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INDEPENDENT AUDITOR'S REPORT
To The Members of MUNDRA SOLAR ENERGY LIMITED
Report on the standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of **MUNDRA SOLAR ENERGY LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the period from 18th December, 2020 to 31st March, 2020, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (Collectively referred to as 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2020, and its loss (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We refer to Note No.23 to the financial statements with respect to likely impact of outbreak of COVID 19 pandemic globally and in India, the Company's management has made initial assessment of likely impact on business and financial risks on account of COVID 19 pandemic, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. We have relied upon the management representation accordingly.

Our opinion is not qualified in respect of this matter.



Key Audit Matters

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

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

Other Information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

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

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



Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



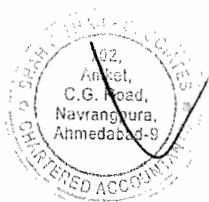
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2016.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.



SHAH & SHAH ASSOCIATES
CHARTERED ACCOUNTANTS

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With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any managerial remuneration to the directors during the year ended March 31, 2020 and accordingly reporting on compliance with section 197 is not applicable

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

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



SUNIL K.DAVE
PARTNER

Membership Number: 047236

Place : Ahmedabad
Date : May 02, 2020
UDIN : 20047236AAAACW3093

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

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

1. In respect of its fixed assets:
The company has no fixed assets and therefore question of required reporting does not arise.
2. The nature of the Company's business/activities during the year is such that none of the matters under the clause relating to inventories are neither applicable nor call for a statement for the year under audit.
3. The company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
4. The Company has not granted loan to the persons covered under section 185 of the Act or give guarantees or securities in connection with loan taken by such persons. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investments made by the company.
5. According to the information and explanations given to us the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. The nature of the Company's business/activities is such that the matter under clause 3 (vi) of the Order regarding cost records is not applicable to the company.
7.
 - a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities wherever applicable. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
 - b) According to the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.



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8. The company has not borrowed from any financial institution, bank, or government nor defaulted in repayment of dues to debenture holders.
9. The company has not raised money by way of initial public offer or further public offer including debt instruments. However, the company has obtained term loan from companies which have been as explained to us, utilised for the purpose for which the same have been obtained
10. There has been neither any fraud by the company nor any fraud on the company by its officers or employees has been noticed or reported during the year.
11. During the year under review, the company has not paid managerial remuneration; hence the provisions of clause 3(xi) of the order are not applicable to the company.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. All transactions with the related parties are in compliance with section 177 and 188 of the companies Act, 2013 and the details have been disclosed in the Ind AS financial statements.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the company.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered with Reserve Bank of India as a Non-Banking Financial Institution under Section 45-IA of the Reserve Bank of India Act, 1934.

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




SUNIL K.DAVE
PARTNER

Membership Number: 047236

Place : Ahmedabad
Date : May 02, 2020
UDIN : 20047236AAAACW3093

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **MUNDRA SOLAR ENERGY LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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



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

Meaning of Internal Financial Controls Over Financial Reporting

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

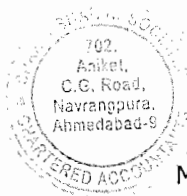
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



SUNIL K.DAVE
PARTNER

Membership Number: 047236

Place : Ahmedabad
Date : May 02, 2020
UDIN : 20047236AAAACW3093

c/c

Mundra Solar Energy Limited
Balance Sheet as at 31st March 2020

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Particulars	Notes	As at 31st March, 2020 (Amount in ₹)
ASSETS		
Non-current Assets		
(a) Capital Work-In-Progress	4	3,360,642
(b) Financial Assets		
(i) Other Financial Assets	5	25,000
Total Non-current Assets		3,385,642
Current Assets		
(a) Financial Assets		
(i) Cash and Cash Equivalents	6	334,467
(b) Other Current Assets	7	930,175
Total Current Assets		1,264,642
Total Assets		4,650,284
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	8	100,000
(b) Other Equity	9	(51,714)
Total Equity		48,286
LIABILITIES		
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	10	4,545,584
(ii) Trade Payables	11	
a. Total outstanding dues of micro enterprises		-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		26,351
(c) Other Current Liabilities	12	30,063
Total Current Liabilities		4,601,998
Total Liabilities		4,601,998
Total Equity and Liabilities		4,650,284

