year ended on that date.

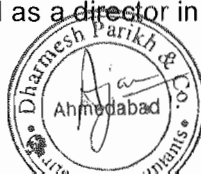
Matter of Emphasis

1. We draw attention to Note No. 14 of the Financial Statements wherein the company had given advances to a collaborator company for purchase of land. Due to cancellation of the deal, recovery of an amount of Rs. 9,40,55,700/- is due for which the matter is under litigation against which the company is in receipt of favourable order dated 7th November 2014 from Ahmedabad City Civil Court. However the collaborator company has filed a restoration application against the said order. We have relied upon the Company's Representation that the dues are fully recoverable and hence no provision is considered necessary.
2. We draw attention to Note No. 24 of the Financial Statements which indicates that the Company has accumulated losses and its net worth has been fully eroded, the company has incurred net cash loss during the current as well as previous financial year and the company also has a negative net current assets position. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the accompanying financial statements have been prepared under the going concern assumption considering the continuing financial support from the parent company.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) The going concern matter described in sub-paragraph (2) read with litigation matter stated in sub-paragraph (1) of the Emphasis of matter paragraph above, in our opinion, may have an adverse impact on the functioning of the company.
 - f) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and



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- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21 to the financial statements;
 - the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Ahmedabad
Date : 12th May 2015



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

A handwritten signature in black ink, appearing to read "Anuj Jain".

ANUJ JAIN
Partner
Membership No. 119140

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ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT
RE: ADANI POWER DAHEJ LIMITED

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

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business.
- (ii) The Company is in the project development stage and has not carried out any commercial activities during the year ended on 31st March, 2015 and hence it does not carry any Inventory as defined under Accounting Standard 2 – Valuation of inventories. Accordingly the provisions of paragraph 3 (ii) of the Order are not applicable.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans to any, body corporate or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the Act). Accordingly the provisions of paragraph 3 (iii) (a) & (iii) (b) of the Order are not applicable.
- (iv) There has been neither any purchase of inventory nor any sale of goods & services by the company. However, according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act. However since the Company is under project implementation stage, the question of maintenance of cost records does not arise.
- (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, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, entry tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities generally. As explained to us, the Company did not have any dues on account of duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of all material statutory dues as mentioned above were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material statutory dues as mentioned above which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes:

Name of Statute	Nature of the dues	Forum where dispute is pending	Amount (*) (INR)	Amount paid under protest (INR)	Period to which the amount relates
Income Tax Act	Income Tax	Appellate Authority upto Commissioner's level	5,97,140	5,97,140	FY 2010-11

(*) Excluding Interest and Penalty where the notice does not specify the same.



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- (c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- (viii) The Company's has accumulated losses at the end of the year and its Net Worth has been fully eroded. The company had incurred cash losses during the current as well as immediately preceding financial year.
- (ix) The Company did not have any outstanding dues to any financial institution, banks or debentures holders during the year. Accordingly the provisions of paragraph 3 (ix) of the Order are not applicable.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information & explanations given to us, the Company has not taken any term loan during the year covered by our audit report. Accordingly the provisions of paragraph 3(xi) of the Order are not applicable.
- (xii) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.

Place : Ahmedabad
Date : 12th May 2015



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

A handwritten signature in black ink, appearing to read "Anuj Jain".

ANUJ JAIN
Partner
Membership No. 119140

Balance Sheet as at 31st March 2015

	Notes	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
EQUITY & LIABILITIES			
Shareholders' Funds:			
Share Capital	3	5,00,000	5,00,000
Reserves and Surplus	4	(93,77,35,311)	(36,91,02,491)
		(93,72,35,311)	(36,86,02,491)
Non-current Liabilities:			
Long-term Borrowings		-	-
Deferred Tax Liabilities (Net)	5	-	-
Long-term Provisions	6	32,72,909	11,83,876
		32,72,909	11,83,876
Current Liabilities:			
Short-term Borrowings	7	6,38,60,11,656	6,61,25,52,683
Trade Payables	8	30,708	69,140
Other Current Liabilities	9	31,00,25,420	28,82,85,892
Short-term Provisions	10	13,84,938	4,20,341
		6,69,74,52,722	6,90,13,28,056
TOTAL		5,76,34,90,320	6,53,39,09,441
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	11	2,36,87,80,299	3,23,02,39,921
Capital Work-In-Progress	12	3,22,87,46,476	3,15,65,93,270
Non-current Investments	13	30,000	30,000
Long-term Loans and Advances	14	13,75,95,180	13,86,94,373
Other Non-current Assets		-	-
		5,73,51,51,955	6,52,55,57,564
Current assets			
Current Investments		-	-
Cash and Cash Equivalents	15	6,31,034	77,35,109
Short-term Loans and Advances	16	17,10,131	6,16,768
Other Current Assets	17	2,59,97,200	-
		2,83,38,365	83,51,877
TOTAL		5,76,34,90,320	6,53,39,09,441

