Adani Power Limited

Growth with Goodness

Annual Report 2017-18

VISION STATEMENT

To be a world class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation.

Contents

Scan this code with a QR reader app on your smartphone or tablet and know more about us

www.adanipower.com

Growth with Goodness.

Scale, to us, is not about the businesses we are in. Scale is about the real influence and change we can spur.

It's about the lives we can touch, the communities we can nourish, the businesses we can propel, and the future we can inspire. Because, scale leads to growth; and with consistent growth comes incredible goodness. With the size of our operations in multiple nation-critical sectors, we have been fortunate enough to reach out more and spread this goodness, regardless of the geography.

Through courage, and a commitment to give back to the society by creating sustainable business value creation, we enable growth and progress that ends up benefitting millions.

We have consciously extended our scale beyond our businesses, to help the country overcome economic challenges; to ensure people live a good quality of life, uninterrupted. We believe scale can lead to goodness, and this what drives us to growth.

About Adani Group

Adani Group is one of the leading business conglomerates and the largest integrated infrastructure group in India. Over three decades, the group has emerged as a global player with business operations spread across key sectors like energy, resource, logistics, and agro, among others. Since inception, the group has been focused on serving the diverse needs of people, delivering strong value propositions and contributing to nation building along the way.

At Adani we have re-formulated our Vision 2020 and synced it with our natural philosophy of Thinking Big, Doing Better. We envision emerging as a globally admired leader in integrated infrastructure businesses. Our belief of 'Scaling Business' is driven by our ambition for scale, speed of execution and quality of operation.

Presence across various Industries:

- Resource
- Ports and Logistics
- Energy
- Agri
- Real Estate
- Financial Services
- Defence and Aerospace

Know Adani Power

We are largest private sector thermal power producer of India with a total power generation capacity of 10,440 MW thermal power and 40MW of solar power (as on March 31, 2018). We were the world's first company to set up a coal-based super critical thermal power project registered under Clean Development Mechanism (CDM) of Kyoto protocol.

Despite being a newcomer to power generation in 2006, we capitalized on the project management skills of the Adani Group to set up our first power plant at Mundra swiftly and efficiently, overcoming various challenges. We have leveraged on our experience and capabilities of our technical and commercial teams to quickly expand our generation capacity both organically and inorganically.

10,480 MW

Total Power Generation capacity

21093.43

Consolidated Revenue in 2017-18 (in ₹ crore)

Largest

Single location coal based private power plant at Mundra, Gujarat

First

To use super critical technology in power sector in India

adani

Portfolio Highlight

States in which company has operating power plants

Gujarat (2)
Maharashtra (1)
Rajasthan (1)
Karnataka (1)

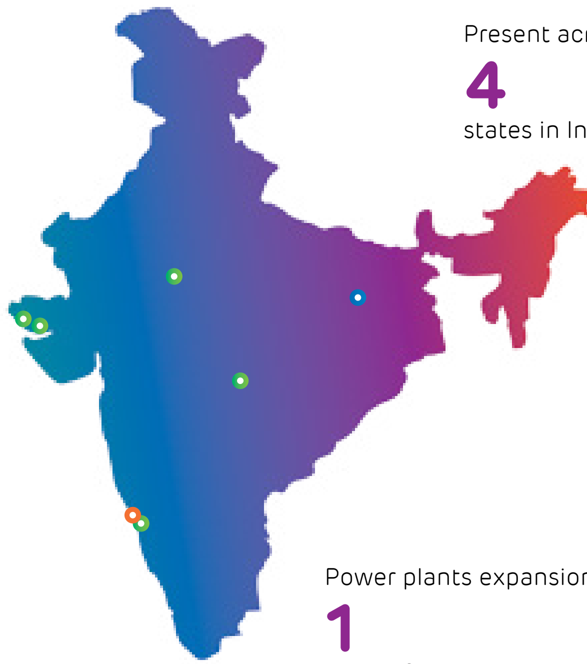
State in which company expanding

Karnataka (1)

State in which company is setting up a new power plant

Jharkhand (1)

(for power supply to Bangladesh)



Present across
4
states in India

Upcoming Projects in
1
state of India

Power plants expansion in
1
state of India

Mundra Plant

We introduced the first 660 MW generating unit using super critical technology at our Mundra plant. It is one of the fastest power project developed and commissioned by any power company in India.

36 Months

Record completion of inception to synchronisation (Unit 1)

4620 MW

Installed Capacity

Tiroda Plant

We have installed super critical technology in all the units of Tiroda plant, which has helped us increase efficiency in coal based power generation. Latest technologies for environmental management have also been installed and registered under CDM by UNFCCC. Generation capacity fully tied up in long term PPAs with Maharashtra State DISCOM.

3300 MW

Installed Capacity

5

Units each having a capacity of 660MW

Kawai Plant

One of the largest power plants at single location in Rajasthan, it is a coal based thermal power plant that operates on supercritical technology. It has a 1500m long air-strip that helps in immediate connectivity. Generation capacity tied up in long term PPA with Rajasthan State DISCOMs.

1320 MW

Installed Capacity

2

Units each having a capacity of 660MW

Udupi Plant

First independent Power Project to use 100% imported coal as fuel for power generation. Post our acquisition, we successfully turned around the plant into a viable asset, supplying around 90% of the power generated to state of Karnataka.

1200 MW

Installed Capacity

2

Units each having a capacity of 600MW

Bitta Plant

The first solar power plant set up under Adani Group,it uses Solar PV Technology and has an installed capacity of 40 MW. Bitta Plant marked our entry in the renewable power sector.

Commissioned within a record time of

165 days

400000

Solar PV Modules

21600

Structures

Chairman's Message

Dear Shareholders,

Greetings! The Indian economy has proven its resilience amidst global economic turbulence and re-established its growth credentials, overcoming disruptive systemic changes internally. Today's volatility in global energy prices reflects shifting geopolitical equations as well as re-emergence of a growth era in many of the leading economies. Nations as well as businesses have recognized that the ability to deal with continued acceleration and sudden cycles of volatility will be a key ingredient to achieving long term success.

India, with its vast resources and a large, young, and productive population is well positioned in this scenario. Our GDP is expected to double in the next decade, growing at annual rates of over 7%. A key enabler of this growth will need to be the ability of India to fulfil its electricity demand, which is also forecast to double over this period. Despite the fact that India has had a sustained growth in power generation over the past several decades, our annual per capita consumption of 1,100 kWh is still only a fraction of that of developed nations.

While on one hand this demonstrates the potential for growth, on the other hand it is an indication that every possible source of power generation will need to be aggressively tapped in years to come. As of today, thermal power capacity represents about 67% of India's total installed capacity and 80% of electricity generation. Hydroelectricity accounts of 10% generation and the balance 10% of generation is made up of various other sources.

Today, there is total unanimity in the view that a greater volume of electricity generation has to come from renewable sources. India's political leaders, led by our Hon'ble Prime Minister Shri Narendra Modi have led the world to rally in favour of accelerating the move to renewable sources (through the Global Solar Alliance). These government efforts have been strongly supported by the marketplace over the past couple of years and India today stands to be one of the top three nations in the world in the adoption and deployment of renewable energy infrastructure and our country's draft national electricity plan calls for renewable energy installs to average 21-22 GW annually over the next 5 years.

While there have been several points of view on renewable energy as a substitute for power generation using coal, the fact is that if India is to overcome its energy deficit and get affordable and reliable power to the 240 million of its citizens that lack electricity, all possible source of power generation will need to grow responsibly. This is one of the primary reasons that the International Energy Agency forecasts that India's coal consumption will more than double by 2040 primarily to feed the power generation and steel manufacturing sectors. The fact is that for the first time India is at a stage where it can finally foresee a period with enough generation capacity becoming available to establish a low power deficit situation in the near future.

Over the past several years your Company has stood at the forefront of this capacity building effort and delivered four world class power plants supplying electricity at some of the most competitive rates. However, the Fiscal Year 2017-18 was a challenging year given the fuel shortages, high coal import prices, and regulatory uncertainty which have had an impact on the Company's profitability due to under-recoveries..

However, various policy initiatives undertaken by the Government have started to produce results, amongst which, the impetus given to increase in production of domestic coal is the most important one. The Government's push to bring electricity to the most remote and difficult to reach corners of the nation, agricultural feeder separation and strengthening of rural grids under Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), and the Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) scheme, which aims to provide electricity connections to all households creates long term demand drivers for electricity. Also, the pursuit of targets set for reduction of DISCOM losses under the Ujjwal DISCOM Assurance Yojana (UDAY) scheme is critical for translation of increased demand into new PPAs.

During FY 2017-18, your Company sold 48 billion units on a consolidated basis, and recorded total revenues of ₹ 21,093 crores. Of this, the Mundra plant accounted for sales of 19.9 billion units, the Tiroda plant sold 17.3 billion units, the Kawai plant sold 5 billion units, and the Udupi plant sold 5.8 billion units.

During FY 2017-18, the Company received the approval for the transfer of the 4,620 MW Mundra power plant undertaking to its subsidiary Adani Power (Mundra) Ltd. through a Scheme of Arrangement under Slump Exchange. The unavailability of fuel cost pass through, consequent to the Hon'ble Supreme Court's Order regarding compensatory tariffs, resulted in commercial shutdowns of the plant in view of high imported fuel costs. However, your Company continues to engage in discussions with various stakeholders to identify remedial measures for sustainable operation of the power plant.

During FY 2017-18 your Company was also able to secure long term Fuel Supply Agreements for assured domestic coal supply under the Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India (SHAKTI) policy for the power plants at Tiroda (Maharashtra) and Kawai (Rajasthan), which are housed in two Wholly Owned Subsidiaries. This lower and reliable cost fuel supply will enable both these power plants to reduce fuel costs and have a material impact in improving cash flows as well as profitability, while alleviating dependence on costly imported coal.

The Company received the approval for the transfer of the

4,620 MW

Mundra power plant

Recently, the Maharashtra Electricity Regulatory Commission passed an Order permitting the Tiroda plant to recover compensation from the State Distribution Companies (DISCOMs) towards usage of higher cost alternate coal, due to shortage in domestic coal supply. This relief has been granted under Change In Law provisions of the Power Purchase Agreements (PPAs) signed by the Tiroda plant with the Maharashtra State DISCOM, and are in accordance with the guidance of the Hon'ble Supreme Court, as established by its judgement dated 11th April 2017. In addition to the above, we have high hopes that the Rajasthan Electricity Regulatory Commission will also issue a favourable order soon and on similar lines, for compensation under Change in Law for the Kawai plant, which supplies electricity to Rajasthan DISCOMs. Further, your Company also awaits, or has received recently other regulatory orders allowing it and its subsidiaries to claim relief for other elements of cost increase due to changes in duties and taxes.

As part of its international expansion and diversification plans, your Company continues to pursue its vision of sectoral leadership, and is engaged in development of a 1,600 MW Ultra Supercritical power plant at Godda in Jharkhand to supply electricity through a dedicated transmission line to the Bangladesh Power Development Board under a long term PPA.

Your Company continues to be mindful of the environment and the communities around which it operates. While we were the first to commission supercritical boilers in India, we are also now developing projects that use efficient ultra-supercritical technology, in order to help mitigate climate change concerns. Similarly, we are also implementing emission control technologies such as Flue Gas Desulphurisation (FGD) units at our plants while working continuously to achieve increased water usage efficiency. Through these continuing efforts, our promise is to continue to stay within the top 10% percentile of the world's cleanest coal power plants.

Your Company also continues to create an enabling environment for the upliftment of numerous families in the vicinity of its projects through the corporate social responsibility partner, Adani Foundation. Your Company assists local communities with its CSR work in the areas of Education, Community Livelihood, Community Health and Rural Infrastructure Development, through its need based programs in both project and operational sites.

As part of its CSR initiatives, I am also pleased to inform that your Company diligently pursues flagship programs like Swachhagraha, SuPoshan and UDAAN in addition to our existing programs. Working closely with communities across five States, the programs cover more than 200 villages, and work to uplift the lives of around 5,00,000 families through its various initiatives.

On behalf of the Board and the leadership team at Adani Power, I thank the shareholders, lenders, our employees, vendors, customers, and various regulatory and statutory bodies for their valuable support in building a strong, vibrant, and responsible organisation.

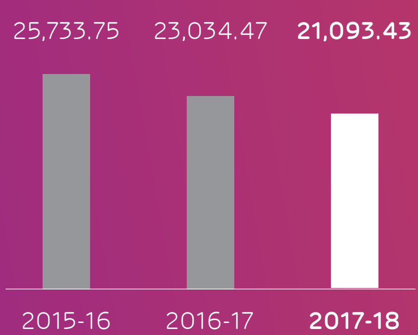
Gautam Adani
Chairman

Working closely with communities across five States, the programs cover more than 200 villages, and work to uplift the lives of around 5,00,000 families through its various initiatives.

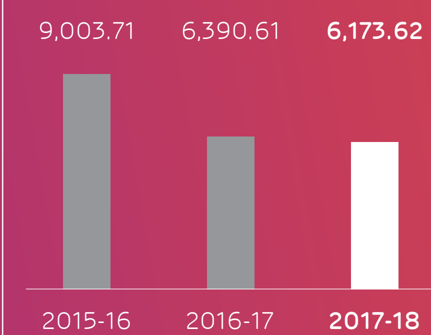
Snapshot of the Company

Financial Capital (Based on consolidated figures)

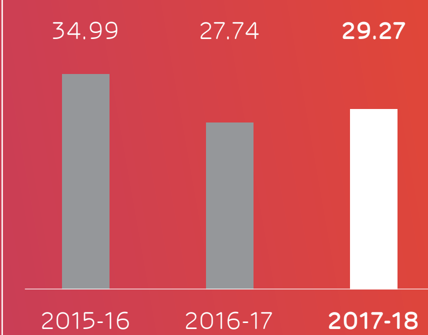
Total Revenue
(In ₹ Crore)



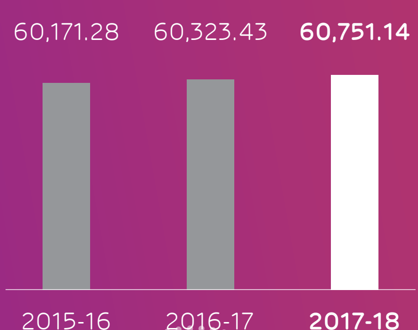
EBITDA
(in ₹ crore)



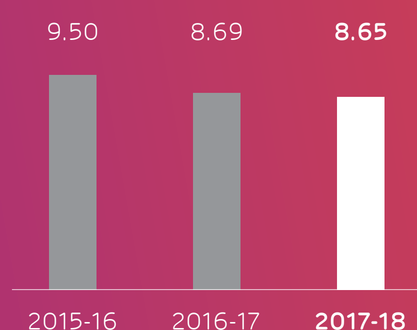
EBITDA Margin
(in %)



Gross Block
(in ₹ crore)



Total Revenue per employee
(In ₹ Crore)



2,438
(As on 31st March, 2018)

Number of Employees

CSR Activities

Overview

As a responsible business Adani Group is committed to conduct its CSR activities in line with the central goal of Nation Building. All our CSR projects are directed through Adani Foundation and aligned with the UN Sustainable Development Goals. The Foundation has dedicated itself to the communities in which it operates. People's aspirations have far-reaching consequences at societal and national level. At the Adani Foundation, we aim to play the role of a catalyst in enabling our communities to achieve their dreams. We firmly believe that empowering the nation means empowering its people. Hence, we have initiated a movement from the grass-roots level to develop the potential of millions. With the core philosophy of Nation Building, all our actions are aimed towards Nurturing the Dreams of a New India.

The Adani Foundation relentlessly works in empowering communities, enhancing quality of their lives and inspiring the hope of a better future. The Foundation perceives its role as an 'enabler' and 'facilitator', bridging the gaps between existing opportunities and potential beneficiaries, while investing in new facilities and infrastructure. This approach has optimized community and individual growth in a sustainable manner.

At the Foundation we believe in encouraging specialization, knowledge accretion and best practices in all our activities. These are extending beyond territorial boundaries, and directed towards not just the advancement of humankind but also nation building.

Adani Foundation focuses its activities around four core areas:

- Education,
- Community Health,
- Sustainable Livelihood, and
- Community Infrastructure Development

covering virtually all aspects in community transformation across various locations like Mundra, Ahmedabad, Dahej, Hazira, Dhamra, Tiroda, Udupi, Surguja, Kawai, Vizhinjam, Shimla and Godda.

Working closely with communities, Adani Foundation assumes the role of a facilitator by creating an enabling environment for upliftment of numerous families.

The Adani Foundation has become a strong proponent championing the cause of the bringing positive changes in the lives of the deprived and underprivileged. It has been working relentlessly across 13 states, covering 20 locations and 1,470 villages, to uplift the lives of more than 5,00,000 families with a human centric approach to make the processes sustainable, transparent and replicable.

In our rapidly developing economy, education has emerged as the most powerful tool that can utilize the immense potential of billions to fuel the growth of our nation. Education is the foremost and strongest factor influencing change and empowerment. Hence, we, at Adani Foundation, have chosen to focus our efforts, in line with the Sustainable Development Goals, on providing inclusive and quality education to meritorious children irrespective of their social or economic backgrounds. All our education endeavors are aimed towards nurturing children by providing them with quality education for a life-long learning and an enabling environment for their holistic development preparing them for the future of job.

Adani Vidya Mandir

Adani Vidya Mandir, providing completely cost-free quality education to 2,100 meritorious students from economically weaker sections of the society is operational in Ahmedabad, Bhadreshwar (Gujarat) and Surguja (Chhattisgarh). The first Adani Vidya Mandir was commissioned in 2008 in Ahmedabad. The students are provided with free transportation, uniform, textbooks, notebooks and meals. A number of community-based programs and activities are organized, which, coupled with a value-based curriculum, help students acquire academic capabilities while remaining rooted to their family structure and community values.