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

As per our report of even date

For **Shah & Shah Associates**

Chartered Accountants

Firm Registration Number : 113742W


Sunil K. Dave

Partner

Membership No.047236




Place : Ahmedabad

Date : 2/05/2020

For and on behalf of the Board of Directors of

Mundra Solar Energy Limited



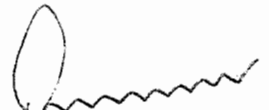
Dhirav Hemendrakumar Shah

Director

DIN 08591063

Place : Ahmedabad

Date : 02/05/2020



Anand Balkrishna Gaur

Director

DIN 08591032



Mundra Solar Energy Limited
Statement of Profit and Loss for the period from 18th Oct 2019 to 31st March 2020

Particulars	Notes	For the period from 18th Oct 2019 to 31st March 2020 (Amount in ₹)
Income		
Revenue from Operations		-
Total Income		-
Expenses		
Finance Cost	13	3,546
Other Expenses	14	48,168
Total Expenses		51,714
(Loss) before exceptional items and tax		(51,714)
Exceptional items		-
(Loss) before tax		(51,714)
Tax Expense:		
Current Tax		-
Total Tax Expense		-
(Loss) for the year	Total A	(51,714)
Other Comprehensive Income		-
Other Comprehensive Income (After Tax)	Total B	-
Total comprehensive (Loss) for the year	Total (A+B)	(51,714)
Earning per Equity Share of ₹ 10 each		
- Basic & Diluted (in ₹)		(5.17)

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

For **Shah & Shah Associates**

Chartered Accountants

Firm Registration Number : 113742W

For and on behalf of the Board of Directors of

Mundra Solar Energy Limited

Sunil K. Dave

Partner

Membership No.047236



Dhirav Hemendrakumar Shah

Director

DIN 08591063

Anand Balkrishna Gaur

Director

DIN 08591032

Place : Ahmedabad

Date : 02/05/2020

Place : Ahmedabad

Date : 02/05/2020



Mundra Solar Energy Limited**Statement of changes in equity from 18th Oct 2019 to 31st March 2020****adani****A. Equity Share Capital****(Amount in ₹)**

Particulars	No. Shares	Amount
Balance as at 18th Oct 2019	-	-
Changes in equity share capital during the period :		
Shares issued during the year	10,000	100,000
Balance as at 31st March, 2020	10,000	100,000

B. Other Equity

Particulars	Retained Earnings (Amount in ₹)
Balance as at 18th Oct 2019	-
Loss for the period	(51,714)
Total Comprehensive loss for the year	(51,714)
Balance as at 31st March, 2020	(51,714)

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

As per our report of even date**For Shah & Shah Associates**

Chartered Accountants

Firm Registration Number : 113742W

Sunil K.Dave

Partner

Membership No.047236



Place : Ahmedabad

Date : 02/05/2020

For and on behalf of the Board of Directors of
Mundra Solar Energy Limited
Dhirav Hemendrakumar Shah

Director

DIN 08591063

Place : Ahmedabad

Date : 02/05/2020

Anand Balkrishna Gaur

Director

DIN 08591032



Mundra Solar Energy Limited**Statement of Cash Flow for the period from 18th Oct 2019 to 31st March 2020****adani**

For the period from 18th
Oct 2019 to
31st March 2020
(Amount in ₹)

Particulars**(A) Cash flow from operating activities**

Loss before tax	(51,714)
Operating Profit / (Loss) before working capital changes	(51,714)
Changes in working capital:	
(Increase) in Other Assets	(955,175)
Increase in Trade Payables	26,351
Increase in Other Liabilities	30,063
	(898,761)
Cash used in operations	(950,475)
Less : Tax Paid	-
Net Cash used in operating activities (A)	(950,475)

(B) Cash flow from investing activities

Capital expenditure on Property, Plant and Equipment, Intangible assets, Capital Work	(3,360,642)
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Net Cash used in investing activities (B)**(3,360,642)****(C) Cash flow from financing activities**

Proceeds from Long-term borrowings	4,595,584
Repayment of Long-term borrowings	(50,000)
Proceeds from issue of Equity Share	100,000

Net Cash generated from financing activities (C)**4,645,584****Net (Decrease) / Increase in cash and cash equivalents (A)+(B)+(C)****334,467****Cash and cash equivalents at the beginning of the year****Cash and cash equivalents at the end of the year****334,467****Notes to Cash flow Statement :****Cash and cash equivalents as per above comprise of the following :****Cash and cash equivalents (refer note 5)****334,467****Balances as per statement of cash flows****334,467****Notes:**

1) The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7 'Cash Flow Statement'.