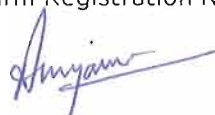
Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

AS PER OUR ATTACHED REPORT OF EVEN DATE**For DHARMESH PARIKH & CO.**

Chartered Accountants

Firm Registration No. 112054W


ANUJ JAIN

Partner

Mem. No. 119140

**For ADANI POWER DAHEJ LIMITED****K. S. NAGENDRA**

Director

DIN No. 06859146


VINOD BHANDAWAT

Director

DIN No. 02873571


Place : Ahmedabad**Date : 12th May 2015****Place : Ahmedabad****Date : 12th May 2015**

Statement of Profit & Loss for the year ended 31st March 2015

	Notes	For the year ended 31st March 2015 (Amount in ₹)	For the year ended 31st March 2014 (Amount in ₹)
Revenue			
Revenue from Power Supply		-	-
Other Income	18	8,36,30,028	21,421
Total Revenue		8,36,30,028	21,421
Expenses			
Employee Benefit Expenses		-	-
Finance Costs	19	61,50,24,375	32,14,78,595
Depreciation and Amortisation		3,48,07,706	4,43,30,722
Other Expenses	20	64,642	57,775
Total Expenses		64,98,96,723	36,58,67,092
(Loss) Before Exceptional Items		(56,62,66,695)	(36,58,45,671)
(Loss) Before Extra Ordinary Items and Tax		(56,62,66,695)	(36,58,45,671)
(Loss) Before Tax		(56,62,66,695)	(36,58,45,671)
Tax Expense			
Current Tax		11,17,193	-
Deferred Tax		-	-
(Loss) After Tax		(56,73,83,888)	(36,58,45,671)
Earning Per Share (EPS) (Face Value ₹10 Per Share)			
Basic and Diluted EPS (₹)		(11,347.68)	(7,316.91)

Summary of significant accounting policies

2

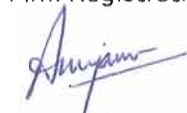
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AS PER OUR ATTACHED REPORT OF EVEN DATE

For DHARMESH PARIKH & CO.