The direct impact of AVM initiative is on parents, siblings and the students themselves. The indirect impact is on the neighbors and their children. Parents feel proud because their children are studying in one of the best schools, getting quality education and have ample opportunities to grow in career. The behavioral skills of most of the children are substantially improved and there is a gradual improvement in reading, mathematics, general science, and social sciences. Siblings and neighbor's children are getting inspired by AVM students as role models and want to be like them in terms of personality, behavior and spoken English. Long-term impact is seen in students who have graduated from AVM. Besides curricular, co-curricular and extra-curricular activities, the school provided additional coaching for the students taking the Board and competitive examinations.

Adani Vidya Mandir at Bhadreshwar is a GSEB affiliated school catering to the education needs of economically disadvantaged families, especially from the fisher folk communities of Mundra region. Out of 384 enrolled students, 134 students of AVMB belong to fisher-folk communities, majority of whom are the first generation learners.The school provides these students free education along with nutritious meals, uniforms, books and stationaries.

The Foundation commissioned Adani Vidya Mandir at Surguja (Chhattisgarh) in 2013 to address the educational needs of children of project site workers. The school was commissioned around the AVM model, providing free quality education to the region's under-privileged children.

Subsidised schools

Adani Foundation provides subsidised quality education to more than 2600 students through Adani Public School in Mundra (Gujarat) caters to 1613 students, Adani Vidyalaya in Tiroda (Maharashtra) caters to 178 students and Kawai (Rajasthan) caters to 117 students, Navchetan Vidyalaya in Junagam (Gujarat) caters to 350 students and Adani DAV Public School in Dhamra (Odisha) caters to 389 students.

The schools are focused on quality teaching and learning and also regularly conduct a number of curricular and co-curricular activities along with various exhibitions for the overall development of the students.

adani

Adani Public School at Mundra, Gujarat, offers excellent education to students of the nearby areas. It is an English medium, CBSE affiliated, co-educational school that offers science and commerce streams. It also lays special emphasis on regular coaching, by expert faculty, to students aspiring to appear in competitive examinations. It has a well-balanced combination of curricular and extra-curricular activities to ensure the holistic development of the students.

Adani DAV Public School provides quality education to students from the nearby communities of Bhadrak District of Odisha. The school's ground plus two floors building has a built-up area of 3,501 sq. mt. and is spread across a land of more than 5 acres. This new state of the art infrastructure is equipped with 16 modern classrooms, two libraries, science and computer labs, an audiovisual room as well as facilities to promote sports and creative activities. This school is run by the Adani Foundation in collaboration with the DAV College Trust and management societies..

The aim of the Navchetan Vidyalaya situated at Junagam in Hazira, Gujarat, is to provide subsidised high-quality education to the children from nearby rural areas. To promote education amongst the regional populace, the school provides free food and academic material support such as uniforms, notebooks, workbooks, textbooks and stationery to the students. The school is well-equipped with smart classrooms and houses all facilities required for holistic development of its students.

Other Education Initiatives

The Adani Foundation, in collaboration with the renowned Kalinga Institute of Social Sciences, is setting up a branch of the institute with state-of- the-art infrastructural facilities for the benefit of tribal children in the tribal populated Mayurbhanj district of Odisha. In association with respective state governments, the Foundation provides infrastructure support such as infrastructure upgradation, furniture and sound systems to more than 300 government schools as well as educational & sports material, school bags and books to the students. It also aids Aanganwadis and Balwaadis by creating a fun-filled environment for the children. It has played a significant role in nurturing around 1,00,000 children of Gujarat, Maharashtra, Rajasthan, Odisha, Jharkhand, Karnataka and Kerala.

To ensure that the meritorious students are not deprived of educational opportunities due to lack of funds, the foundation has awarded scholarship to around 1400 students at Udupi - Karnataka, Vizhinjam - Kerala and Dhamra - Odisha.

We firmly believe that improving the health of its citizens can directly result in economic growth of the nation. Healthy people can utilise growth opportunities made available to them in a better way. Lack of basic healthcare facilities has a detrimental impact on the health and well-being of the people. We, at the Adani Foundation, have committed to reach basic health caré facilities to the unreached and support in strengthening the available health care system in and around our operational locations in India, to ensure healthy lives and promote well-being at all ages in alignment with Sustainable Development Goals of the UN. Through our efforts in community healthcare, we aim to help people realise their dreams of leading a healthy and happy life.

Gujarat Adani Institute of Medical Sciences (GAIMS)

GAIMS is the first medical college, based on the Public-Private Partnership model, in the medical education sector. Spread across a sprawling area of 27 acres, it offers MBBS and Post Graduation courses in almost all clinical branches. It has enrollment strength of 900 students and interns. Situated in the center of Bhuj, GAIMS – GK General Hospital is the biggest hospital in the largest district of India. This 750 bedded hospital has state-of-the-art infrastructure and offers free of cost medical care to an average of 1,500 patients and conducts 40 surgeries every day.

Mobile Health Care Units (MHCU) and Rural clinics

The MHCUs are deployed by Adani Foundation nationally with the objective of providing basic healthcare facilities to the remotest rural areas. These facilities include diagnostics, medicines, free of cost consultation and referrals by certified doctors at the doorstep of community members. As a result, these patients save money on consultation fees, medicines and travel costs reducing the possibility of losing livelihood due to weak connectivity to public healthcare system. These MHCUs are operational in Mundra, Bitta and Dahej in Gujarat, Tiroda in Maharashtra, Kawai in Rajasthan, Surguja in Chhattisgarh, Dhamra in Odisha, Udupi in Karnataka, Godda in Jharkhand, Vizhinjam in Kerala and Shimla in Himachal Pradesh. During the year almost 3,00,000 cost free treatments were rendered.

Adani Foundation also operates numerous Rural Health Clinics where healthcare services are provided free of cost to the needy people daily. These clinics, operating in Mundra and Anjar in Gujarat, Dhamra in Odisha, Salhi in Chattisgarh and Sainj in Himanchal Pradesh, are an important step by the Foundation to ensure that quality medical services are made accessible to the rural populace. During the year it provided around 38,000 free treatments to needy patients belonging to the community.

Health Cards to Senior Citizens and Medical Insurance

Health Card to Senior Citizens is a scheme under which health cards are provided to 8515 senior citizens from socio-economically marginalised sections. The main objective of this scheme is to make timely healthcare services available according to needs of these senior citizens.

The Foundation also provides medical insurance to the families of up to seven members, through the Adani Aarogya Card scheme in Udupi, Karnataka. Under this scheme, 2341 families are given medical insurance coverage of ₹50,000.

Medical camps

Adani Foundation regularly conducts various general and specialised medical camps in and around its operational locations for the benefit of local communities. At these camps services of gynaecologists, orthopaedic surgeons, heart specialists, skin specialists, paediatricians, ophthalmologist, ENT surgeons are provided to the community members at no cost. Free of cost follow-up services are also made available and necessary discounts are negotiated in cases requiring surgery. These camps are conducted in Mundra, Dahej and Hazira in Gujarat, Tiroda in Maharashtra, Godda in Jharkhand, Kawai in Rajasthan, Dhamra in Odisha and Udupi in Karnataka. During the year more than 43,000 patients took advantage of these specialized services

Empowering people through sustainable livelihoods helps them to transform their lives and contribute to the growth of the nation. Due to lack of adequate skills and livelihood opportunity many people still live in deplorable conditions. Helping people become self-reliant and earn sufficient incomes is the only way to counter poverty and unemployment. Hence, through its initiatives, Adani Foundation aims at holistic growth and development of the marginalized sections of the society by providing necessary skill development training and alternative livelihood opportunities, hence reducing poverty and inequality to align itself with the Sustainable Development Goals. We firmly believe that self-reliant and financially empowered people will ultimately nurture the dreams of a new India.

Support to Farmers

With the objective of promoting organic farming using the Systematic Rice Intensification (SRI) method, Adani Foundation, in cooperation with respective Block Agriculture Departments, regularly conducts various training programmes for the farmers. They have been introduced to various innovative and cost-saving practices in farm cultivation, techniques of low water usage & labour-intensive organic method of growing the crop. This project has been successfully implemented in 11,316 acres of land by 6,364 farmers so far of Tiroda in Maharashtra. SRI method has also been introduced at Surguja in Chhattisgarh and at Dhamra in Odisha. On an average it increases the agricultural production by 33% and reduce farming costs by 32%.

Adani Foundation initiated training programmes at Go Vigyan Anusandhan Kendra, a cow-based livelihood programme, a fly ash utilisation programme and the formation of Farmers' Producer's Company at Tiroda, Maharashtra. It has also provided support for construction of biogas plants for households, promotion of farmers' produce of date fruits through various market linkages, fodder for the livestock and held an agriculture development programme in collaboration with Krishi Vikas Kendra in Mundra, Gujarat. Other efforts undertaken by the Foundation to support farmers include animal health and vaccination camps in Dhamra in Odisha and Godda, Jharkhand, as well as a cattle breed improvement programme in Kawai, Rajasthan and Tiroda in Maharashtra.

Initiatives to Uplift the Fisherfolk Community

The Adani Foundation works closely with the fisherfolk community to introduce alternative livelihoods and income generation opportunities for their socio-economic development and has provided 37,000 man-days worth of employment during non-fishing months. It has implemented the Ajivika Uparjan Yojana, Mundra - Gujarat, which provides employment to 150 fisher-folk families in a mangrove afforestation programme.

It has also introduced polyculture and cage culture techniques to fishermen willing to diversify their occupation. The Foundation has also provided equipment support like fishing nets, anchors, drying platforms, first aid equipment for fishing boats and solar dryers to the fishermen from various places including Mundra, Hazira and Dahej in Gujarat and Dhamra in Odisha.

Projects to Empower Women

Adani Foundation has taken some important projects to encourage women in becoming self-reliant. These projects include training in sewing and garment making, soft toy making, lac bangle making, LMV driving, etc. for women in Tiroda, Kawai, Dhamra, Mundra and Surguja. The Foundation helps women in earning income through the formation of Self Help Groups (SHGs). The members of these groups are trained in making saleable products and also engage in managing the finances, marketing and administration, etc. They are provided with a platform to display and sell their work through various exhibitions and market linkages. Saheli Mahila Gruh Udhyog, in Mundra, has been providing training to the women in preparing various kinds of soaps, detergents and disinfectants for sale. SHG members in Hazira provide nutritious food to Aanganwadis in that region. Women producers' co-operative provides training in making handicrafts, bari as well as mushroom cultivation, etc. Such empowerment trainings in business strategies and management have inspired women from Vizhinjam to run their own canteen business. More than 1,700 women were trained for livelihood enhancement and more than 2,500 women and girls were empowered through various awareness programmes.

Community Infrastructure Development

Quality rural and community infrastructure bears a direct influence on living standard and the development of the rural population. Lack of it may push the rural populace towards poverty and deprivation. To achieve redistributive growth in India, gaps in rural infrastructure need to be addressed. At Adani Foundation, we have committed ourselves to building sustainable rural infrastructure to overcome developmental challenges at the rural area keeping national goals in view. We are committed to making a long-term investment in rural infrastructure development as it will connect its dream with the progress of the nation. This sector of Adani Foundation achieves multiple targets of Sustainable Development Goals in direct as well as indirect way establishing the fact that quality infrastructure is key to a nation's growth.

Construction of Schools and Other Education Infrastructure

The Foundation has been instrumental in constructing landmark school buildings for all the eight schools run by Adani Foundation. The recently constructed buildings of Adani DAV Public school at Dhamra, Odisha, Adani Vidya Mandir and a vocational training centre at Surguja, Chhattisgarh, bears testimony to the quality conscious approach towards infrastructure development that the Foundation believes in. The Foundation also undertakes construction and repair work for improving the infrastructure of various government schools to create a conducive learning environment for the students.

Education infrastructure work undertaken by the Foundation includes construction of additional classrooms, toilets, science labs, dust-free areas with paver blocks, raising the height of walls for the safety of the students and regular renovation and maintenance of buildings of all Adani run schools.

Water Conservation

Under the umbrella of water conservation activities in the states of Gujarat, Maharashtra, Rajasthan and Chhattisgarh, the Foundation has constructed various check dams, farm ponds and earthen bunds across streams. During the year the foundation has undertaken the work of 19 streams deepening as well as desilting of 23 existing ponds in Mundra and Tiroda region. Adani Foundation has also created recharge pits near wells and hand pumps to ensure adequate water availability for the communities in and around Godda, Jharkhand. As a part of rural Infrastructure development initiative, a total of 135 ponds & 64 farm ponds have been deepened and 66 streams have been widened resulting in increase of 32,52,882 cu.mt storage capacity.

Housing

To meet the basic housing needs of the fisherfolk community and the population living below poverty line in Gujarat, Adani Foundation had constructed 143 and refurbished 218 Aavas in Dahej and Hazira. 270 new shelters were also constructed for fisher folk community in Mundra. Continuing the activity, the foundation constructed 9 new Aavas and repaired 6 at Dahej. Adani foundation also constructed individual and community toilets to provide adequate sanitation and hygiene facilities for the people.

Community Infrastructure projects

In a bid to make potable water available, Adani Foundation has provided 335 potable water facilities including installation of various community RO plants and water ATMs and handed them over to the community members or local panchayats to operate. It has also constructed underwater tanks, pitched ponds, dug bore wells and tube wells and installed hand pumps to meet safe drinking water needs of the communities. The Foundation has also undertaken various community welfare projects like construction of healthcare centres, community halls, individual/ community toilet block facilities, approach roads, platforms for drying fish, cowsheds, minor bridges, market platforms, bus-stands and renovated temples. It has also provided solar lighting facilities, solar pumps for irrigation and electrification in the villages. These activities have benefited the people of Mundra, Hazira and Dahej in Gujarat, Kawai in Rajasthan, Godda in Jharkhand, Surguja in Chhattisgarh, Dhamra in Odisha, Tiroda in Maharashtra, Udupi in Karnataka and Vizhinjam in Kerala.

Special Projects

Holistic Development to Nurture a New India

The true nature of Adani Foundation's deep commitment to the welfare of the community is glimpsed in the special projects it undertakes. These projects address issues of the society that are vital for the development of the nation and need special attention for pan India implementation and not only at business influenced zones. Through these special projects that harmonise with the efforts of the government, the foundation partakes in launching, operationalising, impacting and promoting the issues of national interests. Leaving no stone unturned when it comes to empowering the people of the nation, these projects by the Foundation are aimed towards achieving the Dreams of Nurturing a New India.

Swachhagraha – Swachhata ka Satyagraha

Inspired by the Satyagraha movement, and in support of National Swachh Bharat Mission, the Swachhagraha project is dedicated towards creating a culture of cleanliness by bringing about a behavioural change and promoting anti-littering attitude among the masses. Each month this movement spreads the message of cleanliness to more than 70,000 people. Swachhagraha activity books for school projects have been published and made available in 11 Indian languages, for this programme.

After successfully carrying out the programme in 650 schools of Gujarat in 2017, Swachhagraha has now been implemented in 40 cities across 17 states of India. After successful implementation in schools, the programme has now been extended to colleges to include the youth of the nation in this noble initiative. The project has gained momentum with over 86,000 active followers on Facebook and an online user engagement of 15,00,000. 55,000 young Swachhagrahis from 3,075 schools through 3,220 Swachhagraha Preraks from the 17 states, spreading the message of cleanliness to 35,00,000 people.

Innovative campaigns that helped popularize this initiative comprised 'Selfie with Safai ke Sitare', Swachhagraha pledge campaign at Fun Street, street plays by 81 schools, online campaign 'Gandagi se Azadi' and 'Swachhagraha Ke Reporters'. A 70-day Swachhagraha campaign over Radio Mirchi, Ahmedabad, reached more than 30 lakh listeners. Swachhagraha also featured on the UNESCO Green Initiative website.

SAKSHAM

The flagship initiative of Adani Skill Development Centre, is built around the vision of creating a saksham India, where the youth are capable of achieving their goals by transforming into skilled professionals. The objective is to bring world-class skill development opportunities to Indian youths, an opportunity they would otherwise have no access to. The SAKSHAM initiative functions through partnerships with various schemes under the Government of India, and support from esteemed corporates.

Under project Saksham, by Adani Skill Development Centre (ASDC), an initiative of the Adani Foundation, the foundation conducts skill-based training programmes, which includes 34 government courses and 11 ASDC-customized and government approved courses, for the youth of India, thereby increasing their skill sets and employability. ASDC operates 9 fully-owned centres across Gujarat, Maharashtra, Chhattisgarh, Rajasthan and Jharkhand as well as 16 centres in Madhya Pradesh, Kerala and Odisha in infra-partnership mode with a total capacity to skill 20,000 youth annually.

ASDC is the first skill imparting institute in the country to offer courses like Simulator-based Crane Operation, 3D printing and Welding through Augmented Reality.

Adani Skill Development Centre, aligning itself to the Sustainable Development goals such as No Poverty and Decent work and economic growth, aims at making 3,00,000 Indian youths saksham by 2022. ASDC signed an MoU with the National Skill Development Corporation (NSDC) in the presence of Hon'ble Prime Minister of India, Shri Narendra Modi and Shri Rajiv Pratap Rudy (Hon'ble Minister of State Skill Development and Entrepreneurship) on 19^{th} December 2016. ASDC also signed an MoU with the Government of Gujarat on 12^{th} January 2017 during Vibrant Gujarat 8^{th} Global Summit 2017, in order to establish 2 Skill Development Centres in Gujarat. ASDC is working in phases to set up Skill Development Centres across the nation. As part of the first phase skill development centres have already been set up in Ahmedabad, Mundra, Surat, Tiroda, Surguja, Vizhinjam, Indore and Bhopal during 2017-18.

Adani Skill Development Centre across nation has trained over 6500 candidates in 2017-18on various skill development programmes and over 70 % candidates are provided with livelihood opportunities. ASDC is focusing on Sustainable Development Goals of no poverty and decent work and economic growth.