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

As per our report of even date

For **Shah & Shah Associates**

Chartered Accountants

Firm Registration Number : 113742W

Sunil K.Dave

Partner

Membership No.047236



Place : Ahmedabad

Date : 02/05/2020

For and on behalf of the Board of Directors of
Mundra Solar Energy Limited

Dhishah

Dhirav Hemendrakumar Shah

Director

DIN 08591063

Place : Ahmedabad

Date : 02/05/2020

Anand Balkrishna Gaur

Anand Balkrishna Gaur

Director

DIN 08591032



1 Corporate information

Mundra Solar Energy Limited ("the Company", "MSEL") is a company domiciled in India and incorporated on 18th October, 2019 under the provisions of Companies Act, 2013 as a 74% Subsidiary of Adani Green Energy Twelve Limited ("AGETwelveL") to carry on the business of manufacturing of Solar Photovoltaic Equipment's and Ancillaries at Mundra, District Kutch, Gujarat. During the period under review, company is in the process of set up of manufacturing facilities for proposed manufacturing project at Mundra.

2 Significant accounting policies**a Basis of preparation**

The financial statements of the Company have been prepared in compliance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

b Property, plant and equipment

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised along with respective asset.

Depreciation is recognised based on the cost of assets (other than Lease hold land) less their residual values over their useful lives, using the straight line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013. In case of major components identified, depreciation is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit and loss.

Intangible assets acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a Written Down Value basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition are recognised in profit or loss.

c Project Development Expenditure / Capital Work in Progress

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

d Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

e Financial assets**Initial recognition and measurement**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

All regular financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest.

For the impairment policy on financial assets measured at amortised cost, refer note t(ii).

All other financial asset are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL). Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at cost

Investments in associates are accounted for at cost.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or Fair value through other comprehensive income (FVTOCI) criteria are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the "Other income" line item.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.



Notes to financial statements for the year ended on 31st March, 2020

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

f Financial liabilities and equity instruments**Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Fair values are determined in the manner described in note 'k'.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

g 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 trading
- 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

The Company classifies all other assets 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 trading
- 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.

h Foreign currencies

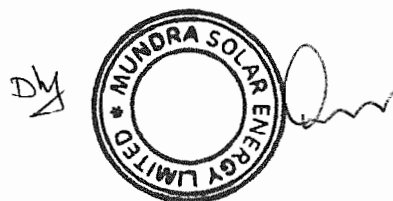
The Company's financial statements are presented in INR which is company's functional currency and items included in the financial statements are measured using this functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.



i Fair value measurement

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 financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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

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 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.

j Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

k Taxes on Income

Tax on income comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. 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 recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax liability are generally recorded for all temporary timing differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilised. Deferred 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 directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

l Earnings per share

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

m Provisions, Contingent Liabilities and Contingent Assets

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 amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. 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.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are not recognised but are disclosed in the notes.

Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

n Impairment**i) Impairment of tangible and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.



Notes to financial statements for the year ended on 31st March, 2020

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

ii) Financial assets

A financial asset is assessed at each reporting date to determine whether there is an objective evidence which indicates that it is impaired. A financial asset is considered to be impaired if an objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

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 ex. loans, debt securities, deposits, trade receivables and bank balances

b) 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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as expense / (income) in the statement of profit and loss.

3 Significant accounting judgements, 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. Existing circumstances and assumptions about future developments 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.

i) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 42.

ii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are 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.

iii) Taxes

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

iv) Useful lives of property, plant and equipment

In case of the plant and machinery, in whose case the life of the assets has been estimated at 15 years based on technical assessment, taking into account the nature of the assets, the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, manufacturer warranties and maintenance support, except for major components identified during the year, depreciation on the same is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.



4 Capital Work in Progress

The Capital work in progress represent incidental expenses incurred during construction period in connection with proposed project which will be capitalised on commencement of commercial production. The details of the same is as under:

Particulars	As at 31st March, 2020 (Amount in ₹)
Expenditure incurred during construction period:	
Brought Forward from Previous year	-
Expenditure for the year	
Legal & Professional Fees	100,000.00
Interest and Finance Charges (Net of Income)	2,550,642.00
Admin & Other Expenses	710,000.00
Closing balance of capital work in Progress	Total 3,360,642

5 Other Non-current Financial Assets

	As at 31st March, 2020 (Amount in ₹)
Security deposit	25,000
Total	25,000

6 Cash and Cash equivalents

	As at 31st March, 2020 (Amount in ₹)
Balances with banks	
In current accounts	334,467
Total	334,467