Chartered Accountants

Firm Registration No. 112054W



ANUJ JAIN

Partner

Mem. No. 119140



For ADANI POWER DAHEJ LIMITED



K. S. NAGENDRA

Director

DIN No. 06859146



VINOD BHANDAWAT

Director

DIN No. 02873571

Place : Ahmedabad

Date : 12th May 2015

Place : Ahmedabad

Date : 12th May 2015

Cash flow statement for the year ended 31st March 2015

	For the year ended 31st March 2015 (Amount in ₹)	For the year ended 31st March 2014 (Amount in ₹)
A. Cash flow from operating activities		
Net Profit before tax	(56,62,66,695)	(36,58,45,671)
Adjustments for :		
Depreciation and amortisation	3,48,07,706	4,43,30,722
Finance Costs	61,50,24,375	32,14,78,595
Profit or loss on sale of Mutual fund	(90,210)	-
Profit on sale of Fixed assets	(8,31,01,742)	-
Interest on Income tax refund	(4,38,076)	-
Operating Profit before Working Capital changes	(64,642)	(36,354)
Changes in Working Capital :		
Increase / (Decrease) in Operating Liabilities		
Trade Payables	(38,432)	(2,677)
Cash generated from Operations	(1,03,074)	(39,031)
Taxes (paid)/refund	30,53,425	(41,903)
Net cash flow from / (used in) Operating Activities (A)	29,50,351	(80,934)
B. Cash flow from investing activities		
Addition in fixed asset and Capital work in progress	(28,34,02,240)	(77,08,82,778)
Sale of Fixed assets	1,11,97,53,760	-
Increase/ (decrease) in Long-term Provisions	20,89,033	5,33,778
Increase/ (decrease) in Other Current Liabilities	2,17,39,529	4,71,52,675
Increase/ (decrease) in Short-term Provisions	(1,52,596)	4,08,497
Purchase of Investments (Mutual Funds)	(3,85,50,000)	-
Sale of Investments (Mutual Funds)	3,86,40,211	-
Interest on Income tax refund	4,38,076	-
(Increase)/ decrease in Long-term Loans and Advances	10,99,193	53,24,291
(Increase)/ decrease in Short-term Loans and Advances	(41,46,788)	11,68,107
(Increase)/ decrease in Other Current Assets	(2,59,97,200)	-
Net cash flow from / (used in) Investing Activities (B)	83,15,10,978	(71,62,95,430)
C. Cash flow from financing activities		
Repayment of longterm borrowings		(4,20,45,10,194)
Proceeds from Short term borrowings	89,00,72,808	8,75,86,45,212
Repayment of Short term borrowings	(1,11,66,13,835)	(3,54,66,83,360)
Finance Cost	(61,50,24,375)	(32,14,78,595)
Net cash flow from / (used in) financing Activities (C)	(84,15,65,402)	68,59,73,063
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(71,04,075)	(3,04,03,301)
Cash and cash equivalents at the beginning of the year	77,35,109	3,81,38,410
Cash and cash equivalents at the end of the year	6,31,034	77,35,109
Net increase / (decrease) in cash and cash equivalent	(71,04,075)	(3,04,03,301)

Note: Cash and cash equivalents includes cash and bank balances

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

AS PER OUR ATTACHED REPORT OF EVEN DATE

For, DHARMESH PARIKH & CO.

Chartered Accountants

Firm Registration No. 112054W

ANUJ JAIN

Partner

Mem. No. 119140



For ADANI POWER DAHEJ LIMITED

K. S. NAGENDRA

Director

DIN No. 06859146

VINOD BHANDAWAT

Director

DIN No. 02873571

Place : Ahmedabad

Date : 12th May 2015

Place : Ahmedabad

Date : 12th May 2015

1 Corporate information

Adani Power Dahej Limited (the Company) is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956. The company plans to set up 2640 MW Power Plant based on Super Critical Technology at Dahej, Dist. Bharuch, Gujarat to augment the power supply in the State of Gujarat. The company is currently developing the basic infrastructure facilities.

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

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the 1956 Act / 2013 Act, as applicable. The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c. Current & Non- Current Classification

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

d. Cash and Cash Equivalents (For Purposes of Cash Flow Statement)

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

e. Cash Flow Statement

The Cash Flow Statement is prepared in accordance with the format given under Accounting Standard-3 prescribed under The Companies (Accounting Standards) Rules, 2006 (as amended). Cash flows are reported using indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

f. Depreciation

i) Pursuant to the enactment of the Companies Act, 2013 being effective from April, 1 2014, the management has internally reassessed and changed, wherever necessary the useful lives of assets to compute depreciation, to conform to the requirements of the Companies Act, 2013.

ii) Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/ disposal.

iv) Cost of Leasehold land will be amortized over a period of lease.

g. Revenue recognition

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

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

ii) Dividend income is recognised when the Company's right to receive dividend is established.

h. Tangible Assets

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



i. Capital Work in Progress:

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

j. Project Development Expenditure

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

k. Foreign exchange transactions**(i) Initial recognition:**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

(ii) Measurement of foreign currency monetary items at the Balance Sheet date:

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

(iii) Treatment of exchange differences:

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

The exchange differences arising on revaluation of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary items relates and depreciated over the remaining balance life of such assets and in other cases amortised over the balance period of such long-term foreign currency monetary items.

l. Employee Benefits**(I) Short Term Employees Benefits**

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

(II) Post Employees Benefits**(i) Defined Benefits Plans :**

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

(ii) Defined Contribution Plans :

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

(iii) Long term Employee Benefits :

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

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

m. Borrowing costs

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



n. Segment reporting

In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006 (as amended), the Company has determined its business segment as power generation. Since, there are no other business segments in which the Company operates; there are no other primary reportable segments. Further, since operations of the company are within limited geographical location, there are no other secondary (geographical) reportable segments. Therefore the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statement.

o. Related Party transactions

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

p. Leases

Assets acquired on leases where a significant portion of risks and rewards incidental to ownership vest with the lessor are classified as operating lease. The aggregate lease rentals payable are recognised as expenditure in the Statement of Profit and Loss as per the respective lease agreements

q. Earning Per Share

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

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

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

Current Tax represents the amount of Income Tax Payable in respect of the taxable income for the reporting period as determined in accordance with the provisions of the Income Tax Act, 1961.