SuPoshan

Project SuPoshan is being implemented for curbing malnutrition and anaemia, a common issue amongst children, adolescent girls and women of our country by aligning with the Sustainable Development Goal of ending all forms of malnutrition. In Suposhan village level health volunteers take lead for implementing community based life cycle approach with a focus on behavioral change communication. Presently 209 Sanginis are working in 309 villages/municipal wards across country, covering 501 Anganwadis and providing services to 90,565 households. During this year, 2.39 Lakh women and adolescent girls are provided guidance for nutrition and health through 18,400 focus group discussions and 46,711 family counselings. A total of 1,844 village events were organized to involve all stakeholders in the journey towards SuPoshit Village. Supplementary Nutritious Food was provided to 138 children during this year. The project helped 2,317 children to come out of the clutches of malnutrition and 70,000 women and adolescent girls were screened for anemia, using non-invasive ToucHb instrument. Along with inculcating healthy eating habits, the use of iron folic acid tablets were facilitated for 8,362 cases of anemia which resulted in recovery of 1885 cases of anemia.

Encouraged by success of this initiative, Adani Wilmar has come forward to support for the rapid expansion of the program and doubling the reach. A meticulous planning for selecting sites, preparation and mobilization of human resources have been done for adding 1,00,000 households spread across five locations, namely Tharad – Gujarat, Varanasi – UP, Saoner – Maharashtra, Haldia – West Bengal and Bundi – Rajasthan.

UDAAN

The aim of the Udaan project is to inspire young minds to dream big. Udaan is a learning-based initiative focusing on Sustainable Development Goal of Quality Education and creating exposure for the youth of educational institutes across Gujarat. Under this project, a two-day exposure tour is organized, wherein numerous school and college students are given an opportunity to visit the Adani Group's business establishments in Mundra, Kawai, Tiroda, Dhamra, Hazira and Udupi and gain an insight about its operations. It gives these students an opportunity to broaden their horizon in terms of career possibilities and opportunities that lie ahead. Udaan visits are completely free for all government schools and colleges and are conducted round the year. The project was inspired by Mr. Gautam Adani, Chairman of the Adani Group, whose visit to Kandla port as a child inspired him to build a world-class port. The project impacted more than 2,50,000 students from 3,000 institutes.

Corporate Information

Board of Directors

Mr. Gautam S. Adani
Chairman

Mr. Rajesh S. Adani
Managing Director

Mr. Vneet S Jaain
Whole–time Director

Ms. Nandita Vohra

Mr. Raminder Singh Gujral

Mr. Mukesh Shah
(w.e.f. 31st March, 2018)

Chief Financial Officer

Mr. Rajat Kumar Singh
(w.e.f. 1st February, 2018)

Company Secretary

Mr. Deepak Pandya

Auditors

M/s. S R B C & Co LLP
Chartered Accountants
Ahmedabad

Registered Office

"Shikhar"
Near Adani House,
Mithakhali Six Roads,
Navrangpura,
Ahmedabad – 380 009

CIN: L40100GJ1996PLC030533

Registrar and Transfer Agent

M/s Karvy Computershare Private Limited

Karvy Selenium Tower B,
Plot No. 31-32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally, Hyderabad 500 032

Tel : 040–6716 1526;

Fax : 040–2300 1153

Email:einward.ris@karvy.com

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present herewith the 22nd Annual Report along with the audited financial Statements of your Company for the financial year ended 31st March, 2018.

1. Financial Performance

The Financial highlight is depicted below:

₹ in Crores

Particulars	Consolidated Results		Standalone Results	
	2017-18	**2016-17**	**2017-18**	**2016-17**
Revenue from Operations	20,611.04	22,615.51	8,249.26	10,868.11
Other Income	482.39	418.96	334.79	735.22
Total Income	**21,093.43**	**23,034.47**	**8,584.05**	**11,603.33**
Operating and Administrative expenses	14,919.81	16,643.86	7,245.93	9,610.68
Operating Profit before Interest, Depreciation and Tax	**6,173.62**	**6,390.61**	**1,338.12**	**1,992.65**
Depreciation and Amortisation Expense	2,698.72	2,672.36	860.67	1,120.72
Profit before finance costs and exceptional items	**3,474.90**	**3,718.25**	**477.45**	**871.93**
Finance Costs	5,570.23	5,901.73	2,008.07	3,101.56
Exceptional Items	-	4,076.69	(1,506.85)	3,907.94
(Loss) before tax	**(2,095.33)**	**(6,260.17)**	**(23.77)**	**(6,137.57)**
Tax Expense	(5.15)	(86.07)	-	(83.23)
(Loss) for the year before share of (loss) from associate	**(2,090.18)**	**(6,174.10)**	**(23.77)**	**(6,054.34)**
Net share of (loss) from associate	(29.18)	-	-	-
(Loss) for the Year	**(2,119.36)**	**(6,174.10)**	**(23.77)**	**(6,054.34)**
Other Comprehensive Income	4.34	3.97	3.74	1.63
Total Comprehensive (Loss) for the year	**(2,115.02)**	**(6,170.13)**	**(20.03)**	**(6,052.71)**
Surplus brought forward from previous year	-	-	-	-
Balance available for appropriation	**(2,115.02)**	**(6,170.13)**	**(20.03)**	**(6,052.71)**
Balance carried to Balance Sheet	**(2,115.02)**	**(6,170.13)**	**(20.03)**	**(6,052.71)**

2. Performance Highlights:

Consolidated:

The key aspects of your Company's consolidated performance during the financial year 2017-18 are as follows:

a) Revenue

The consolidated total revenue of your Company for FY 2017-18 stood at ₹21,093.43 crores as against ₹23,034.47 crores for FY 2016-17, showing a decrease of 8.43%. The revenue is lower in FY 2017-18, mainly due to reduction in quantum of power sold.

Your Company has sold 48.01 billion units of electricity during FY 2017-18 as against 60.19 billion units in FY 2016-17 from all the plants, with decrease in Plant Load Factor (PLF) from 70% in the previous year to 55% in the year 2017-18.

b) Operating and Administrative Expenses

The consolidated Operating and Administrative Expenses of ₹14,919.81 crores during FY 2017-18 have decreased by 10.36% from ₹16,643.86 crores in FY 2016-17. They mainly consist of expenses in nature of fuel cost, employee benefits expense, transmission expense, repairs and maintenance etc.

The percentage of Operating and Administrative Expenses to total revenue has decreased to 70.73% in FY 2017-18 from 72.26% in FY 2016-17.

c) Depreciation and Amortization Expenses

The consolidated Depreciation and Amortization Expenses of ₹2,698.72 crores during FY 2017-18 have increased by 0.99% from ₹2,672.36 crores in FY 2016-17.

d) Finance Costs

The consolidated Finance Costs of ₹5,570.23 crores during FY 2017-18 have decreased by 5.62% from ₹5,901.73 crores in FY 2016-17. The reduction was largely on account of mark to market gains on currency derivatives.

e) Exceptional Item

The consolidated exceptional item for the previous year includes reversal of Compensatory Tariff (CT) of ₹3,619.49 crores and other receivables of ₹457.20 crores

f) Total Comprehensive Loss for the year

Consolidated total Comprehensive Loss for the year was ₹2,115.02 crores as compared to total Comprehensive Loss of ₹6,170.13 crores in FY 2016-17.

Standalone:

During the year, the Hon'ble National Company Law Tribunal, Bench at Ahmedabad ["NCLT"] has sanctioned the Scheme of Arrangement between Adani Power Limited [the "Transferor Company"] and its subsidiary company, Adani Power (Mundra) Limited [the "Transferee Company"] and their respective shareholders and creditors [the "Scheme"] pursuant to the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder. A certified copy of the Order sanctioning the Scheme was issued to the Company by the NCLT on 10th November, 2017. The said Scheme has been made effective on 22nd December, 2017 with appointed date of 31st March, 2017, on receipt of all the requisite approvals. As per the NCLT Order, sanctioning the Scheme, all the assets and liabilities pertaining to "Mundra Power Generation Undertaking" (i.e. 4620 MW thermal power undertaking) situated at Mundra, Gujarat [hereinafter referred as "De-merged Undertaking"], stand transferred and vested to the Transferee Company, as a going concern on a slump exchange basis. Also, pursuant to the Scheme, the Company transferred the balances of assets, liabilities and components of reserves and surplus (including accumulated losses) pertaining to De-merged Undertaking. Hence, the previous year figures of standalone financial results are not comparable with the current year.

3. Dividend:

In view of the loss incurred during the financial year 2017-'18, your Directors do not recommend any Dividend on Equity Shares for the year under review.

4. Material Changes and Commitments:

The material change which has occurred between the end of financial year of the company and the date of this report is as under:

Maharashtra Electricity Regulatory Commission (MERC) in its order dated 19th April, 2018 has allowed Adani Power Maharashtra Limited (APML), compensation for Change in Law events under clause 13 of the PPA in lieu of the Lohara Coal Block. Based on this order, APML has recognized the claim in the books as per methodology given in the order, as against relief accounted for as Change in Law based on earlier order of MERC dated 5th May, 2014.

5. Key Developments:

1. Pursuant to the Order of the Hon'ble Supreme Court dated 11th April, 2017, in the matter pertaining to Compensatory Tariff in Adani Power (Mundra) Limited ["APMuL"], the Central Electricity Regulatory Commission ("CERC") was directed to determine the relief for various Change In Law events under clause 13 of Power Purchase Agreement (PPA). Subsequent to above, based on the petition filed by APMuL, in case of PPA with Haryana Discoms, the CERC, vide its interim order dated 28th September, 2017, directed that pending the issue of final order for compensation, Haryana Discoms shall pay 75% of the relief claimed by APMuL, subject to adjustment based on final order.

2. The Hon'ble National Company Law Tribunal, Bench at Ahmedabad ["NCLT"] has sanctioned the Scheme

of Arrangement between Adani Power Limited [the "Transferor Company"] and its subsidiary company, Adani Power (Mundra) Limited [the "Transferee Company"] and their respective shareholders and creditors [the "Scheme"] pursuant to the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder. A certified copy of the Order sanctioning the Scheme was issued to the Company by the NCLT on 10th November, 2017. The said Scheme has been made effective from 22nd December, 2017 with appointed date of 31st March, 2017, on receipt of all the requisite approvals. As per the NCLT Order sanctioning the Scheme, all the assets and liabilities pertaining to "Mundra Power Generation Undertaking" (i.e. 4620 MW thermal power undertaking) situated at Mundra, Gujarat, stand transferred and vested to the Transferee Company, as a going concern on a slump exchange basis.

3. Adani Power Rajasthan Limited ["APRL"] and Adani Power Maharashtra Limited ["APML"] have been allowed additional coal linkage by Coal India Limited under Scheme for Harvesting and Allocating Koyla (Coal) Transparently in India ["SHAKTI"].

4. The Company's wholly owned subsidiary Adani Power (Jharkhand) Limited (APJL) has signed a long term Power Purchase Agreement (PPA) on 5th November 2017 with the Bangladesh Power Development Board for a net capacity of 1496 MW for supply of power for 25 years. APJL has also signed an Implementation Agreement with the Government of Bangladesh and Power Grid Company of Bangladesh. Power supply under the PPA will be made from a new 1600 MW (2 x 800 MW) Ultra-supercritical, coal based power plant to be set up by APJL at Godda, Jharkhand. The first 800 MW unit of the plant is proposed to achieve commercial operations within 50 months of the PPA signing date, and the second 800 MW unit within four months thereafter. All relevant clearances and permissions for setting up the project have been obtained, and land acquisition is currently in progress.

6. Fixed Deposits:

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013, read with rules made there under.

7. Subsidiary Companies and its Financial Performance:

Your Company has total 6 direct and indirect subsidiaries as on 31st March, 2018.There has been no material change in the nature of the business of the subsidiaries.

The Financial performance of the key subsidiaries is as under:

- **Adani Power (Mundra) Limited [APMuL]:** APMuL's Mundra Power Plant has a total installed capacity of 4,620 MW. PLF for the year was 64%. The Mundra Power Plant contributed ₹9,747.87 crores towards the total consolidated revenue and ₹1,684.90 crores towards the consolidated EBIDTA. APMuL had ₹1,694.07 crore Comprehensive Loss during the year.

- **Adani Power Maharashtra Limited [APML]:** APML's Tiroda Power Plant has a total installed capacity of 3,300 MW. PLF for the year was 62%. The Tiroda Power Plant contributed ₹7,007.91 crores towards the total consolidated revenue and ₹2,725.01 crores towards the consolidated EBIDTA. APML had ₹60.04 crore Comprehensive Profit during the year.

- **Adani Power Rajasthan Limited [APRL]:** APRL's Kawai Power Plant has a total installed capacity of 1,320 MW. PLF for the year was 54%. The Kawai Power Plant contributed ₹2,654.54 cr. towards the total consolidated revenue and ₹737.39 cr. towards the consolidated EBIDTA. APRL had ₹467.29 cr. comprehensive loss during the year.

- **Udupi Power Corporation Limited [UPCL]:** UPCL's Udupi Power Plant has a total installed capacity of 1,200 MW. PLF for the year was 56%.The Udupi Power Plant contributed ₹2,942.30 cr. towards the total consolidated revenue and ₹904.07 cr. towards the consolidated EBIDTA. UPCL had ₹25.09 cr. comprehensive profit during the year.

8. Consolidated Financial Statements

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013, read with rules framed thereunder and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has prepared consolidated financial statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statements of subsidiaries, joint ventures and associates in Form

AOC-1 are forming part of the Annual Report. The Financial Statements as stated above are also available on the website of the Company and can be accessed at http://www.adanipower.com/investors/financials.

The annual financial statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours. The financial statements of the subsidiary companies shall also be kept open for inspection by any shareholder/s during working hours at the Company's registered office and that of the respective subsidiary companies concerned. The separate audited financial statements in respect of each of the subsidiary companies are also available on the website of the Company. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including consolidated financial statements and related information of the Company and audited financial statements of each of its subsidiaries, are available on our website, www.adanipower.com. Details of developments of subsidiaries of the Company are covered in the Management Discussion and Analysis Report, which forms part of this Report.

9. Directors and Key Managerial Personnel:

During the year under review:

Mr. C. P. Jain, Independent Director of the Company, had resigned from the Board of Directors with effect from 3rd February, 2018. The Board places on record the deep appreciation for valuable services and guidance provided by him during the tenure of his Directorship.

Mr. Mukesh Shah had been appointed as an Additional Director (Non-Executive Independent Director) of the Company, with effect from 31st March, 2018.

Mr. Vinod Bhandawat had resigned as Chief Financial Officer of the Company with effect from close of business hours of 31st January, 2018.

The Board appointed Mr. Rajat Kumar Singh as Chief Financial Officer and Key Managerial Personnel of the Company with effect from 1st February, 2018.

Mr. Rajesh S. Adani (DIN: 00006322) had been re-appointed as Managing Director of the Company for a period of three years with effect from 1st April, 2018, subject to approval of shareholders of the Company as proposed in the Notice of the Annual General Meeting to be held on 6th August, 2018.

Mr. Vneet S Jaain (DIN: 00053906) had been re-appointed as Whole-time Director of the Company for a period of three years with effect from 14th May, 2018, subject to approval of shareholders of the Company as proposed in the Notice of the Annual General Meeting to be held on 6th August, 2018.

Director retiring by rotation

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mr. Rajesh S. Adani (DIN: 00006322) retires by rotation at the ensuing Annual General Meeting and being eligible for re-appointment, has shown his willingness for re-appointment. The Board recommends the appointment of Mr. Rajesh S. Adani as Director of the Company retiring by rotation.

Independent Directors and their Meeting

Your Company has received annual declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence provided in Section 149(6) of the Companies Act, 2013 and Regulations 16(1) (b) & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances that may affect their status as Independent Director during the year.

The Independent Directors met on 22nd March 2018, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

10. Directors' Responsibility Statement:

Pursuant to clause (c) of sub-section (3) and sub-section (5) of Section 134 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the followings:

a. that in the preparation of the annual financial statement, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the loss of the Company for the year ended on that date;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the annual financial statement have been prepared on a going concern basis;

e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

11. Board Evaluation:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act is available on the website of the Company at http://www.adanipower.com/investor/investordownload

The Board carried out an annual performance evaluation of its own performance and that of its committees and individual directors as per the formal mechanism for such evaluation adopted by the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The exercise of performance evaluation was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

12. Policy on Directors' Appointment and Remuneration:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act is available on the website of the Company at http://www.adanipower.com/investor/investordownload

13. Internal Financial Control (IFC) System and their Adequacy:

The details in respect of internal financial control and their adequacy are included in Management Discussion and Analysis Report, which forms part of this report.

14. Risk Management:

Company's Risk Management Framework is designed to help the organization to meet its objective through alignment of the operating controls to the mission and vision of the Group. The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls.

The Risk Management Framework to ensure a holistic, mutually exclusive and collectively exhaustive allocation of risks by identifying risks relating to key areas such as operational, regulatory, business and commercial, financial, people, etc. Using this framework we aim to achieve key business objectives, both in the long term and short term, while maintaining a competitive advantage.

A standard 3-step approach has been defined for risk management –

1) Risk Identification

2) Risk Assessment & Prioritization and

3) Risk Mitigation

Following review mechanism is in place for periodic review of the compliance to the risk policy and tracking of mitigation plans.

- Review Compliance to Risk Policy, Resolve bottlenecks to mitigate risk. Advise the Board of Directors on risk tolerance and appetite.

- Prioritise risk from stations / departments, track mitigation plan and escalate to Steering Committee. Prepare Steering Committee document and co-ordinate meeting.
- Review and update risk list. Track mitigation plan and share status update with Chief Risk Officer (CRO) every month. Share Risk Review document with CRO.

Once risks have been prioritized, comprehensive mitigation strategies are defined for each of the prioritized risks. These strategies take into account potential causes of the risk and outline leading risk mitigation practices. In order to ensure the efficacy of this approach, a robust governance structure has also been set in place. Clear roles and responsibilities have been defined at each level right from the Site Champion to the APL management & leadership.

All associated frameworks (risk categorization & identification); guidelines & practices (risk assessment, prioritization and mitigation) and governance structure have been detailed out in the "Risk Management Charter" and approved by the Board of Directors.

15. Business Responsibility Report:

The Business Responsibility Report for the year ended 31st March, 2018 as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed which forms part of this Report.

16. Related Party Transactions:

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on http://www.adanipower.com/investors/investor-download. All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013.

During the year, your Company has entered into a transaction with Adani Power Maharashtra Limited, wholly owned subsidiary, details of the said transaction are provided in Form AOC-2, as annexed to this report as Annexure - B.