7 Other Current Assets

	As at 31st March, 2020 (Amount in ₹)
Advances for goods and services	400,000
Balances with Government authorities	530,175
Total	930,175

8 Share Capital

	As at 31st March, 2020 (Amount in ₹)
Authorised Share Capital	
50,000 equity shares of ₹ 10/- each	500,000
Total	500,000
Issued, Subscribed and fully paid-up equity shares	
10,000 equity shares of ₹ 10/- each	100,000
Total	100,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**Equity Shares**

	As at 31st March, 2020	
	No. Shares	(Amount in ₹)
At the beginning of the year	-	-
Issued during the year	10,000	100,000
Outstanding at the end of the year	10,000	100,000

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 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 number of equity



Mundra Solar Energy Limited
Notes to financial statements for the period ended on 31st March 2020
adani
c. Shares held by Parent company

Out of equity shares issued by the Company, shares held by its Parent company are as under:

 Equity Shares by Parent company
 Adani Green Energy Twelve Limited

**As at
31st March, 2020
(Amount in ₹)**

74,000.00

d. Details of shareholders holding more than 5% shares in the Company
Equity shares of ₹ 10 each fully paid

 Adani Green Energy Twelve Limited (together with its nominees)
 Adani Green Energy Four Limited

Total

As at 31st March, 2020	
No. Shares	% holding in the class
7,400	74%
2,600	26%
10,000	100%

9 Other Equity
Retained Earnings

 Opening Balance
 Add : Loss for the year
Closing Balance

As at 31st March, 2020 (Amount in ₹)	
	-
	(51,714)
Total	(51,714)

10 Short-term Borrowings
Unsecured Borrowings

 Other loans
 From Related Parties (Refer note no. 22)

As at 31st March, 2020 (Amount in ₹)	
	4,545,584
Total	4,545,584

11 Trade Payables
Trade Payables

- i. Total outstanding dues of micro enterprises and small enterprises
- ii. Total outstanding dues of creditors other than micro enterprises and small enterprises

As at 31st March, 2020 (Amount in ₹)	
	-
	26,351
Total	26,351

12 Other Current Liabilities

Statutory liabilities

As at 31st March, 2020 (Amount in ₹)	
	30,063
Total	30,063

13 Finance Cost

Bank Charges and Other Borrowing Costs

**For the period from
18th Oct 2019 to
31st March 2020
(Amount in ₹)**

	3,546
Total	3,546

14 Other Expenses

 Rates and Taxes
 Legal & Professional Expenses
 Payment to Auditors
 Statutory Audit Fees

**For the period from
18th Oct 2019 to
31st March 2020
(Amount in ₹)**

	2,751
	25,417
	20,000
Total	48,168



Dy



15 Contingent Liabilities and Commitments (to the extent not provided for):

As at
31st March, 2020
(Amount in ₹)

(i) Contingent Liabilities:

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

Nil

(ii) Commitments:

As at
31st March, 2020
(Amount in ₹)

Capital Commitment

(Estimated amount of contract remaining to be executed on capital account and not provided for (Net of Advance)

Nil

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

17 Financial Risk Management Objective and Policies:

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Company is primarily exposed to risks resulting from fluctuation in market risk, credit risk and liquidity risk, which may adversely impact the fair value of its financial instruments.

Liquidity Risk

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

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual discounted payments.

As at 31st March, 2020	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	4,545,584	-	-	4,545,584
Trade Payables	26,351	-	-	26,351
Total	4,571,935	-	-	4,571,935

18 Fair Value Measurement:

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

(Amount in ₹)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	334,467	334,467
Other Financial assets	-	-	25,000	25,000
Total	-	-	359,467	359,467
Financial Liabilities				
Borrowings	-	-	4,545,584	4,545,584
Trade Payables	-	-	26,351	26,351
Total	-	-	4,571,935	4,571,935

19 Pursuant to the Indian Accounting Standard (Ind AS- 33) – "Earnings per Share", the disclosure is as under:

For the period from
18th Oct 2019 to
31st March 2020

Basic and Diluted EPS

Particulars	(Amount in ₹)	
Loss attributable to equity shareholders	(51,714)	
Weighted average number of equity shares outstanding during the year	No.	10,000
Nominal Value of equity share	₹	10
Basic and Diluted EPS	₹	(5.17)

20 Capital Management

The Company's objectives when managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, borrowings. The Company's policy is to use borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio.