ii) Deferred Tax

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

s. Impairment of Assets

The carrying values of assets / cash generating units are reviewed for impairment at each balance sheet date. If any indication of impairment exists, the recoverable amount is estimated. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

t. Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

u. Applicability of other Accounting Standards

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



3 Share Capital

	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
Authorised Share Capital 50,000,000 (P.Y. 50,000,000) Equity Shares of ₹ 10 each	50,00,00,000	50,00,00,000
	<u>50,00,00,000</u>	<u>50,00,00,000</u>
Issued, Subscribed and fully paid-up shares 50,000 (P.Y. 50,000) Fully Paid up Equity Shares of ₹ 10 each	5,00,000	5,00,000
	<u>5,00,000</u>	<u>5,00,000</u>

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

Equity Shares

	As at 31st March 2015		As at 31st March 2014	
	No. Shares	(Amount in ₹)	No. Shares	(Amount in ₹)
At the beginning of the period	50,000	5,00,000	50,000	5,00,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	<u>50,000</u>	<u>5,00,000</u>	<u>50,000</u>	<u>5,00,000</u>

b. Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 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 the 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 no. of equity shares held by the shareholders. The company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

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

	As at 31st March 2015		As at 31st March 2014	
	No. Shares	(Amount in ₹)	No. Shares	(Amount in ₹)
Adani Enterprises Limited, Holding Company (along with its nominees)	50,000	5,00,000	50,000	5,00,000
	<u>50,000</u>	<u>5,00,000</u>	<u>50,000</u>	<u>5,00,000</u>

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

	As at 31st March 2015		As at 31st March 2014	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of Rs. 10 each fully paid Adani Enterprises Limited, Holding Company (along with its nominees)	50,000	100%	50,000	100%
	<u>50,000</u>	<u>100%</u>	<u>50,000</u>	<u>100%</u>



4 Reserves and surplus

	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
Surplus / (deficit) in the statement of Profit and loss		
Balance as per last financial statements	(36,91,02,491)	(32,56,820)
Add-Profit / (Loss) for the year	(56,73,83,888)	(36,58,45,671)
Add- Adjustment in retained earning due to Schedule II	(12,48,932)	-
Net Surplus / (deficit) in the statement of Profit and loss	(93,77,35,311)	(36,91,02,491)
Total reserves and surplus	(93,77,35,311)	(36,91,02,491)

5 Deferred tax liability

	As at 31st March 2015 (₹ in Crores)	As at 31st March 2014 (₹ in Crores)
Deferred tax liability		
Timing difference between book and tax depreciation	-	-
Gross deferred tax liability	-	-
Deferred tax assets		
Unabsorbed depreciation and carry forward losses	28,83,77,197	10,92,82,931
Gross deferred tax assets	28,83,77,197	10,92,82,931
Net deferred tax liability	28,83,77,197	10,92,82,931

In accordance with the Accounting Standard 22, the net deferred tax assets of Rs. 288,377,197 (Previous Year Rs. 109,282,931) has not been recognised because there is no reasonable certainty as to when the assets can be realised.

6 Long term provisions

	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
Provision for employee benefits	32,72,909	11,83,876
	32,72,909	11,83,876

7 Short-term borrowings

	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
Unsecured borrowings		
From holding company	6,38,60,11,656	6,54,66,38,848
From related party	-	6,59,13,835
Total short-term borrowings	6,38,60,11,656	6,61,25,52,683



8 Trade Payables

	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
Trade payables (refer note 25)		
Micro, Small and Medium enterprises		
Others	30,708	69,140
	<u>30,708</u>	<u>69,140</u>

9 Other current liabilities

	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
Accrual for employees	4,32,465	3,84,523
Statutory liabilities	1,65,29,560	76,69,012
Retention Money	60,86,666	1,48,38,069
Capital creditors (refer note 25)	28,69,76,729	26,53,94,288
	<u>31,00,25,420</u>	<u>28,82,85,892</u>

10 Short-term Provisions

	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
Provision for employee benefits	2,67,746	4,20,341
Provision for taxation (net of advance tax)	11,17,192	-
	<u>13,84,938</u>	<u>4,20,341</u>





1) During the year, the estimated useful life and residual value of the fixed assets have been revised in accordance with Schedule II of the Companies Act, 2013, and other considerations, as applicable. Due to this change in estimated useful life and residual value of assets, the depreciation / amortisation charge of ₹ 12,48,931 (addition in adjustment in depreciation & amortisation during the year) has been recognised in the opening balance of retained earnings for assets where estimated remaining useful life was nil as at 1st April, 2014, and the depreciation charge for the period ended 31st March, 2015, has been increased by ₹ 11,17,135 (includes ₹ 2,076,334 transferred to Expenses during construction period) with corresponding impact on carrying value of tangible fixed assets.