17. Auditors & Auditors' Report:

Statutory Auditors:

M/s. S R B C & Co. LLP (324982E/E300003), Chartered Accountants, the Statutory Auditors of the Company have been appointed as Statutory Auditors of the Company by the Members of the Company till the Conclusion of 26th Annual General Meeting of the Company to be held in the calendar year 2022. The appointment of the said statutory auditor is required to be ratified by the Members of the Company at the ensuing Annual General Meeting. Your Company has received letter from M/s. S R B C & Co. LLP, Chartered Accountants, to the effect that their appointment, if made would be within the prescribed limits under Section 141 of the Companies Act, 2013 read with rules made thereunder and that they are not disqualified for such appointment. The Board recommends the ratification of Statutory Auditors by the members.

Explanation to Auditors' Comment:

The Auditors' Qualification has been appropriately dealt with in Note No. 40 of the Notes to the standalone audited financial statements and in Note No. 31 of the Notes to the consolidated audited financial statements. The Auditors' Report is enclosed with the financial statements in this Annual Report.

Cost Auditors:

Your Company has appointed M/s Kiran J. Mehta & Co., Cost Accountants (Firm Reg. No. 100497) to conduct audit of cost records of the Company for the year ended 31st March, 2019. The Cost Audit Report for the year 2016-17 was filed before the due date with the Ministry of Corporate Affairs.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, Mr. Chirag Shah, Practicing Company Secretary, had been appointed to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for financial year 2017-18 is annexed, which forms part of this report, as Annexure – C. There were no qualifications, reservation or adverse remarks given by Secretarial Auditor of the Company in the Secretarial Audit Report of the Company.

18. Awards, Certifications and Accreditations:

In FY 2017-18, your Company has obtained:

- ISO 9001:2015- Certification for Quality Management System by TuV, Nord Germany

- ISO 14001:2015- Certification for Environment Management System by TuV, Nord Germany
- OHSAS 18001:2007- Certification for Occupational Health & Safety Assessment System by TuV, Nord Germany
- Power Awards 2017 - Recognition and appreciation of the contributions by UPCL for meeting almost 12% of total power requirement of Karnataka, by Government of Karnataka
- IPPAI Power Awards 2017 - The Most Innovative Young Power Professional by IPPAI (Independent Power Producers Association of India) at the 18th Regulators & Policymakers Retreat
- Finalist - Asia Sustainability Reporting Awards(ASRA) 2017 - Recognition for best sustainability reporting in Asia by CSR Works International with support of British Chamber of Commerce and High Commission of Canada at Singapore.
- Srishti Environment Award 2018 - Recognition for best Environment Management practices by Srishti Publications

19. Corporate Governance

Your Company has complied with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Corporate Governance. A report on the Corporate Governance practices and the Auditors' Certificate on compliance of mandatory requirements thereof are given as an annexure to this report.

20. Management Discussion and Analysis

A detailed report on the Management Discussion and Analysis is provided as a separate section in the Annual Report

21. Sustainability & Corporate Social Responsibility (S & CSR)

Our CSR Philosophy:

The CSR agenda is planned in consultation with the community through a systematic independent need assessment, as well as through a Participatory Rural Appraisal (PRA).

Inputs are then taken from an Advisory Committee, including senior members from the Adani Foundation and eminent personalities from the field.

The CSR agenda is subsequently deliberated upon and after careful consideration, then processed by our leadership in consultation with Adani Foundation.

Community Engagement and Development:

We approach community care with the same zeal and efficiency as we approach our business. We make strategic long-term investments which yield life-long positive change to the communities around us. We have a committed implementation team to carefully choose and craft initiatives in alignment with current and future needs of the nation.

We focus on a holistic socio-economic development of the local communities around our plant operations. We believe in positive relationships that are built with constructive engagement which enhances the economic, social and cultural well-being of individuals and regions connected to our activities. We continuously engage in dialogues, consultation, coordination and cooperation with community members to improve our sustainability performance and reduce business risks.

Implementation through Adani Foundation:

We initially started working with communities in and around Mundra, Gujarat, and slowly expanded our operations in the states of Gujarat, Maharashtra, Rajasthan, Himachal Pradesh, Madhya Pradesh, Karnataka, Chhattisgarh, Jharkhand and Odisha. We are aligning our philosophy with Sustainable Development Goals in order to ensure that the lives of the marginalized communities are substantially improved.

The comprehensive aim of the Foundation is to enhance the living conditions of the communities in which our operations are based. Our CSR always gives prime importance to inclusive growth and equitable development of the community.

We ensure that all our initiatives are successfully adopted by the community by ensuring their active involvement in the process of development. We carry out internal as well as external impact assessment of the community projects.

The Annual Report on CSR activities and initiatives on Sustainability Reporting are annexed, which forms part of this Report. The CSR policy is available on the website of the Company at http://www.adanipower.com/investor/investordownload

22. Secretarial Standards

The Company complies with all applicable secretarial standards.

23. Disclosures

A. **Number of Board Meetings:**

The Board of Directors met 6 (Six) times during the year under review. The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Report.

B. **Committees of Board:**

Details of various committees constituted by the Board of Directors, as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, are given in the Corporate Governance Report and forms part of this report.

C. **Extract of Annual Return:**

The details forming part of the extract of the Annual Return in Form MGT 9, is annexed to this Report as Annexure – A.

D. **Vigil Mechanism / Whistle Blower Policy**

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded on the website of the Company at http://www.adanipower.com/investors/investor-download

E. **Particulars of Loans, Guarantees or Investments:**

The provisions of Section 186 of the Companies Act, 2013, with respect to loans, guarantees, investments or security are not applicable to the Company as the Company is engaged in providing infrastructural facilities and is exempted under Section 186 of the Companies Act, 2013. The details of investments made during the year under review are disclosed in the financial statements.

F. **Significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company:**

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

G. **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, as amended from time to time, is annexed to this Report as Annexure – E.

H. **Particulars of Employees**

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in separate annexure forming part of this Report as Annexure – D.

The statement containing particulars of employees as required under Section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

I. **Prevention of Sexual Harassment at Workplace:**

As per the requirement of the provisions of the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made thereunder, our Company has constituted Internal Complaints Committees at various locations as per requirement of the Act which are responsible for redressal of complaints relating to sexual harassment against women at workplace. During the year under review, there were no complaints pertaining to sexual harassment against women.

J. **Other Disclosures and Reporting**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under ESOP or any other scheme.
4. Neither the Managing Director nor the Whole-time Director of the Company has received any remuneration or commission from any of its subsidiaries.

24. Acknowledgement:

Your Directors place on record their appreciation for assistance and co-operation received from various Ministries and Department of Government of India and other State Governments, financial institutions, banks, shareholders of the Company etc. The management would also like to express great appreciation for the commitment and contribution of its employees for their committed services.

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman
(DIN: 00006273)

Place: Ahmedabad
Date: 3rd May, 2018

ANNEXURE - A TO THE DIRECTORS' REPORT

Form No. MGT-9

Extract of Annual Return

As on the financial year ended 31st March, 2018.

[Pursuant to section 92(3) of the Companies Act 2013, and Rule 12(1) of the Companies (Management and Administrative) Rules, 2014.

I. Registration and other Details:

CIN	L40100GJ1996PLC030533
Registration Date	22nd August, 1996
Name of the Company	Adani Power Limited
Category / Sub-Category of the Company	Company Limited by Shares
Address of the Registered office and contact details	"Shikhar", Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009.
Whether listed company Yes / No	Yes, Listed Company
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 032 Phone: 040-67162222 Fax: 040-23001153

II. Principal Business Activities of the Company:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Name and description of main Product / Services	NIC Code of the Product / Services	% to total turnover of the company
Power Generation	35102	79.26%
Wholesale trade Service – Coal Trading	46610	15.19%

III. Particulars of Holding, Subsidiary and Associate Companies:

Sr. No.	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Adani Power Maharashtra Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40101GJ2007PLC050506	Subsidiary	100%	2(87)
2	Adani Power Rajasthan Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40104GJ2008PLC052743	Subsidiary	100%	2(87)
3	Udupi Power Corporation Limited 1st Floor, "Lotus Towers" No. 34,Devaraja Urs Road, Race course Bangalore, Karnataka, India – 560001	U31909KA1996PLC019918	Subsidiary	100%	2(87)
4	Adani Power (Mundra) Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40300GJ2015PLC082295	Subsidiary	100%**	2(87)
5	Adani Power Resources Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40100GJ2013PLC077749	Subsidiary	100%*	2(87)
6	Adani Power (Jharkhand) Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40100GJ2015PLC085448	Subsidiary	100%	2(87)

** 99% shares are held by the Company and 1% shares are held by Adani Power Resources Limited and so the same is classified as subsidiary as per section 2(87)(ii) of the Companies Act, 2013.

* 50% shares are held by the Company, 30% shares are held by Adani Power Maharashtra Limited and 20% shares are held by Adani Power Rajasthan Limited and so the same is classified as subsidiary as per section 2(87)(ii) of Companies Act, 2013.

IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of total Equity as on 31st March, 2018)

i) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A.	**Promoter**									
1	**Indian**									
a)	Individuals/HUF	-	-	-	-	2	-	2	0.00	0.00
b)	Central				-				-	
	Government	-	-	-		-	-	-		
c)	State				-				-	
	Government(s)	-	-	-		-	-	-		
d)	Bodies Corporate	-	-	-	-	-	-	-	-	
e)	Banks/FI	-	-	-	-	-	-	-	-	
f)	Any Others									
	Family Trust:									
	Gautam Shantilal Adani & Pritiben Gautambhai Adani (On behalf of Gautam S. Adani Family Trust)	16432820	-	16432820	0.43	16432820	-	16432820	0.43	0.00
	Gautam Shantilal Adani & Rajeshbhai Shantilal Adani (On behalf of S. B. Adani Family Trust)	1405179633	-	1405179633	36.43	1405179633	-	1405179633	36.43	0.00
	LLP:									
	Adani Tradeline LLP*	377180885	-	377180885	9.78	377180885	-	377180885	9.78	0.00
	Sub Total (A) (1)	**1798793338**	**-**	**1798793338**	**46.64**	**1798793338**	**-**	**1798793338**	**46.64**	**0.00**
2	**Foreign**									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	
b)	Other-Individuals	-	-	-	-	-	-	-	-	
c)	Bodies Corporate	827194227	-	827194227	21.45	1019494227	-	1019494227	26.43	4.98
d)	Bank/FI	-	-	-	-					
e)	Any Other	-	-	-	-					
	Sub Total (A) (2)	**827194227**	**-**	**827194227**	**21.45**	**1019494227**	**-**	**1019494227**	**26.43**	**4.98**
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**2625987565**	**-**	**2625987565**	**68.08**	**2818287567**	**-**	**2818287567**	**73.07**	**4.98**
B.	**Public Shareholding**									
1	**Institutions**									
a)	Mutual Funds/UTI	31844859	-	31844859	0.83	36157116	-	36157116	0.94	0.11
b)	Banks/FI	71315198	-	71315198	1.85	70170507	-	70170507	1.82	-0.03
C)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt.	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FII	20058504	-	20058504	0.52	1363391	-	1363391	0.04	-0.48
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

i) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
i)	Any Other	-	-	-	-	-	-	-	-	-
	Foreign Portfolio Investor (Corporate)	585694173	-	585694173	15.19	432632169	-	432632169	11.22	-3.97
	Sub Total (B) (1)	**708912734**	**-**	**708912734**	**18.39**	**540323183**	**-**	**540323183**	**14.02**	**-4.37**
2	**Non-Institutions**									
a)	**Bodies Corporate**									
i	Indian	61920627	7438	61928065	1.61	33703402	-	33703402	0.87	-0.74
ii	Overseas	245934496	-	245934496	6.38	245777910	-	245777910	6.37	-0.01
b)	**Individuals**									
i	Individual shareholders holding nominal share capital up to ₹2 lakh	146320486	686111	147006597	3.81	162047909	650511	162698420	4.22	0.41
ii	Individual shareholders holding nominal share capital in excess of ₹2 lakh	41212951	189677	41402628	1.07	46035762	189677	46225439	1.21	0.14
c)	**Others (specify)**									
	Clearing Member	8312531	-	8312531	0.22	2341844	-	2341844	0.06	-0.16
	Non Resident	15779375	-	15779375	0.41	5641333	-	5641333	0.14	-0.27
	Indian									
	Foreign Nationals	1335496	-	1335496	0.03	1335096	-	1335096	0.03	0.00
	Directors/ Relatives	192448	-	192448	0.00	511165	-	511165	0.01	0.01
	Trusts	27030	-	27030	0.00	18158	-	18158	0.00	0.00
	NBFCs Regi. With RBI	119976	-	119976	0.00	75424	-	75424	0.00	0.00
	Sub Total (B) (2)	**521155416**	**883226**	**522038642**	**13.53**	**497488003**	**840188**	**498328191**	**12.91**	**-0.62**
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**1230068150**	**883226**	**1230951376**	**31.92**	**1037811186**	**840188**	**1038651374**	**26.93**	**-4.99**
C.	**Shares held by Custodians for GDRs & ADRs**	-	-	-	-	-	-	-		-
	GRAND TOTAL (A)+(B)+(C)	**3856055715**	**883226**	**3856938941**	**100.00**	**3856098753**	**840188**	**3856938941**	**100.00**	**0.00**

*Formerly known as Parsa Kente Rail Infra LLP

ii) Shareholding of Promoters/Promoters Group:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Gautambhai Shantilal Adani	0	0.00	0.00	1	0.00	0.00	0.00
2	Rajeshbhai Shantilal Adani	0	0.00	0.00	1	0.00	0.00	0.00
3	Gautambhai Shantilal Adani & Pritiben Gautambhai Adani (on behalf of Gautam S. Adani Family Trust)	16432820	0.43	0.00	16432820	0.43	0.00	0.00
4	Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	1405179633	36.43	21.53	1405179633	36.43	20.61	0.00
5	Adani Properties Private limited	0	0.00	0.00	0	0.00	0.00	0.00
6	Adani Tradeline LLP*	377180885	9.78	0.00	377180885	9.78	2.72	0.00
7	Pan Asia Trade and Investment Private Limited	77737201	2.02	0.00	77737201	2.02	0.00	0.00
8	Worldwide Emerging Market Holding Ltd.	265485675	6.88	0.00	192846900	5.00	0.00	-1.88
9	Afro Asia Trade and Investments Ltd.	265485675	6.88	0.00	265485675	6.88	0.00	0.00
10	Universal Trade and Investments Ltd.	218485676	5.66	0.00	291124451	7.55	0.00	-1.89
11	Emerging Market Investment DMCC	0	0	0	192300000	4.99	0.00	4.99
	Total	**2104665062**	**63.13**	**27.55**	**2818287567**	**73.07**	**23.33**	**-**

*Formerly known as Parsa Kente Rail Infra LLP

iii) Change in Promoters' and Promoters' Group Shareholding:

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total Shares of the Company
At the beginning of the year	2625987565	68.08	--	--
Market Purchase#			192300000	4.99
At the end of the year	--	--	2818287567	73.07

#Details of shares purchased by Promoter/Promoter's Group companies during the year is as under:

Sr No	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% total shares of the company				No. of Share	% of total shares of the Company
1	Emerging Market Investment DMCC	0	0.00	21.07.2017	1,350,000	Market Purchase	1,350,000	0.04%
				18.08.2017	2,650,000		4,000,000	0.10%
				21.08.2017	2,500,000		6,500,000	0.17%
				22.08.2017	2,500,000		9,000,000	0.23%
				23.08.2017	2,500,000		11,500,000	0.30%
				24.08.2017	2,500,000		14,000,000	0.36%
				28.08.2017	2,500,000		16,500,000	0.43%
				29.08.2017	2,500,000		19,000,000	0.49%
				30.08.2017	2,500,000		21,500,000	0.56%
				31.08.2017	2,500,000		24,000,000	0.62%
				01.09.2017	2,000,000		26,000,000	0.67%
				04.09.2017	2,500,000		28,500,000	0.74%
				06.09.2017	2,500,000		31,000,000	0.80%
				07.09.2017	2,500,000		33,500,000	0.87%
				08.09.2017	2,500,000		36,000,000	0.93%
				11.09.2017	2,500,000		38,500,000	1.00%
				12.09.2017	2,500,000		41,000,000	1.06%
				13.09.2017	2,500,000		43,500,000	1.13%
				19.09.2017	2,000,000		45,500,000	1.18%
				20.09.2017	4,000,000		49,500,000	1.28%
				21.09.2017	4,000,000		53,500,000	1.39%
				26.09.2017	3,200,000		56,700,000	1.47%
				03.10.2017	4,000,000		60,700,000	1.57%
				04.10.2017	1,000,000		61,700,000	1.60%
				17.10.2017	4,300,000		66,000,000	1.71%
				18.10.2017	3,500,000		69,500,000	1.80%
				23.10.2017	2,700,000		72,200,000	1.87%

iii) Change in Promoters' and Promoters' Group Shareholding:

Sr No	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% total shares of the company				No. of Share	% of total shares of the Company
				24.10.2017	2,500,000	Market Purchase	74,700,000	1.94%
				25.10.2017	2,500,000		77,200,000	2.00%
				30.10.2017	3,000,000		80,200,000	2.08%
				31.10.2017	2,500,000		82,700,000	2.14%
				01.11.2017	2,000,000		84,700,000	2.20%
				22.11.2017	3,500,000		88,200,000	2.29%
				23.11.2017	3,500,000		91,700,000	2.38%
				28.11.2017	2,000,000		93,700,000	2.43%
				29.11.2017	3,000,000		96,700,000	2.51%
				07.12.2017	5,000,000		101,700,000	2.64%
				08.12.2017	5,000,000		106,700,000	2.77%
				12.12.2017	5,000,000		111,700,000	2.90%
				13.12.2017	5,000,000		116,700,000	3.03%
				14.12.2017	3,000,000		119,700,000	3.10%
				18.12.2017	5,000,000		124,700,000	3.23%
				20.12.2017	5,000,000		129,700,000	3.36%
				21.12.2017	4,000,000		133,700,000	3.47%
				28.12.2017	1,200,000		134,900,000	3.50%
				29.12.2017	400,000		135,300,000	3.51%
				03.01.2018	6,500,000		141,800,000	3.68%
				04.01.2018	7,500,000		149,300,000	3.87%
				05.01.2018	8,000,000		157,300,000	4.08%
				22.01.2018	7,500,000		164,800,000	4.27%
				23.01.2018	7,500,000		172,300,000	4.47%
				24.01.2018	7,500,000		179,800,000	4.66%
				25.01.2018	7,500,000		187,300,000	4.86%
				30.01.2018	5,000,000		192,300,000	4.99%

iV) Shareholding Pattern of top ten Shareholders (other than Directors, Promoter and Holders of GDRs and ADRs):

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Change in Shareholding (No. of Shares)	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	Opal Investment Private Limited	213236910	5.53	-	-	213236910	5.53
2	Elara India Opportunities Fund Limited	118967313	3.08	8675084	-	127642397	3.31
3	Emerging India Focus Funds	106189050	2.75	-	59600000	46589050	1.21
4	Life Insurance Corporation Of India	68592096	1.78	-	-	68592096	1.78
5	Albula Investment Fund Ltd	73690698	1.91		51834177	21856521	0.57
6	Cresta Fund Limited	75968360	1.97		14999695	60968665	1.59
7	Capital Trade And Investment Private Limited	24000000	0.62	-	-	24000000	0.62
8	Elara Capital Plc A/c Vespera Fund Limited	27865224	0.72	-	14785000	13080224	0.34
9	EM Resurgent Fund	44522678	1.15	-	2273723	42248955	1.06
10	Macquarine Emerging Markets Asian Trading PTE. Ltd.#	17595680	0.46	-	7635680	9960000	0.26
11	Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds*	13873783	0.36	1352063	-	15225846	0.39

*Not in the list of Top 10 shareholders as on 1st April, 2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31st March, 2018.