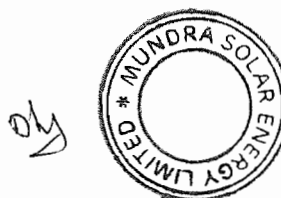
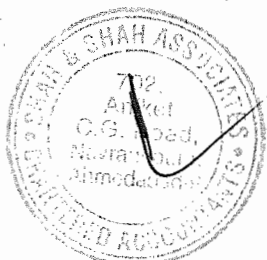
21 Standard issued but not effective:

The amendments to standards that are issued and new standards issued but not yet effective, up to the date of issuance of 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 New IND AS and amendments to IND AS through (Indian Accounting Standards) Amendment Rules, 2019.

1. IND AS 117 - Insurance Contracts
2. IND AS 103 - Business Combination
3. IND AS 1. Presentation of Financial Statements and IND AS 8, Accounting Policies, Change in Accounting Estimates and Errors.
4. IND AS 40 - Investment Property

These amendments are effective for annual periods beginning on or after April 01, 2020.

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.



Handwritten signature of the authorized signatory.

22 Related Party Transactions

The Management has identified the following entities as related parties of the company for the period ended 31st March 2020 for the purpose of reporting as per Indian Accounting Standard 24 - "Related Party Disclosure" which are as under:

A. List of related parties and relationship

Ultimate Controlling Entity	:	S B Adani Family Trust ("SBAFT") Adani Trading Services LLP Adani Properties Private Limited Universal Trade and Investments Limited
Ultimate Parent Company	:	Adani Enterprises Limited (Upto 06.01.2020) Adani Green Energy Limited
Intermediate Parent Entity	:	Adani Tradecom LLP (Upto 06.01.2020)
Parent Company	:	Adani Green Technology Limited (Formerly known as Sami Solar (Gujarat) Private Limited) (Upto 06.01.2020) Adani Green Energy Twelve Limited
Entities with joint control of, or significant influence over, the entity;	:	Adani Green Energy Four Limited
Key Management Personnel	:	Mr. Razak Khatri, Director of Parent Company Mr. Pankaj Jadhav, Director of Parent Company Mr. MR. Bhupendra Asawa, Director of Parent Company Mr. Anshul Khandelwal, Director of Parent Company (Upto 06.01.2020) Mr. Rakesh Kumar Tiwary, Director of Parent Company (Upto 06.01.2020) Mr. Dhirav Shah, Director Mr. Harsh Vardhan Govil, Director Mr. Anand Gaur, Director

B. Transactions with related parties

Sr No.	Nature of Transaction	Related Party	For the year ended 31st March, 2020 (Amount in ₹)
1	Share Capital Received	Adani Green Technology Limited	100,000
2	Expenses Paid / Services Availed	Adani Green Energy Four Limited	700,006
3	Borrowing Taken	Adani Green Technology Limited Adani Green Energy Twelve Limited Adani Green Energy Four Limited	50,000 300,000 3,500,000
4	Borrowing Paid	Adani Green Technology Limited	50,000
5	Interest Expense on Borrowings	Adani Green Technology Limited Adani Green Energy Twelve Limited Adani Green Energy Four Limited	836 4,956 44,850

C. Balances with related parties

Sr No.	Nature of Transaction	Related Party	As at 31st March, 2019 (Amount in ₹)
1	Borrowings (Loan)	Adani Green Technology Limited Adani Green Energy Twelve Limited Adani Green Energy Four Limited	752 304,460 4,240,371



23 Due to outbreak of COVID 19 pandemic globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks on account of COVID 19 pandemic, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

24 Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 2nd May 2020, there were no subsequent events to be recognized or reported that are not already disclosed.

25 Previous Year Comparatives

This, being the first financial statements of the Company since incorporation, Figures are drawn for the period from 18th October 2019 to 31st March 2020 and hence, there are no comparatives figures to present.

26 Approval of financial statements

The financial statements were approved for issue by the board of directors on 2nd May 2020

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

As per our report of even date

For **Shah & Shah Associates**
Chartered Accountants
Firm Registration Number : 113742W


Sunil K. Dave
Partner
Membership No.047236



Place : Ahmedabad
Date : 2nd May 2020

For and on behalf of the Board of Directors of
Mundra Solar Energy Limited


Dhirav Hemendrakumar Shah
Director
DIN 08591063

Place : Ahmedabad
Date : 2nd May 2020


Anand Balkrishna Gaur
Director
DIN 08591032