2) Additions in Plant & machinery during the year include ₹ 1,28,50,435 capitalised on account of Borrowing Cost.

12 Capital work in progress

12.1 Capital work in progress

Capital work in progress (including Capital Inventory)

(A)

As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
1,06,11,11,116	1,06,93,36,771
1,06,11,11,116	1,06,93,36,771

12.2 Project development expenditure (refer note 23)

Salaries, wages and Allowances
Contribution to Provident and other Funds
Employee Welfare Expenses
Sub-lease rent for land
Project Insurance
Professional Fees
Auditor's remuneration
Statutory Expenses
Communication Expenses
Administration and Office Expenses
Stationery & Courier Expenses
Vehicle Running Expenses
Travelling Expenses
Other Miscellaneous Expenses
Depreciation
Interest and Finance Charges

Other Income

Interest
Other Income
Income from current investments

(B)

(A+B)

As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
9,06,15,730	7,68,37,662
62,98,922	43,40,980
1,54,85,122	1,40,97,512
1,91,626	1,91,626
1,17,053	88,228
3,08,61,624	2,89,59,767
8,427	8,427
33,274	29,903
26,21,085	25,31,984
9,15,76,096	6,53,53,710
7,95,695	7,45,114
1,31,60,435	1,11,26,754
11,34,638	8,19,331
12,627	12,627
13,12,73,565	9,74,34,881
1,89,72,65,389	2,02,56,15,824
2,28,14,51,308	2,32,81,94,330
10,79,70,082	10,79,70,082
58,27,252	45,98,700
18,615	18,615
11,38,15,949	11,25,87,397
2,16,76,35,359	2,21,56,06,933
-	-12,83,50,435
2,16,76,35,359	2,08,72,56,498
3,22,87,46,476	3,15,65,93,270

Less- Capitalized during the year

13 Non-current investments

Government and trust securities (unquoted)

6 years National Saving Certificates
(Lodged with VAT authorities)

As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
30,000	30,000
30,000	30,000

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

Capital advances
Security deposit (non interest bearing)
Capital advances refundable
Balances with government authorities
Advance to employees
Advance tax including tax deducted at source (net of provision)

As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
3,34,74,970	3,38,15,738
91,92,370	66,92,370
9,40,55,700	9,40,55,700
25,000	25,000
2,50,000	4,55,000
5,97,140	36,50,565
13,75,95,180	13,86,94,373

Note : Advance income tax and provision for taxation have been disclosed on net basis where a legal right to set off exist and the company intends to settle the assets and liabilities on net basis



15 Cash and cash equivalents**Cash and cash equivalents****Balances with scheduled banks**

On current accounts

Cash on hand

As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
6,31,034	77,35,109
-	-
6,31,034	77,35,109

16 Short term loans and advances

(Unsecured, considered good)

Security Deposit

Advance to employees

Prepaid expenses

As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
71,700	1,27,400
5,68,548	4,89,368
10,69,883	-
17,10,131	6,16,768

17 Other current assets

Other Receivables from related party

As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
2,59,97,200	-
2,59,97,200	-

18 Other income

Profit on sale of fixed assets

Interest on Income Tax refund

Income from mutual fund

For the year end 31st March 2015 (Amount in ₹)	For the year end 31st March 2014 (Amount in ₹)
8,31,01,742	-
4,38,076	-
90,210	21,421
8,36,30,028	21,421

19 Finance costs

Interest on Loans

For the year end 31st March 2015 (Amount in ₹)	For the year end 31st March 2014 (Amount in ₹)
61,50,24,375	32,14,78,595
61,50,24,375	32,14,78,595

20 Other expenses

Filing fees

Legal and Professional fees

Payment to auditors**As auditor:**

Statutory Audit fees

In other capacity:

Certification work

For the year end 31st March 2015 (Amount in ₹)	For the year end 31st March 2014 (Amount in ₹)
2,680	1,022
600	-
33,708	33,708
27,654	23,045
64,642	57,775



21 Contingent liabilities and other commitments

	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
a. Contingent liabilities not provided for		
- In respect of Income Tax Matters for AY 2011-12 against which the company has filed an Appeal	5,97,140	-
b Commitments (net of advances)	9,04,02,713	14,96,52,459

22 Operating lease:

	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
Total of future minimum lease payments under non-cancellable operating leases:		
Future minimum lease payments		
Not later than one year	2,70,718	2,12,096
Later than one year and not later than five years	6,63,996	8,89,099
Later than five years	-	-
	9,34,714	11,01,195

23 By virtue of withdrawal of Guidance note on Treatment of Expenditure during construction period and adoption of AS-26 Intangible Assets, all attributable indirect expenditure incurred on above project are treated as "Project Development Expenditure" and is disclosed under the head "Fixed Assets" which would be capitalized and apportioned to the Assets.

24 The company is in the project stage and has accumulated losses as on March 31, 2015 which have resulted in negative net worth. Additionally, as at the balance sheet date, the financial statements disclose a net position of current liability (except outstanding from group creditors) of ₹ 35,764,760 (Previous year ₹ 53,531,146). The Company is receiving continual financial support from Adani Enterprises Ltd. (Holding Company). Hence, the financial statements of the company are prepared on going concern basis.

25 Disclosures under MSMED Act :

There are no Micro, Small and Medium Enterprises as defined in Micro, Small and medium enterprises development act, 2006, to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosure have been made.

The above information regarding micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

26 Pursuant to the Accounting Standard (AS- 20) – Earning per Share, the disclosure is as under:

	UOM	For the year ended 31st March 2015	For the year ended 31st March 2014
Basic and Diluted EPS			
Profit/ (Loss) attributable to equity shareholders	₹	(56,73,83,888)	(36,58,45,671)
Weighted average number of equity shares outstanding during the year	No	50000	50000
Nominal Value of equity share	₹	10	10
Basic & Diluted EPS	₹	(11,347.68)	(7,316.91)

27 a) The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

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

Particulars	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Liability at the beginning of the Year	6,10,078	4,05,212
Current Service Cost	1,92,478	1,59,167
Interest Cost	57,225	33,430
Benefit paid	-	(39,380)
Liability Transferred in	-	-
Liability Transferred out	-	-
Net Actuarial losses (gain) Recognised	10,30,638	51,649
Liability at the end of the Year	18,90,419	6,10,078



ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets

Plan assets at the beginning of the Year, at Fair value	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefit paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Transfer to other company	-	-
Plan assets at the end of the Year, at Fair Value	-	-

iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets

Obligations at the end of the Year	18,90,419	6,10,078
Plan assets at the end of the Year, at Fair value	-	-

Asset / (Liability) recognized in balance sheet as on 31st March 2015

(18,90,419) (6,10,078)

iv. Gratuity Cost for the Year

Current service cost	1,92,478	1,59,167
Interest cost	57,225	33,430
Expected return on plan assets	-	-
Actuarial Gain or (Loss)	10,30,638	51,649
Past service cost-vested benefit recognised during the year	-	-
Net Gratuity cost	12,80,341	2,44,246

v. Actuarial Assumptions

Discount Rate (per annum)	7.90%	8.25%
Annual Increase in Salary Cost	14.00%	14.00%

vi. Experience Adjustment

On Plan Liability (Gain) / Losses	2,11,888	(53,684)
On Plan Asset Gain / (Losses)	-	-

Past four years data for defined benefit obligation and fair value of planned Assets:

	2010-11	2011-12	2012-13	2013-14
Present value of defined benefit obligations at the end of the year	2,69,935	3,46,885	4,05,212	6,10,078
Fair value of plan assets at the end of the year	-	-	-	-
Net assets / (liability) at the end of year	2,69,935	3,46,885	4,05,212	6,10,078
Experience Adjustments on Plan Liability (Gain) / Losses	1,11,722	-2,34,033	(2,09,936)	(53,684)
Experience Adjustments on Plan Assets Gain / (Losses)	-	-	-	-

b) The actuarial Liability for leave encashment and compensated absences as at the year ended 31st March 2015 is ₹ 1,650,236 (Previous Year ₹ 994,139)