#ceased to be in the Top 10 shareholders as on 31st March, 2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 1st April, 2017.

v) Shareholding of Directors and Key Managerial Personnel

For each of the Directors and KMP	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
Mr. Gautam S. Adani	-	-	1	-	1	0.00
Mr. Rajesh S. Adani	-	-	1	-	1	0.00
Mr. Vneet S Jaain	68,520	0.00	-	3000	65,520	0.00
Mr. C. P. Jain	-	-	-	-	-	-
Ms. Nandita Vohra	-	-	-	-	-	-
Mr. Raminder Singh Gujral	123,928	0.00	321,472	-	445,400	0.01
Mr. Vinod Bhandawat (Till 31st January, 2018)	-	-	-	-	-	-
Mr. Rajat Kumar Singh (w.e.f.1st February, 2018)	-	-	-	-	-	-
Mr. Mukesh Shah (w.e.f. 31st March, 2018)	-	-	-	2,245	2,245	0.00
Mr. Deepak Pandya	-	-	-	-	-	-

V Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹ in Crores

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	16,740.17	10,533.80	-	27,273.97
ii) Interest due but not paid				
iii) Interest accrued but not due	23.58	459.31	-	482.89
Total (i+ii+iii)	**16,763.75**	**10,993.11**	**-**	**27,756.86**
Change in Indebtedness during the financial year				
· Addition	-	17,633.09	-	17,633.09
· Reduction	40.33	13,517.00	-	13,557.32
· Transfer on account of Scheme of Arrangement	16,446.24	5,801.10	-	22,247.34
Net Change	**(16,486.57)**	**(1,685.01)**	**-**	**4,075.76**
Indebtedness at the end of the financial year				
i) Principal Amount	277.18	9,300.19	-	9,577.36
ii) Interest due but not paid				
iii) Interest accrued but not due	-	7.91	-	7.91
Total (i+ii+iii)	**277.18**	**9,308.10**	**-**	**9,585.28**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

₹ in Lacs

Sr. No.	Secured Loans	Mr. Rajesh S. Adani (Managing Director)	Mr. Vneet S Jaain (Whole time Director)	Total Amount
1	Gross Salary	-	-	-
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	Other, specify	-	-	-
5	Other, Please specify	-	-	-
	Total (A)	**-**	**-**	**-**
	Ceiling as per the Act	-	-	-

B. Remuneration to other Directors:

Independent Directors and Non- Executive Director

₹ in Lacs

	Mr. Raminder Singh Gujral	Mr. C.P. Jain (Resigned on 3rd February, 2018)	Ms. Nandita Vohra	Mr. Mukesh Shah (From 31st March, 2018)	Mr. Gautam Adani	Total
Particulars of Remuneration						
a) Fee for attending Board, committee meetings	3	3	2.6	0	0	8.6
b) Commission	0	0	0	0	0	0
c) Other, Please specify	0	0	0	0	0	0
Total (1)	**3**	**3**	**2.6**	**0**	**0**	**8.6**

C. Remuneration to Key Managerial personnel other Managing Director/Manager/ Whole-time Director:

₹ in Lacs

Sr. No.	Particulars of Remuneration	Chief Financial Officer		Company Secretary	Total Amount
		Mr. Vinod Bhandawat(till 31st January, 2018)	Mr. Rajat Kumar Singh(from 1st February, 2018		
1	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	199.87	34.59	26.98	261.44
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.55	0.49	2.59	5.63
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	**Stock Option**	**-**	**-**	**-**	**-**
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit				
	Other, specify		-		-
5	Other, Please specify				
	Employer Provident Fund	7.94	2.08	1.60	11.62
	Gratuity	2.65	0.69	0.53	3.87
	Others	45.79	1.45	1.72	48.96
	TOTAL	**258.80**	**39.30**	**33.42**	**331.52**

VII. Penalties/Punishment/Compounding of offences

Not Applicable during the Financial Year 2017-18

ANNEXURE - B TO THE DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

(a) **Name(s) of the related party and nature of relationship:** Adani Power Maharashtra Limited (APML), Wholly Owned Subsidiary of the Company.

(b) **Nature of ~~Contracts /~~ arrangements/transactions:** Coal Supply to Wholly Owned Subsidiary

(c) **Duration of the ~~Contracts /~~ arrangements/transactions:** Financial Year 2017-'18

(d) **Salient terms of the ~~Contracts or~~ arrangements or transactions including the value, if any:**

Supply of coal by the Company to APML under Inter Plant Transfer at cost as per FSA entered with the subsidiaries of Coal India Limited by the Company, and price difference, if any, would be recovered subsequently from APML on receipt of the decision of MERC. This arrangement / transaction was approved by the audit committee on omnibus basis on 1st April, 2017 with a different rationale of arm's length basis with the arrangement / transaction value up to 2000 Cr. during FY 2017-'18. Subsequently, upon change of the rationale of arm's length of the said arrangement / transaction, the Board of Directors has reviewed and approved the same upon recommendation of the audit committee.

(e) **Justification for entering into such ~~Contracts or~~ arrangements or transactions:** APML requested the Company to provide the coal under Inter Plant Transfer ("IPT") at cost considering its situation of cash flow mismatch and uncertainty on decision of MSEDCL on order of MERC against its petition of change in law filed regarding shortage of domestic coal. However, it is assured by APML that differential price between price of alternate coal available to APML (Import parity) and landed cost of FSA coal, if any, be recovered upon approval by MERC and agreed to by MSEDCL, since the Company substitutes this FSA coal with imported coal for self-consumption and price difference is being borne by the Company. The Company considered the request and decided to provide coal under IPT at FSA coal cost and price difference, if any, as explained above would be recovered subsequently on receipt of the decision of MERC. Further, APML being wholly owned subsidiary of the Company, such change in basis (which is based on arm's length pricing) has no impact on consolidation.

(f) **Date(s) of approval by the Board:** 17th January, 2018.

(g) **Amount paid as advances, if any:** Nil.

(h) **Date on which the special resolution was passed in general meeting as required under first proviso to section 188:** Not Applicable.

2. Details of material contracts or arrangement or transactions at arm's length basis

No such contracts /arrangements / transactions, as referred to in sub-section (1) of section 188 of the Companies Act, 2013, has been entered into by the company with related parties during the year 2017-'18.

Date: 3rd May, 2018
Place: Ahmedabad

Gautam S. Adani
Chairman

ANNEXURE - C TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Adani Power Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI POWER LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Adani Power Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Adani Power Limited ("the Company") for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the company during the Audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the company during the Audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not Applicable;

(i) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

(vi) Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:

(a) The Electricity Act, 2003

(b) Explosives Act, 1884

We have also examined compliance with the applicable clauses of the following:

(a) Secretarial Standards issued by The Institute of Company Secretaries of India.

(b) The Listing Agreements entered into by the Company with Stock Exchange(s),

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that:

1. Your Company has redeemed Non-Convertible Debentures (NCDs) during the year as per details given below:

   a. 300 Zero Coupon Rated, Unlisted, Secured, Redeemable Non-Convertible Debentures of face value of ₹1,00,00,000 aggregating to ₹300 crores;

   b. 275 Zero Coupon Rated, Unlisted, Secured, Redeemable Non-Convertible Debentures of face value of ₹1,00,00,000 aggregating to ₹275 crores;

   c. 270 Zero Coupon, Secured, Not Guaranteed, Senior, Taxable, Rated, Redeemable Non-Convertible Debentures of face value of ₹1,00,00,000 aggregating to ₹270 crores;

   d. 430 Secured, Redeemable, Non-Convertible Debentures of face value of ₹10,00,000 aggregating to ₹43 crores;

   The outstanding NCDs of the Company have been transferred to its subsidiary, Adani Power (Mundra) Limited as per the Scheme of Arrangement (as referred hereunder) sanctioned by the National Company Law Tribunal.

2. Pursuant to the scheme of arrangement between Adani Power Limited and its subsidiary company, Adani Power (Mundra) Limited and their respective shareholders and creditors ("the Scheme"), as approved by the National Company Law Tribunal, Bench at Ahmedabad ("NCLT") [by its order dated 3rd November, 2017, certified copy of which order being issued to the Company on 10th November, 2017] in relation to Mundra Power Generation Undertaking situated at Mundra, Gujarat, the Assets and Liabilities pertaining to Mundra Power Generation Undertaking of Adani Power Limited ("APL") stand transferred and vested to Adani Power (Mundra) Limited, in terms of the Scheme.

3. The Hon'ble Supreme Court's judgement on the Compensatory Tariff matter for the Company's 4,620 MW Mundra power plant took place on 11th April 2017. The Order by the Court has some noteworthy aspects, which clarify a number of regulatory issues, as follows:

   a. The PPAs signed for the Mundra Project with the Gujarat and Haryana State Utilities constitute a Composite Scheme under the Electricity Act 2013. This gives the CERC regulatory power over the PPAs, and allows it to rule over matters such as tariffs, etc.

   b. The Court has granted relief for cost burden arising due to shortage in supply of domestic coal under 'Change In Law' provision, for which it has asked the CERC to work out compensation.

   c. The Court has not granted relief on account of increase in coal cost due to change in Indonesian regulation, and set aside the APTEL's order in this regard.

d. It has also ruled that the CERC has powers under Section 79 (1) (b) of the Electricity Act 2013, to determine and adopt tariffs where there are no guidelines framed or where the guidelines do not deal with a given situation.

In light of this judgement, the Company has decided to write off the receivables against the Compensatory Tariffs of the Mundra Project that were recognised in the past after the CERC order of 2014. The impact of this adjustment is apparent in the fourth quarter results of FY17.

Chirag Shah
Proprietor
Chirag Shah & Associates
FCS No. 5545
C P No.: 3498

Place: Ahmedabad
Date: 3rd May, 2018

Note: This report is to be Read with our letter of even date which is annexed as "Annexure" and Forms an integral part of this report.

"Annexure" to the Secretarial Audit Report

To,
The Members
Adani Power Ltd.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Chirag Shah
Proprietor
Chirag Shah & Associates
FCS No. 5545
No.: 3498

Place: Ahmedabad
Date: 3rd May, 2018

ANNEXURE - D TO THE DIRECTORS' REPORT

Information pursuant to section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-'18 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2017-18:

Sr. No.	Name of Director and KMP	Ratio of remuneration to median remuneration of Employees	% increase in remuneration in the financial year
1	**Executive Directors**		
	Mr. Rajesh S. Adani (Managing Director) DIN: 00006322	Nil	N.A.
	Mr. Vneet S Jaain (Whole-time Director) DIN: 00053906	Nil	N.A.
2	**Non-Executive Directors**		
	Mr. Gautam S. Adani (Chairman) DIN: 00006273	Nil	N.A.
	Mr. C. P. Jain^ (Non-Executive Independent Director) DIN: 00011964 (Resigned on 3rd February, 2018)	0.27:1	N.A.
	Ms. Nandita Vohra^ (Non-Executive Independent Director) DIN: 02409519	0.23:1	N.A.
	Mr. Raminder Singh Gujral^ (Non-Executive Independent Director) DIN: 00740511	0.27:1	N.A.
	Mr. Mukesh Shah^ (Non-Executive Independent Director) DIN: 00084402 (appointed w.e.f. 31st March, 2018)	-	-
3	**Key Managerial Personnel**		
	Mr. Vinod Bhandawat (Chief Financial Officer) Resigned w.e.f. 31st January,2018	N.A.	6.63
	Mr. Rajat Kumar Singh (Chief Financial Officer) Appointed w.e.f. 1st February,2018	N.A.	N.A.
	Mr. Deepak Pandya (Company Secretary)	N.A.	8.96

^Reflects sitting fees

ii) The Percentage increase in the median remuneration of employees in the financial year: 21.23%

iii) The number of permanent employees on the rolls of Company: 115 as on 31st March, 2018.

iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- Average increase in remuneration of employees excluding KMPs: 21.23%

- Average increase in remuneration of KMPs: 6.89%

- KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

v) Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The Company affirms remuneration is as per the Remuneration Policy of the Company.

ANNEXURE - E TO THE DIRECTORS' REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

A. Conservation of energy:

a) **The steps taken or impact on conservation of energy:**

- Mini Oil gun ignition system(MOIS) Installed in Tiroda Unit 2, 3, 4 & 5 @ 66% oil saving achieved in 2017-18, SOC - 0.06 ml/KWh achieved for 2017-18 against 0.09 Last year.
- At Tiroda Energy Efficient Encon Fan Blades Total 15 Nos installed @25% of energy saving (219.45 kW saving)
- At Tiroda TPS, Unit#4 CEP last stage impeller removed in 2017-18 @14.3% of energy saving (252.28 kW Saving)
- At Mundra, Vacuum pump pipe line modification results in Vacuum improvement by 1 kPa equivalent to 17.6 kCal/kWH heat rate improvement.

b) **The steps taken by the company for utilizing alternate sources of energy**

i) At Mundra and Kawai separation of HP-LP Condenser air evacuation system results in vaccum improvement and subsequently heat rate improvement

ii) At Tiroda, Switching off of 1 no. CW Pump/ phase during winter results in aux. power consumption

iii) At Tiroda, TDBFP Operation during startup instead of MDBFP results in reducing auxiliary power consumption

iv) At Tiroda, Switching off of standby transformers in BoP results in aux. power saving and utilization of transformer at higher efficiency.

B. Technology Absorption:

a) **The efforts made towards technology absorption**

- Offset flute low clogging Brentwood fills installed at Kawai TPS with 23 cells of cooling tower for thermal performance improvement.
- Turbine fast cooling device installed at Mundra, Kawai and Udupi TPS to reduce cooling time of the turbine and results in reduction of maintenance time during overhauling.

(b) **The benefits derived like product improvement, cost**

Reduction, product development or import substitution

- At Udupi and Kawai TPS, Oil Consumption reduction (HFO elimination in all Units)
- Auxiliary power consumption monitoring & control
- Heat Rate improvement

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

1. MOIS (Mini Oil Gun Ignition System)

Supplier: Yantai Long Yuan Power Technology Co, Ltd.

Import Year: 2016-17

Whether the technology fully absorbed: Yes

2. **3D Laser Scanning for Coal Stack pile volumetric measurement**

   M/s Renishaw Make Scanner & Maptek I-studio Software

   Import Year: 2016-17

   Whether the technology fully absorbed: Yes

3. **Turbine Fast cooling Device**

   Supplier: Huaneng Power equipment co. Ltd., China

   Import Year: 2017-18

   Whether the technology fully absorbed: Yes

c) The expenditure incurred on Research and Development. The expenditure incurred on Research and Development is ₹30 Lacs.

C. Details of Foreign Exchange Earning & Outgo during the Year:

₹ in Crore

Particulars	
Foreign Exchange Earning	Nil
Foreign Exchange Outgo	407.30

ANNEXURE TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2017-18 AS PER SECTION 135 OF THE COMPANIES ACT, 2013

1. **A brief outline of the Company's S&CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the S&CSR policy and projects or programmes:**

   The Company has framed Sustainability and Corporate Social Responsibility (S&CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

   The Company carried out/ implemented its S&CSR activities/ projects through Adani Foundation. Your Company has identified Primary Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development as the core sectors for S&CSR activities. The S&CSR Policy has been uploaded on the website of the Company at http://www.adanipower.com/investors/investor-download.

2. **Composition of the S&CSR Committee:**

   Mr. Rajesh S. Adani, Chairman

   Mr. Vneet S Jaain, Member

   Ms. Nandita Vohra, Member

3. **Average net profit/ (loss) of the Company for last three financial years:** Average Net Loss of ₹1997.26 crores.

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** Nil.

5. **Details of CSR spent for the financial year:**

   Total amount spent for the financial year: Not Applicable

   Amount unspent, if any: Not Applicable

6. **In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof:** Not Applicable

7. **S&CSR Committee Responsibility Statement:**

   The S&CSR Committee confirms that the implementation and monitoring of S&CSR Policy is in compliance with CSR objectives and policy of the company.

Gautam S. Adani
Chairman
(DIN: 00006273)

Rajesh S. Adani
Chairman – S&CSR Committee
(DIN: 00006322)

Management Discussion and Analysis

Global Economy Overview

The global economy strengthened during 2017 to reach a growth rate of 3.8%, the fastest since 2011, aided by a growing momentum of global trade and investments. The US, Japan, China, and the Euro zone grew faster than expected. There is an improvement in consumer and business confidence in developed economies as well as large developing nations. Investments have picked up, and leading economies are also witnessing a sustained improvement in employment rates.

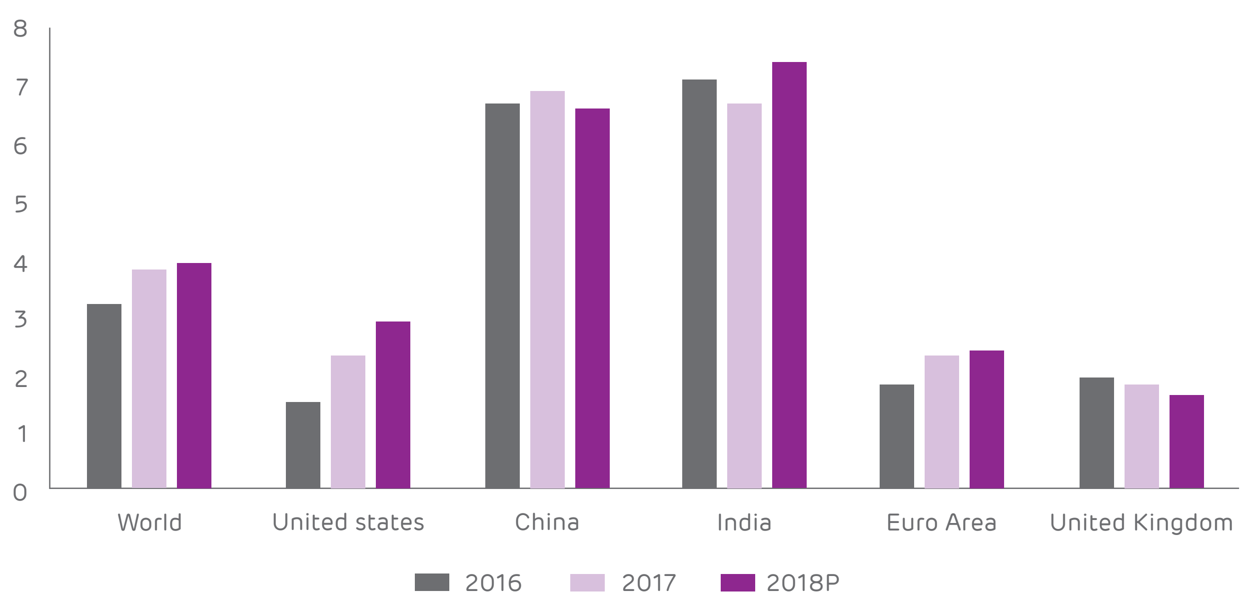
In 2018, the global economic expansion is expected to continue and grow stronger. New fiscal stimuli in Germany and the US are expected to aid the acceleration of growth seen in the second half of 2017. Emerging market economies and China are also projected to improve their growth during the year.

However, looking forward, gradual withdrawal of fiscal accommodation will start to affect the growth rates in the US and China. Commodity-exporting economies are also expected to lag the global growth. On the other hand, withdrawal of fiscal austerity measures in Europe will help spur investments and employment.

The risk to global economic growth comes from gradually increasing inflation, increase in petroleum prices, trade wars, and geopolitical imbalances. Interest rates are starting to rise following a move towards normalisation, which will increase stress for highly indebted countries as well as highly leveraged firms. Recent strengthening of economic growth in China, with improved mining and manufacturing activity, along with improved consumer spending, will have an impact on global commodity and energy prices.

(Source: OECD; World Bank; ECB)

Changes in World Economic Output (in%)



Source: IMF

Indian Economy Overview

The Indian economy is the fastest growing large economy globally as of March 2018. It has been going through historic and transformative changes in the last two years, notably in the form of the Goods and Service Tax (GST), the new indirect tax regime. GST brought along with it a major shift from unorganized sector to organization of various industries, and along with the dramatic step of demonetization taken at the end of 2016, is expected to enforce better tax compliance and improve the Tax to GDP ratio, which has been much lower as compared to other developing as well as advanced economies.

The introduction of these policy disruptions had a negative but transient impact on economic growth, with the GDP growing at a more tepid 6.7% during FY 2017-18, as compared to 7.1% in FY 2016-17. Coupled with a low inflation regime, nominal government revenue growth was less than ideal. An increase in government spending along with a shortfall in government revenue led to an increase in fiscal deficit at 3.5% of GDP as against the initial estimate of 3.2% of GDP.

While the unorganized sector and employment created by it were adversely affected by the introduction of GST, the Government's continued spending, especially on infrastructure, has supported demand and helped it to pick up in the second half of FY 2017-18. The strong GDP growth of 7.7% witnessed in the last quarter of FY 2017-18 demonstrates the economy's resilience and provides strong evidence that the reform measures have taken root and have started to support economic growth. Gross Fixed Capital Formation has also improved, along with a sustained improvement in capital goods production and a fledgling revival in construction. At the same time, exports have failed to pick up even as imports have accelerated, leading to a deterioration of trade balance.

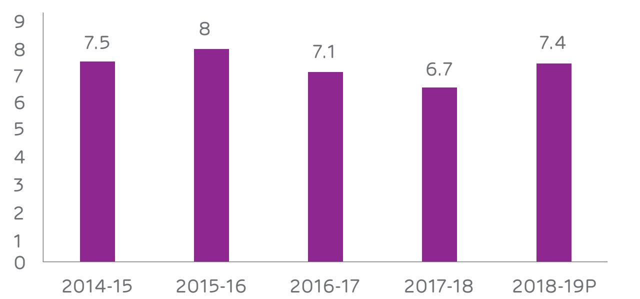
Agricultural output is also growing steadily, with the production of rice, pulses, and coarse grains expected to reach new highs. Timely imports of wheat and buffer stocks are expected to counter the decline in acreage under cultivation, helping to keep food inflation within acceptable limits.

The manufacturing sector has seen a revival from the second half of FY 2017-18, and business sentiment has improved on the back of increasing output and new orders. India's foreign exchange reserves reached a new high during the year at $422.5 billion.

During FY 2018-19, overall food inflation is expected to remain under check on the basis of a good monsoon as well as the Government's timely supply side management. On the other hand, hardening of international crude prices will create an upwards pressure.

(Source: Economic Survey 2017-18; RBI; Ministry of Finance; Economic Times)

GDP at constant market prices (in %)



(Source: The Hindu Business Line, RBI)

Outlook

In FY 2018-19, several growth factors are expected to accelerate economic growth. These include a revival in investment activity, improving global demand, and strengthening of domestic demand. This is expected to improve GDP growth in for the year to 7.4%, and make India the fastest growing large economy globally.

The fiscal deficit is budgeted at 3.3% of GDP for 2018-19. Buoyancy in tax revenues and good monsoons will help the Government maintain the fiscal discipline to attain this target, while upside risks to the deficit are emerging in the form of higher crude prices and weakening of the Indian Rupee against key foreign currencies. Based on the projected growth in GDP, the Indian economy is expected to be worth $5 trillion in the coming years and be the third largest economy by 2028. (Source: RBI; Economic Times)

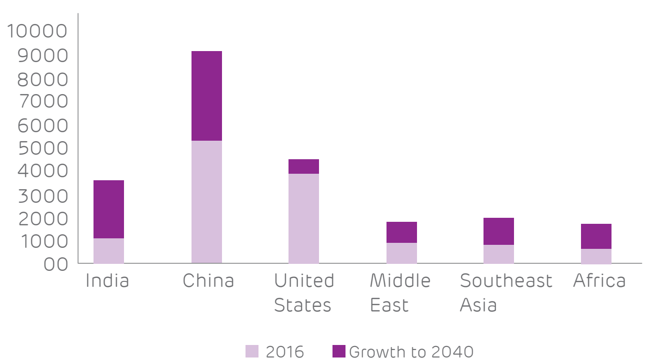
Industry Overview

Steady global economic growth as well as population growth, coupled with rapid urbanization, are expected to propel the global energy sector to a cumulative growth of 30% by 2040. Energy demand growth from India is expected to be the largest constituent at 30%. It is anticipated that India, which will be home to 18% of the world's population by 2040, will account for 11% of its energy usage. India, along with South East Asia and other developing Asian nations will account for two-thirds of the global energy demand growth.

Increasing concerns over climate change and growing international commitments to stem global warming are expected to result into a major policy bias towards renewable sources of energy and energy efficiency. Renewable sources of energy are expected to meet 40% of the primary energy demand by 2040, while natural gas usage is expected to rise by 45%. Coal, which has been the foundation of power generation needs, has added 900 GW of capacity globally since 2000. However, incremental capacity addition from 2018 to 2040 is expected to slow down to 400 GW. Even in India, where coal presently fuels two-thirds of power generation, its share is expected to drop to below 50% in this time frame, with the Government's strong push for renewable energy generation.

Further, growing economic prosperity in developing countries is expected to result in a spurt in demand for power for cooling needs. An increasing penetration of electrical vehicles, which are projected to number 280 million by 2040, will also add a new growth driver for power and away from fossil fuel resources in both developed and developing economies.

Electricity demand (in TWh)



(Source: International Energy Agency)

Indian Power Industry

India's rapid economic growth and low levels of per capita consumption of electricity create the potential for a large scale growth in the power sector, as has been achieved since 2003, when the generation sector was liberalised. However, the rate of growth is constrained primarily due to slow pace of distribution sector reforms, as well as a lower contribution of manufacturing activity in the GDP mix. Fuel supply constraints have also held back the generation sector from maintaining the pace of capacity addition witnessed during the 11th and 12th Five Year Plan periods.

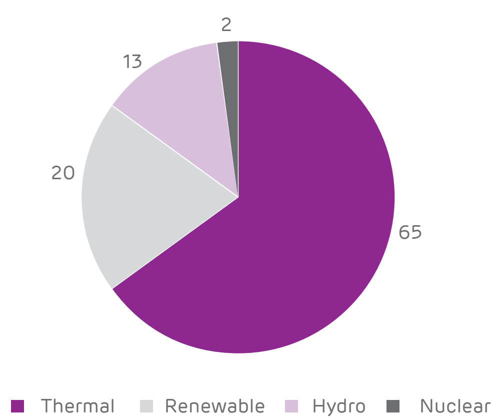
Some of the key constraints apart from generation capacity addition, such as lack of both intra-state and inter-state transmission of electricity have been getting resolved steadily, through diligent efforts of the Governments, and enthusiastic participation of the private sector under various PPP mechanisms. These investments in grid strengthening and expansion have helped remove regional imbalances between demand and supply, and made the grid less vulnerable to disruptions.

Today, the nation has moved away from the times of perennial power supply shortages and debilitating peak deficits. The vast gap between the demand for power and actual supply, along with an abundance of natural resources, made investments in all sources of power generation attractive, from base load coal to peak power gas, and from nuclear and hydro power to solar and wind power.

The installed capacity of power stations in India stood at 344 GW as on 31st March 2018, out of this 64.8% is accounted by the thermal power stations. During the year, there was an increase of 51.7% in transformation capacity from 5.3 lakh MVA in March 2014 to 8.04 lakh MVA in December 2017. India also experienced a jump in World Bank's Ease of getting electricity Index from 99 in 2015 to 26 in 2017.

(Source: Ministry of Power; CEA)

Nodewise Breakup of Total installed power capacity (in %)



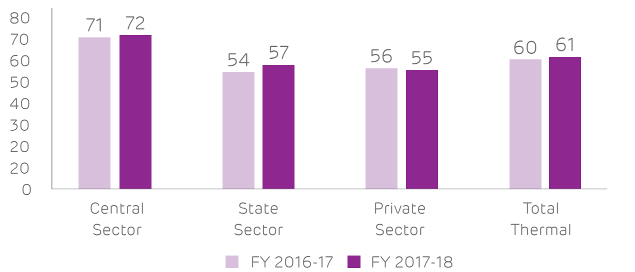
(Source: CEA Executive Summary)

Thermal Power Sector

After a downtrend for more than seven years, financial year 2017-18 witnessed an increase in capacity utilization of thermal power plants in India. The capacity utilization of Indian thermal power plants was close to 61% during the year. State Generators and central generators experienced an increase of 5.6% and 1.4% respectively in capacity utilization. The total installed capacity of thermal power plants stood at 222.9 GW as on 31st March 2018.

(Source: Economic Times, CEA)

Capacity Utilization at Thermal Power Plants (in %)

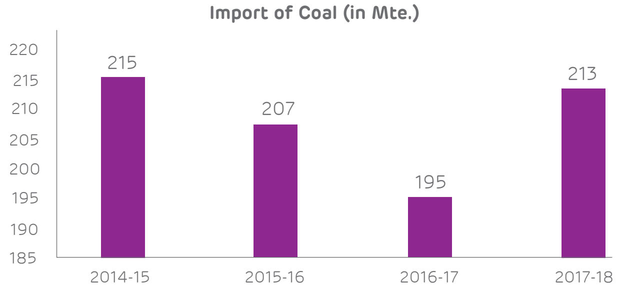


(Source: CEA Executive Summary)

Coal

Coal is the primary source of energy for India, and according to NITI Aayog, it will remain as one of the important sources of energy and electricity in the foreseeable future. This will happen mainly due to abundance of cheap good quality coal in India. Around 70% of India's electricity is generated from coal. During the year, there has been a growth of 7.2% in supply of coal to the power sector. Growth of coal based power generation was 4.54% in FY 2017-18, and is expected to be at 5.4-5.7% in the coming four years.

Import of Coal (in Mte.)

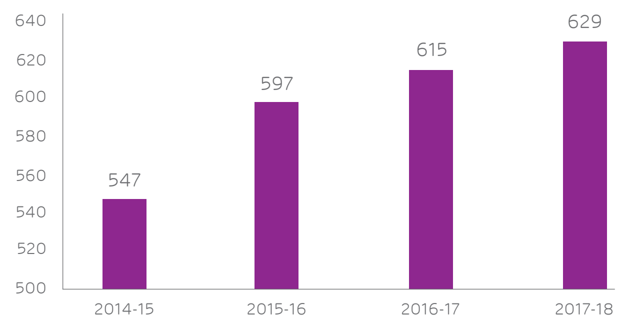


(Source: CMIE)

India is the third largest producer of coal in the world. According to Coal India's Vision Document 2020, the domestic demand for coal is expected to grow at more than 10% CAGR by 2020. Production of coal in India is anticipated to increase from 615 million tonnes in 2017 to 1003 million tonnes in 2022. For FY 2018-19, Coal India is reported to target increase in output to 650 MT.

India presently imports more than 210 MT of coal to meet its power generation and other needs, due to shortages in domestic coal availability. These imports are valued at nearly USD 22 billion, which is nearly 5% of total imports. International coal prices have started to increase since FY 2016-17, primarily due to rising demand for imported coal from China. During FY 2017-18, the increase in coal demand from China, and production issues in Indonesia led the Indonesian HBA index to increase from USD 82 / Ton in March 2017 to USD 102 / Ton in March 2018, which has raised the landed price of imported coal in India significantly.

Coal Production (in Million tonnes)



(Source: Ministry of Coal)

To boost coal mining, the government has opened commercial coal mining for private sector. This will move the coal sector from monopoly to competition, increase efficiency in coal production, and lead to reliable and affordable supply of coal. India's coal demand is expected to rise at a CAGR of 3.6% by 2022 along with an expected fall in imports.

(Source: Economic Times; Ministry of Coal)

Scheme to Harness and Allocate Koyala (Coal) Transparently in India or SHAKTI was introduced by the government to auction long-term coal linkages to the power companies. SHAKTI is a transformational policy launched for auction and allotment of coal linkages, aiming to provide coal supply through auctions to power plants that lack Fuel Supply Agreements (FSAs). This policy is expected to help reduce stress for a significant number of power plants stranded without domestic coal supply.

Government Initiatives

Saubhagya

Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) has been launched with the aim to achieve universal household electrification in the country. The total budget allocated for the scheme is ₹ 16,320 crores. The scheme was launched with the estimated 380.65 lakh un-electrified households to be electrified under Saubhagya. Since, the launch of scheme 59.82 lakh households have been electrified and 320.45 lakh households are yet to be electrified.

(Source: Ministry of Power)

UJALA

Unnat Jyoti by Affordable LEDs for All (UJALA) was launched in 2015 with the target to replace 77 crores incandescent bulbs with LED bulbs by March 2019. This will lead to a reduction of 20 GW in connected load and energy saving of 105 billion kWh every year. Since the launch of UJALA, ₹ 15,594 crores have been saved every year along with an energy saving of 38,985 million kWh per year.

(Source: Ministry of Power)

Integrated Power Development Scheme

IPDS was launched in 2014 with the aim to strengthen the power transmission and distribution network in urban areas. The scheme was launched with an estimated outlay of ₹ 32,612 crores. Projects worth ₹ 29,058 crores have been sanctioned under the scheme as on 30th April 2018. The projects sanctioned provided for distribution strengthening in 546 circles, and IT enabling in 1931 towns.

(Source: Ministry of Power)

Outlook

The policy reforms undertaken in the coal supply sector, along with the focus on increasing domestic coal production and ensuring adequate logistical arrangements, will help power plants receive an uninterrupted supply of coal. The Government's Power For All vision is expected to provide a lasting demand driver for power from among presently underserved or unconnected populations.

The government has planned to add 175 GW of renewable energy by 2022 and increase the share of renewable energy to power at 40% by 2030. It is also anticipated that India's peak demand for power will increase from current level of 153 GW to 226 GW by 2021-22 and 299 GW by 2026-27. Total energy requirement will reach 1,566 BU by 2021-22, and 2,047 BU by 2026-27. Considering the demand projections and likely retirement of 22.7 GW of capacity, total capacity addition of 175 GW, including 47.8 GW of coal based power projects currently under construction is envisaged in the period 2017 to 2022. Similarly, for the period 2022 to 2027, another 175 GW of capacity addition and retirement of 25 GW have been envisaged. (Source: Ministry of Power / CEA)

Company Overview

Adani Power Limited is the largest private sector Thermal Power Producer in India, with its Special Purpose Vehicles having an installed capacity of 10,440 MW spread across major industrialised regions of the country. Along with its investment in solar power, the Company's total generation capacity is 10,480 MW.