28 Related party transactions

a. Names of related parties where control exist

Ultimate holding company/Trust	Shantilal Bhudhermal Adani Family trust (SBAFT)
Immediate Holding Company	Adani Enterprises Limited
Fellow subsidiaries (with whom transaction are done)	Adani Power Limited Adani Infra (India) Limited Adani Ports and Special Economic Zone Limited Adani Petronet (Dahej) Port Private Limited Adani Power Rajasthan Limited Adani Power Maharashtra Limited
Key management personnel	Mr. Vinod Bhandawat, Director Mr. K.S. Nagendra, Director Mr. Santosh Singh, Director



b. Transaction with related parties

Related Party	Relation	Nature of Transaction	For the year ended 31st March 2015 (Amount in ₹)	For the year ended 31st March 2014 (Amount in ₹)
Adani Enterprises Limited	Immediate Holding Company	Loan taken	89,00,72,809	6,54,66,38,848
		Loan repaid	1,05,07,00,000	1,40,05,90,831
		Interest on loan	61,16,55,546	8,39,09,135
		Transfer of employee loan	-	-
		Purchase of material	-	-
Adani Power Limited	Fellow subsidiary	Loan taken	-	1,56,00,84,000
		Loan repaid	-	5,76,45,94,196
		Interest on loan	-	49,88,61,797
		Purchase of material	-	-
		Sale of assets	80,169	-
		Reimbursement of Expenses	-	-
		Transfer of employee loan	-	5,000
Adani Infra (India) Limited	Fellow subsidiary	Interest on loan	33,68,829	32,37,596
		Loan Taken	-	6,59,13,836
		Loan repaid	6,59,13,836	-
		Transfer of employee loan	-	-
Adani Ports and Special Economic Zone Limited	Fellow subsidiary	Project service taken	-	6,31,49,860
Adani Petronet (Dahej) Port Private Limited	Fellow subsidiary	Purchase of material	-	4,22,351
		Sale of assets	1,12,00,00,000	-
		Sale of Project material	2,43,12,408	-
Adani Power Rajasthan Limited	Fellow subsidiary	Transfer of employee loan	39,681	-
		Sale of assets	-	31,55,073
Adani Power Maharashtra Limited	Fellow subsidiary	Sale of assets	-	33,60,321
		Reimbursement of Expenses	36,599	-

Note: The transactions with related parties during the year are shown net of taxes

c. Balances with related parties

Related Party	Relation	As at 31st March 2015 (Amount in ₹)	As at 31st March 2014 (Amount in ₹)
Adani Enterprises Limited	Immediate Holding Company	6,386,011,656 Cr.	6,546,638,848 Cr.
Adani Power Limited	Fellow subsidiary	5,000 Dr.	5,000 Dr.
Adani Infra (India) Limited	Fellow subsidiary	-	65,913,836 Cr.
Adani Ports and Special Economic Zone Limited	Fellow subsidiary	226,897,350 Cr.	226,897,350 Cr.
Adani Petronet (Dahej) Port Private Limited	Fellow subsidiary	25,997,200 Dr.	-
Adani Power Rajasthan Limited	Fellow subsidiary	39,681 Cr.	-



29 Foreign Currency Transactions

- (a) C.I.F. Value of imports
- (b) Expenditure in foreign currency
- (c) Earnings in foreign currency

For the year ended 31st March 2015 (Amount in ₹)	For the year ended 31st March 2014 (Amount in ₹)
-	-
-	-
-	-
-	-

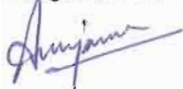
- 30 In the opinion of the management and to best of their knowledge and belief the value under the head of Current and Non-current Assets (Other than fixed assets and non-current investments) are approximately of the values stated, if realized in ordinary course of business, except unless stated otherwise. The provision for all known current liabilities is adequate and not in excess of amount considered reasonably necessary.
- 31 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Further, the figures have been rounded off to the nearest rupee.

AS PER OUR ATTACHED REPORT OF EVEN DATE

For DHARMESH PARIKH & CO.

Chartered Accountants

Firm Registration No. 112054W



ANUJ JAIN

Partner

Mem. No. 119140



Place : Ahmedabad

Date : 12th May 2015

For ADANI POWER DAHEJ LIMITED



K. S. NAGENDRA

Director

DIN : 06859146

Place : Ahmedabad

Date : 12th May 2015



VINOD BHANDAWAT

Director

DIN : 02873571