SWOT Analysis

Strengths

- Excellent track record of project execution and successful turnaround of power projects positions the Company uniquely to capitalize the opportunities available in the industry
- Group's integrated presence across various value chains of Power sector, such as Logistics and Coal Trading enables Company to leverage these strengths, thus ensuring competitive advantage
- More than 88% of gross generation capacity having long term PPAs ensures revenue stability
- Long term visibility of secured fuel availability with all our hinterland power plants having FSA/Coal linkages on a consolidated basis, and coastal power plants having advantages of imported coal.

Weakness

- Uncertainty in international coal prices and monopolistic price policy of domestic coal producers affects the profitability, owing to significant fixed charge commitments such as O&M and debt service

Opportunities

- Merchant capacity of 12% of total enables Company to benefit in high demand regime
- Government push for Power For All under various schemes and initiatives like Saubhagya, UDAY, UJALA and IPDS will deepen the power market and boost the growth rate of electricity demand
- Rapid economic growth and renewed Government focus on manufacturing will raise demand for base

- load capacity and bring per capita consumption of electricity in line with that of other leading developing nations
- Retirement of old and inefficient power generation capacities due to stricter environmental norms will widen the power demand vs. supply gap
- Easier availability of domestic coal due to expansion of production, and entry of private sector in coal mining will help improve capacity utilization that was constrained earlier by fuel shortages

Threats

- Increasing preference globally and in India for renewable power, especially Solar power, will constrain growth prospects for thermal power generation in the long run
- Volatility in international coal prices will affect profitability of power plants using imported coal, in absence of pass through mechanisms, thus affecting the capability to service capital
- Inability of domestic coal miners to raise production in line with demand growth will impact capacity utilization and increase dependence on costlier imported coal

Operational Performance

The company experienced a challenging year in FY 2017-18 due to shortages and delays in supply of domestic coal, which led to commercial shutdowns at the Mundra and Kawai power plants in view of high prices of alternate imported coal. Forced outages at the Udupi power plant also impacted overall capacity utilization. As a result, there was a significant drop in aggregate Plant Load Factor for the financial year, along with a dip in billed availability.

Average Plant Load Factor (PLF) achieved during FY18 was 55%, as compared to 70% achieved in FY17. Units sold in FY18 were 48,005 MUs as compared to 60,194 MUs in FY17. This decline in PLF was primarily due to shortage of e-auction coal as well as delays in signing FSAs under SHAKTI coal auctions at Tiroda and Kawai, commercial shutdown in Mundra due to high imported coal prices, and forced outages in Udupi due to generator failures.

The Wholly Owned Subsidiaries of the Company, viz. Adani Power Maharashtra Ltd. and Adani Power Rajasthan Ltd. had won bids for 5.85 MT for the Tiroda plant and 4.12 MT for the Kawai plant respectively in SHAKTI auctions in August 2017. However, Fuel Supply Agreements could not be signed in time due to procedural delays, which resulted into coal shortages.

Financial Performance

Consolidated total income for the year FY18 stood at ₹ 21,093 crores as compared to ₹ 23,034 crores in FY17. Consolidated EBITDA for the year stood at ₹ 6,174 crores as compared to ₹ 6,391 crores in FY17. Consolidated Net Loss before tax and before exceptional items for FY 2017-18 reduced to ₹ (2,095) crores from ₹ (2,183) crores following the adoption of a loss minimization strategy in face of high prices of imported coal and under-recoveries under the PPAs.

Outlook

Improvement in domestic coal availability due to the newly signed FSAs is expected to alleviate reliance on imported and open market coal for the Tiroda and Kawai power plants. This will help improve their profitability and cash flows, and avoid outages due to coal shortage. The company is moving ahead to realise its vision to generate 20,000 MW of power by 2020. With this, company has laid down its plan to set up a greenfield project at Godda in Jharkhand, as well as potential expansion at Udupi in Karnataka.

The Godda power plant, being set up under the Company's Wholly Owned Subsidiary Adani Power (Jharkhand) Ltd. (APJL), will have 1,600 MW (800 MW x 2) Ultra Supercritical technology. APJL has entered into a long term PPA with the Bangladesh Power Development Board for cross-border supply of electricity to the neighbouring nation. It has also received all necessary permissions and clearances to set up the plant, and is currently acquiring land for the project.

On the regulatory front, the Company has recently received important regulatory approvals, which will contribute significantly to profitability going forward.

The Company's wholly owned subsidiary Adani Power Maharashtra Ltd., which operates the 3,300 MW power plant at Tiroda, has received an order from the Maharashtra Electricity Regulatory Commission, allowing it to claim compensation for usage of alternate coal due to shortfall in domestic coal supply for the Tiroda under Change In Law provisions, pursuant to the Order of the Hon'ble Supreme Court dated 11th April 2017.

Similarly, the Wholly Owned Subsidiary Adani Power Rajasthan Ltd., which operates the 1,320 MW power plant at Kawai, has also received an order from the Rajasthan Electricity Regulatory Commission for compensation for use of alternate coal under Change in Law provisions.

Another Order was received from the Central Electricity Regulatory Commission, allowing recovery of capital expenses on Flue Gas Desulphurisation Units (FGDs) for Units 7 to 9 of the Mundra Power Plant supplying power to Haryana DISCOMs.

Implementation of these Orders will improve cash flows for these subsidiaries by helping them recover past dues.

Human Resources

Human resources management at your company goes beyond the boundaries of talent acquisition, compensation, and performance reviews, and looks at employee's well-being holistically. Your company partners with the employees to ensure timely interventions that help build a career that is long lasting.

The organisation nurtures people by putting great emphasis on learning and development, career progression, and employee welfare. Towards this end, your company has developed and implemented a wide gamut of employee-centric policies and interventions

A key priority for your Company is to focus on attracting, developing and retaining talented graduates, with an emphasis on technical and leadership skills. Your company also focuses on developing and promoting internal talent as part of our people strategy. We assess internal candidates for their potential to take on enhanced responsibilities and leadership roles wherever possible, and this strategy ensures that we continue to have strong talent pipelines across all levels.

We recognise that for creating a sustainable organization, identification of high potential employees and training them for future organizational needs is crucial. Training needs of these high potential employees are identified by carrying out Assessment/ Development Centres & individual development plans are drawn for them. Development of these identified employees is monitored by the CEO of the organization. We have also designed special intervention 'North Star" in collaboration with Harvard Business School with aim to build competencies in the specific area like business acumen, execution and people. It's one and half year journey wherein incumbent will undergo through blended learning experience.

Your company has established multiple channels to engage with our employees across all levels. A healthy, happy and engaged workforce is essential for organizational success. A number of initiatives are taken to ensure that care and support is given to employees through policies which help us improve quality of life for our employees.

We are committed to fair employment practices and freedom of expression, supported by a strong, Company-wide value system.

Consolidated:

Operating Revenue

₹ in Crores

Particulars	FY 2017-18	FY 2016-17	Change	% Change
Revenue from Power supply	20,208.31	22,252.93	(2,044.62)	-9.19%
Sale of Fly Ash and Others	32.46	44.25	(11.79)	-26.64%
Other Operating Income	370.27	318.33	51.94	16.32%
Total	**20,611.04**	**22,615.51**	**(2,004.47)**	**-8.86%**

- Decrease in Revenue from power supply is mainly on account of decrease in volume of power sale in current year (48 Billion Units) as compared to previous year (60.2 Billion Units)

Fuel Cost

₹ in Crores

Particulars	FY 2017-18	FY 2016-17	Change	% Change
Cost of Fuel	12,548.36	14,623.61	(2,075.25)	-14.19%
Total	**12,548.36**	**14,623.61**	**(2,075.25)**	**-14.19%**

- Decrease in cost of fuel is mainly on account of lower PLF in current year (55%) as compared to previous year (70%) resulting into lower power generation and lower fuel consumption. Also it has been offset with higher coal price in current year.

Employee Benefits Expense

₹ in Crores

Particulars	FY 2017-18	FY 2016-17	Change	% Change
Salaries, Wages and Allowances	329.14	327.61	1.53	0.47%
Contribution to provident and Others Funds	10.45	17.33	(6.88)	-39.70%
Staff Welfare Expenses	14.15	15.95	(1.80)	-11.29%
Total	**353.74**	**360.89**	**(7.15)**	**-1.98%**

- Decrease in contribution to provident and other funds is due to reduction of actuarial liability provisions on account of revision in assumption for the estimate of the said liability as per the Valuer's report.

Finance Cost

₹ in Crores

Particulars	FY 2017-18	FY 2016-17	Change	% Change
Interest Expenses	5,272.22	5,245.11	27.11	0.52%
Other Borrowing Costs	298.01	656.62	(358.61)	-54.61%
Total	**5,570.23**	**5,901.73**	**(331.50)**	**-5.62%**

- Decrease in Finance cost was mainly on account of favorable currency movement for the company, as it resulted in decrease in "Other borrowing cost" as compared to previous year.

Note: Standalone numbers are not comparable due to demerger of Mundra plant from APL into separate SPV "APMuL" in current year. Hence the same have not been included in this section.

Internal Financial Control (IFC) System and their Adequacy:

The Directors are responsible for laying down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. As per Section 134(5) (e) of the Companies Act, 2013, the Directors' Responsibility Statement shall state the same.

Your Company has adopted the IFC framework as guidance, for ensuring adequate controls and its effectiveness within the company. The process of assessment of IFC would require setting up of an internal controls function in the organization. IFC Steering Committee evaluates the design and operating effectiveness of the IFC framework. The framework also focuses on internal controls over financial reporting (ICFR) that are put in place to develop and maintain reliable financial data, and to accurately present the same in a timely and appropriate manner. The framework refers to the policies and procedures adopted by the company for ensuring , orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, timely preparation of reliable financial information.

The IT controls provide reasonable assurance of achieving the control objectives related to the processing of financial information within the computer processing environment. IT controls ensures appropriate functioning of IT applications and systems built by the organization to enable accurate and timely processing of financial data. Your Company deploys best in class applications and systems which streamline business processes, to improve performance and reduce costs. These systems provide seamless integration across modules and functions resulting into strong MIS platform and informed decision-making by the Management.

The company has adequate and effective internal financial control in place which is being periodically evaluated. The Company has put in place strong internal control systems and best in class processes commensurate with its size and scale of operations. Internal Financial Control is a continuous process operating at all levels within the Company.

The ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable accounting principles and policies & procedures.

During the year, your company has also carried out testing of controls at various areas of operation so as to ensure effectiveness of the Internal Financial Control across the Organization.

A well-established multidisciplinary Management Audit & Assurance Services consists of professionally qualified accountants, engineers and SAP experienced executives which carries out extensive audit throughout the year, across all functional areas and submits its reports to Management and Audit Committee about the compliance with internal controls and efficiency and effectiveness of operation and key processes and risks. Some Key Features of the Company's internal controls system are:

i. Adequate documentation of Policies & Guidelines.

ii. Preparation & monitoring of Annual Budgets thru monthly review for all operating & service functions.

iii. Management Audit department prepares Risk Based Internal Audit (RBIA) Scope with the frequency of audit being decided by risk ratings of areas / functions. Risk based scope is mutually accepted by various functional heads / process owners / CEO & CFO and constantly being reviewed in terms of change of business environment and market dynamics.

iv. The entire internal audit processes are web enabled and managed on-line by Audit Management System (AMS).

   The Company has a strong Compliance Management System which runs on an online monitoring system.

v. Company has a well-defined Delegation of Power with authority limits for approving revenue & capex expenditure.

vi. Company uses ERP system to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information

Internal Audit is carried out in accordance with auditing standards to review design effectiveness of internal control system & procedures to manage risks, operation of monitoring control, compliance with relevant policies & procedure and recommend improvement in processes and procedure.

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on code of governance

At Adani Group, Corporate Governance is about upholding the highest standards of integrity, transparency and accountability. Our governance standards are initiated by senior management, and percolate down throughout the organization. We believe that retaining and enhancing stakeholder trust is essential for sustained corporate growth. We have engrained into our culture and into each associate the values of honesty and fairness. For us, adherence to Corporate Governance stems not only from the letter of law but also from our inherent belief in doing business the right way.

Tenets of our Corporate Governance Philosophy -

- **Courage:** we shall embrace new ideas and businesses
- **Trust:** we shall believe in our employees and other stakeholders
- **Commitment:** we shall stand by our promises and adhere to high standard of business

The Company has complied with all the requirements stipulated under provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance and listed below is the status with regard to same.

2. Board of Directors

At the helm of the Company's Corporate Governance practice is its Board. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations and societal expectations.

a) Composition of the Board

The Company has a balanced board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

The Board of Directors of your Company comprises of 6 (Six) Directors out of which 4 (four) Directors (67%) are Non-Executive Directors including the Chairman of the Company. The 2 (two) Executive Directors include the Managing Director and Whole-time Director. Of the 4 (four) Non-Executive Directors, there are 3 (Three) Independent Directors. No Director is related to each other except Mr. Gautam S. Adani and Mr. Rajesh S. Adani, who are related to each other as brothers.

Independent directors are Non-Executive directors as defined under Regulation 16(1) (b) of the SEBI Listing Regulations entered into with the Stock Exchanges. The maximum tenure of the independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the SEBI Listing Regulation and Section 149 of the Companies Act, 2013. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge, which enables the Board to provide effective leadership to the Company.

None of the Directors on the Company's Board is a Member of more than 10 (ten) Committees, and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on 31st March, 2018.

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.

The composition of the Board of Directors and number of other Directorships & Memberships / Chairmanships of Committees and attendance of each Director at the Board Meetings and last Annual General Meeting held during the year under review are as under:

Sr. No.	Name of Directors (DIN) of Directors	Category of Directorship	Directorship in other Companies#	Details of Membership and Chairmanship in the Committees of other Companies##		Details of the Board Meetings held and attended by the Directors of the Company		Attendance at last AGM held on 10th August, 2017
1	Mr. Gautam S. Adani (Chairman) (DIN 00006273)	Promoter & Non - Executive Director	4	-	-	6	5	Yes
2	Mr. Rajesh S. Adani (Managing Director) (DIN 00006322)	Promoter & Executive Director	7	1	4	6	5	Yes
3	Mr. Vneet S Jaain (Whole-time Director) (DIN 00053906)	Executive Director	6	-	-	6	5	Yes
4	Mr. C. P. Jain* (DIN 00011964)	Independent & Non - Executive Director	-	-	-	5	4	No**
5	Ms. Nandita Vohra (DIN: 02409519)	Independent & Non - Executive Director	-	-	-	6	6	Yes
6	Mr. Raminder Singh Gujral (DIN: 00740511)	Independent & Non - Executive Director	2	-	2	6	6	Yes
7	Mr. Mukesh Shah@ (DIN: 00084402)	Independent & Non - Executive Director	4	-	-	-	-	-

#Excluding Private Limited Companies, which are not the subsidiaries of Public Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

##Includes only Audit Committee and Stakeholders' Relationship Committee.

*Ceased to be a director w.e.f. 3rd February, 2018.

** Due to inability to attend the AGM held on 10th August, 2017, Mr. C. P. Jain had authorised and requested Mr. Raminder Singh Gujral, a member of Audit Committee as well as of Nomination and Remuneration Committee, to attend the said AGM. Accordingly, Mr. Raminder Singh Gujral, acting Chairman of the Audit Committee as well as of Nomination and Remuneration Committee in absence of Mr. C. P. Jain, had attended the said AGM.

@ Appointed as an Additional Director (Non-Executive Independent Director) w.e.f. 31st March, 2018.

b) Board Meetings and Procedure

The internal guidelines for Board / Board Committee meetings facilitate the decision making process at the meetings of the Board/Committees in an informed and efficient manner.

Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material information are being circulated along with Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted. In order to transact some urgent business, which may come up after circulation agenda papers, the same is placed before the Board by way of Table Agenda or Chairman's Agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Detailed presentations are made at the Board / Committee meetings covering Finance, major business segments and operations of the Company, global business environment, all business areas of the Company including business opportunities, business strategy and the risk management practices before taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations. The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting by the Board / Committee.

During the year under review Board met six times on 27th May, 2017, 6th June, 2017, 10th August, 2017, 11th November, 2017, 17th January, 2018 and 22nd March, 2018. The Board meets at least once in every quarter to review the Company's operations and the maximum time gap between any two meetings is not more than 120 days.

The Companies Act, 2013 read with the relevant rules made thereunder, now facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/ Items which are not permitted to be transacted through video conferencing.

Disclosures Regarding Appointment/Re-Appointment of Directors:

Mr. Rajesh S. Adani, Director, is retiring at the ensuing Annual General Meeting, and being eligible, has offered himself for re-appointment.

On the recommendation of the Nomination and Remuneration Committee, Board of Directors had reappointed Mr. Rajesh S. Adani as Managing Director of the Company for a further period of three years w.e.f. 1st April, 2018, and also reappointed Mr. Vneet S Jaain as Whole-time Director of the Company for a period of three years w.e.f. 14th May, 2018 subject to approval of Shareholders in the ensuing Annual General Meeting. The Board had also appointed Mr. Mukesh Shah as an Additional Director (Non-Executive Independent Director) of the Company w.e.f. 31st March, 2018, subject to the approval of shareholders at the ensuing Annual General Meeting.

The brief resume and other information required to be disclosed under this section is provided in the Annexure to the Notice convening the Annual General Meeting.

c) **Code of Conduct:**

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. The Code is available on the website of the Company at www.adanipower.com. All Board Members and Senior Management Personnel have affirmed compliance of the Code of Conduct. A declaration signed by the Managing Director to this effect is attached at the end of this report.

The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Companies Act, 2013.

3. Committees of the Board

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. As on date the Board has established the following Committees:

A. Audit Committee
B. Nomination and Remuneration Committee
C. Stakeholders' Relationship Committee
D. Sustainability and Corporate Social Responsibility Committee
E. Risk Management Committee

A) Audit Committee:

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

i) Constitution & Composition of Audit Committee:

The Audit Committee of the Company was constituted on 26th December, 2005 and subsequently reconstituted from time to time to comply with statutory requirements.

During the year under review, Audit Committee Meetings were held five times on 27th May, 2017, 6th June, 2017, 10th August, 2017, 11th November, 2017 and 17th January, 2018. The intervening gap between two meetings did not exceed 120 days.

The Composition of the Audit Committee and details of attendance of the members at the committee meetings during the year are given below:

Name & Designation	Category	No. of Meetings	
		Held During the tenure	Attended
Mr. Rajesh S. Adani, Member	Promoter & Executive Director	5	4
Mr. Raminder Singh Gujral, Member	Independent & Non-Executive Director	5	5
Mr. C. P. Jain*, Chairman	Independent & Non-Executive Director	5	4
Mr. Mukesh Shah@, Chairman	Independent & Non-Executive Director	-	-

*Ceased to be a director w.e.f. 3rd February, 2018 and accordingly from the Membership of Audit Committee.

@ Appointed as a Member and Chairman of the Audit Committee w.e.f. 31st March, 2018.

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The Chief Financial Officer, representatives of Statutory Auditors, Internal Audit and Finance & Accounts department are invited to the meetings of the Audit Committee.

Mr. Deepak Pandya, Company Secretary and Compliance Officer, acts as a Secretary of the Committee.

Due to inability to attend the AGM held on 10th August, 2017, Mr. C. P. Jain had authorised and requested Mr. Raminder Singh Gujral, a member of Audit Committee as well as of Nomination and Remuneration Committee, to attend the Annual General Meeting held on 10th August, 2017. Accordingly, Mr. Raminder Singh Gujral, acting Chairman of the Audit Committee as well as of Nomination and Remuneration Committee in absence of Mr. C. P. Jain, had attended the said AGM.

ii) **Broad Terms of reference:**

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. The brief terms of reference of Audit Committee are as under:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submissionto the board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5)(c) read with Section 134(3)(c) of the Companies Act, 2013
    b. Changes, if any, in accounting policies and practices and reasons for the same
    c. Major accounting entries involving estimates based on the exercise of judgment by management
    d. Significant adjustments made in the financial statements arising out of audit findings
    e. Compliance with listing and other legal requirements relating to financial statements
    f. Disclosure of any related party transactions
    g. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.

Review of Information by Audit Committee:

1. The Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions submitted by management.

3. Management letters / letters of internal control weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses; and

5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

6. Statement of deviations :

   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).

   b. annual statement of funds utilized for purposes other than those stated in the offer document / prospectus /notice.

B) Nomination & Remuneration Committee:

i) Constitution & Composition of Nomination & Remuneration Committee:

The Nomination & Remuneration Committee of the Company was constituted on 15th March, 2006 and subsequently reconstituted from time to time to comply with statutory requirements.

During the year under review, Nomination & Remuneration Committee met on 27th May, 2017 and 17th January, 2018.

The composition of the Nomination & Remuneration Committee and details of meetings attended by the members are given below:

Name & Designation	Category	No. of Meetings	
		Held During the tenure	Attended
Ms. Nandita Vohra@, Chairperson	Independent & Non-Executive	-	-
Mr. Gautam S. Adani, Member	Promoter & Non-Executive	2	2
Mr. Raminder Singh Gujral, Member	Independent & Non-Executive	2	2
Mr. C. P. Jain*, Chairman	Independent & Non-Executive	2	2

@Appointed as Chairperson of Nomination and Remuneration Committee w.e.f. 29th March, 2018.

*Ceased to be a director w.e.f. 3rd February, 2018 and accordingly also ceased to be a Member & the Chairman of Nomination and Remuneration Committee.

The Quorum of the Committee is of two members.

The Board of Directors review the Minutes of the Nomination & Remuneration Committee Meetings at subsequent Board Meetings. The Company Secretary acts as a Secretary to the Committee.

ii) Broad terms of Reference

The powers, role and terms of reference of Committee covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. The brief terms of reference of Nomination and Remuneration Committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance
5. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s)/Executive Director(s) based on their performance and defined assessment criteria
7. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
8. To perform such other functions as may be necessary or appropriate for the performance of its duties

iii) Remuneration Policy

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavours to attract, retain, develop and motivate the high-calibre executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

a. Remuneration to Non-Executive Directors:

The Non-Executive Independent Directors of the Company are paid remuneration by way of commission and sitting fees. In terms of Shareholders' approval obtained at the Annual General Meeting held on 21st August, 2010 the commission can be paid at a rate not exceeding 1% per annum of net profit of the Company. However, due to inadequate profit and accumulated losses, the Company has not paid the commission to any Independent Directors during the year. During the year, the Company has paid sitting fees of ₹ 20,000 per meeting to Independent Directors for attending meetings of the Board and Committees of the Board.

The Company has also taken a Directors' & Officers' Liability Insurance Policy.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

b. Remuneration to Executive Directors:

The Board in consultation with the Nomination and Remuneration Committee decides the remuneration structure for Executive Directors etc. On the recommendation of the Nomination and Remuneration Committee, the Remuneration payable is approved by the Board of Directors and by the members in the General Meeting in terms of provisions applicable from time to time.

iv) Details of Remuneration:

a. Non-Executive Directors:

The details of sitting fees and commission paid/payable to Non-Executive Directors during the financial year 2017-18 are as under:

(₹ In Lacs)

Name	Commission	Sitting Fees	Total
Mr. Raminder Singh Gujral	N.A.	3.00	3.00
Ms. Nandita Vohra	N.A.	2.60	2.60
Mr. Mukesh Shah@	N.A.	-	-
Mr. C. P. Jain*	N.A.	3.00	3.00

*Ceased to be a director w.e.f. 3rd February, 2018.

@Appointed as an Additional Director (Non-Executive Independent Director) w.e.f. 31st March, 2018.

Other than sitting fees paid to Non-Executive Independent Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive Independent Directors of the Company. The Company has not granted stock options to Non-Executive and Independent Directors.

b. Executive Directors:

No remuneration has been paid to Managing Director / Whole Time Director during the financial year 2017-18.

c. Details of shares of the Company held by Directors as on 31st March, 2018, is as under:

Name	No. of shares
Mr. Gautam S. Adani	1
Mr. Rajesh S. Adani	1
Mr. Vneet S Jaain	65,520
Mr. Raminder Singh Gujral	4,45,400
Mr. Mukesh Shah	245*

The Company does not have any Employees Stock Option Scheme and there is no separate provision for payment of Severance Fees.

* 2,245 shares as on 3rd May, 2018

C) Stakeholders' Relationship Committee:

i) Constitution and Composition of Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee was constituted in the meeting of the Board of Directors held on 12th December, 2007 and subsequently reconstituted from time to time to comply with the statutory requirements.

During the year under review, Stakeholders' Relationship Committee met 4 times on 27th May, 2017, 10th August, 2017, 11th November, 2017 and 17th January, 2018.

Name & Designation	Category	No. of Meetings	
		Held During the tenure	Attended
Ms. Nandita Vohra, Chairperson	Independent & Non- Executive Director	4	4
Mr. Rajesh S. Adani, Member	Promoter & Executive Director	4	3
Mr. Mukesh Shah@, Member	Independent & Non- Executive Director	-	-
Mr. C. P. Jain*, Member	Independent & Non- Executive Director	4	3

*Ceased to be a director w.e.f. 3rd February, 2018 and accordingly also ceased to be a Member of Stakeholders' Relationship Committee.

@Appointed as Member of Stakeholders' Relationship Committee w.e.f. 31st March, 2018.

Mr. Deepak Pandya, Company Secretary and Compliance Officer, acts as a Secretary of the Committee as per requirement of the SEBI Listing Regulations.

The Minutes of the Stakeholders' Relationship Committee are reviewed by the Board of Directors at the subsequent Board Meeting.

ii) **Brief terms of reference:**

The brief terms of reference of Stakeholders' Relationship Committee are as under:

a) To look into the redressal of shareholders and investors complaints like transfer of shares, non- receipt of Annual Report, non- receipt of dividend, revalidation of dividend warrant or refund order etc.

b) Oversee the performance of the Company's Registrar and Transfer Agents.

c) To consider and resolve the grievances of security holders of the company.

iii) **Investor Grievance Redressal:**

Details of complaints received and redressed during the year:

Number of complaints received and resolved during the year under review and their breakup are as under:

Nature of Complaints	Complaints received	Complaints resolved
Non-receipt of refund order	2	2
Non-receipt of dividend warrants	7	7
Non-receipt of annual report	0	0
Non-receipt / credit of shares	5	5
Total	**14**	**14**

All Complaints have been resolved to the satisfaction of the shareholders.

D) **Sustainability and Corporate Social Responsibility (S & CSR) Committee:**

i) **Constitution & Composition of S & CSR Committee:**

The Company has constituted as S & CSR Committee as required under Section 135 of the Companies Act, 2013, read with rules made thereunder.

The present members of the S & CSR Committee comprises of Mr. Rajesh S. Adani, Chairman, Mr. Vneet S Jaain, Member and Ms. Nandita Vohra, Member.

During the year under review, S& CSR Committee Meeting was held on 27th May, 2017.

The composition of the S& CSR and details of meetings attended by the members are given below:

Name & Designation	Category	No. of Meetings	
		Held During the tenure	Attended
Mr. Rajesh S. Adani, Chairman	Promoter & Executive Director	1	0
Mr. Vneet S Jaain, Member	Executive & Non- Independent Director	1	1
Ms. Nandita Vohra, Member	Independent & Non- Executive Director	1	1

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

ii) **Terms of reference of the Committee as renamed are as under:**

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under.

2. To recommend the amount of expenditure to be incurred on the CSR activities.

3. To monitor the implementation framework of CSR Policy.

4. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

5. Responsibility of overall management of sustainability performance of Adani Power Limited and disclosure of management approach through Sustainability Reporting is delegated to CEO of the Company.

6. Responsibility of facilitating the management for developing suitable systems for Sustainability Reporting and regular monitoring of sustainability performance by Adani Power Limited shall be delegated to Chief Sustainability Officer (CSO) who shall, for the matters related to Sustainability Reporting, directly report to CEO of the Company, Mr. Santosh Kumar Singh, presently heading the Environment Management function at Adani Power Limited, shall also act as CSO

iii) CSR Policy:

The CSR Policy of the Company is available at its website at http://www.adanipower.com/investors/investor-download

E) Risk Management Committee:

The company has constituted a Risk Management Committee and subsequently reconstituted from time to time to comply with statutory requirements. The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company. The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations.

During the year under review, the Risk Management Committee met on 20th January, 2018.

The composition of the Committee and details of meetings attended by the members of the Committee are given below:

Name & Designation	Category	No. of Meetings	
		Held During the tenure	Attended
Mr. Rajesh S. Adani, Chairman	Promoter & Executive Director	1	1
Mr. Vneet S Jaain, Member	Non-Independent & Executive Director	1	1
Mr. Mukesh Shah@, Member	Independent & Non-Executive Director	-	-
Mr. Rajat Kumar Singh@, Member	Chief Financial Officer	-	-
Mr. C P Jain*, Member	Independent & Non-Executive Director	1	1
Mr. Vinod Bhandawat#, Member	Chief Financial Officer	1	1

*Ceased to be a Member of Risk Management Committee w.e.f. 3rd February, 2018.

@Appointed as Member of Risk Management Committee w.e.f. 31st March, 2018

#Ceased to be Member of Risk Management Committee w.e.f. 31st January, 2018

The Company has a risk management framework to identify, monitor and minimize risks. The Quorum of the Committee is of two members.

The Board of Directors review the Minutes of the Risk Management Committee Meetings at subsequent Board Meetings. The Company Secretary acts as a Secretary to the Committee.

4. Subsidiary Companies:

None of the subsidiaries of the Company other than Adani Power (Mundra) Limited (APMuL) and Adani Power Maharashtra Limited (APML) comes under the purview of the Material Non- Listed Subsidiary as per criteria given in Regulation 16(1) (c) of Listing Regulations. The Company has nominated Mr.

Raminder Singh Gujral, Independent Director of the Company, as a Director on the Board of Adani Power (Mundra) Limited, and also Mr. Mukesh Shah, Independent Director of the Company, has been nominated as a Director on the Board of Adani Power Maharashtra Limited. The Company is not required to nominate an Independent Director on the Board of any other Subsidiary Companies. The Audit Committee of the Company reviews the Financial Statements and Investments made by unlisted subsidiary companies and the minutes of the unlisted subsidiary companies are placed at the Board Meeting of the Company.

The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the Company at http://www.adanipower.com/investors/investor-download

5. Whistle Blower Policy:

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded on the website of the Company at http://www.adanipower.com/investors/ investor-download. During the year under review, there were no cases of whistle blower.

6. General Body Meetings:

a. Annual General Meetings:

The date, time and location of the Annual General Meetings held during the preceding 3 years and special resolutions passed thereat are as follows:

Financial Year	Date	Location of Meeting	Time	No. of special Resolutions passed
2016-17	10.08.2017	J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad- 380 015	09.30 a.m.	1
2015-16	09.08.2016		09.30 a.m.	3
2014-15	11.08.2015		10.30 a.m.	6

b. Whether special resolutions were put through postal ballot last year, details of voting pattern:

Yes, the special resolutions u/s. 230(4) and 232(1) of the Companies Act, 2013 read with Rules 5 and 6 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016, and Rules 20 and 22 of Companies (Management and Administration) Rules, 2014 relating to approval of the Scheme of Arrangement between Adani Power Limited and Adani Power (Mundra) Limited and their respective shareholders and creditors, were approved by members through postal ballot on 20th September, 2017.

Mr. Ravi Kapoor, Practicing Company Secretary, appointed as a scrutinizer, conducted the Postal Ballot voting process. The details of voting pattern are given herein below:

Resolution required: (Ordinary/ Special)	Special- Resolution for approving the Scheme of Arrangement between Adani Power Limited and Adani Power (Mundra) Limited and their respective shareholders and creditors.							
Whether promoter/ promoter group are interested in the agenda/resolution?	Yes							
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	2627337565	0	0.0000	00	0	0.0000	0.0000
	Poll		1877880539	71.4747	1877880539	0	100.0000	0.0000
	Postal Ballot (if applicable)		0	0.0000	00	0	0.0000	0.0000
	Total	**2627337565**	**1877880539**	**71.4747**	**1877880539**	**0**	**100.0000**	**0**
Public- Institutions	E-Voting	695513359	618021272	88.8583	618021272	0	100.0000	0.0000
	Poll		0	0.0000	00	0	0.0000	0.0000
	Postal Ballot (if applicable)		0	0.0000	00	0	0.0000	0.0000
	Total	**695513359**	**618021272**	**88.8583**	**618021272**	**0**	**100**	**0**
Public- Non Institutions	E-Voting	534088017	231452356	43.2267	231440142	12214	99.9947	0.0052
	Poll		19630	0.0037	19630	0	100.0000	0.0000
	Postal Ballot (if applicable)		1732443	0.3244	1732443	0	100.0000	0.0000
	Total	**534088017**	**233204429**	**43.5547**	**233192215**	**12214**	**99.9948**	**0.0052**
	Total	**3856938941**	**2729106240**	**70.7583**	**2729094026**	**12214**	**99.9996**	**0.0004**

c. **Whether Any Resolutions Are Proposed To Be Conducted Through Postal Ballot:**

No, Special Resolution requiring a Postal Ballot is being proposed at the ensuing Annual General Meeting of the Company.

d. **Procedure for postal ballot:**

Prescribed procedure for postal Ballot as per the provisions contained in this behalf in the Companies Act, 2013, read with rules made there under as amended from time to time shall be complied with whenever necessary.

7. Disclosures:

a) There were no materially significant Related Party Transactions and pecuniary transactions that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial section of this Annual Report. The Board has approved a policy for related party transactions which is uploaded on the website of the Company at http://www.adanipower.com/investors/investor-download

b) In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

c) There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority.

d) The Chief Executive Officer and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on 31st March, 2018 in compliance with Regulation 17(8) of Listing Regulations. The certificate is appended as an Annexure to this report. They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of the Listing Regulations.

e) A qualified Practicing Company Secretary carried out a reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Secretarial Audit confirms that the total issued/paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

f) The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

g) The Company has also adopted Material Events Policy, Website Content Archival Policy and Policy on Preservation of Documents which is uploaded on the website of the Company at http://www.adanipower.com/investors/investor- download

Details of the familiarization programme of the independent directors are available on the website of the company at http://www.adanipower.com/investors/investor-download.

h) With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

i) The company has put in place succession plan for appointment to the Board and to senior management.

j) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It has obtained a certificate affirming the compliances from Practising Company Secretary, CS Chirag Shah and the same is attached to this Report.

k) The Company has executed fresh Listing Agreements with the Stock Exchanges pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Directors seeking appointment / re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the 22nd AGM to be held on 6th August, 2018.

8. Means of Communication:

a. **Financial Results:**

The quarterly, half-yearly and annual results are published in widely circulating national and local dailies such as 'The Indian Express' in English and 'Financial Express' in Gujarati and are displayed on the website of the Company www. adanipower.com.

b. **News Releases, Presentation etc.:**

Official news releases, press releases and presentations made to analysts, institutional investors etc. are displayed on the website of the Company www.adanipower.com.

At the end of each quarter, the Company organizes meetings / conference call with analysts and investors and the presentations made to analysts and transcripts of earnings call are uploaded on the website thereafter.

c. **Website:**

The Company's website www.adanipower.com contains a separate dedicated section namely "Investors Relationship" where shareholders information is available. The Annual Report of the Company is also available on the website of the Company www.adanipower.com in a downloadable form.

9. General Shareholders Information:

a. **Company Registration details:**

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40100GJ1996PLC030533.

b. **Date, time and venue of the 22nd Annual General Meeting:**

Monday, 6th August, 2018 at 10:30 a.m. at J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015.

c. **Registered Office:**

"Shikhar", Nr. Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad -380009.

d. **Financial Year:**

Financial year is 1st April to 31st March and financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
Quarterly Results	
Quarter ending on 30th June, 2018	Mid 14th August, 2018
Quarter ending on 30th September, 2018	Mid 14th November, 2018
Quarter ending on 31st December, 2018	Mid 14th February, 2019
Annual Result of 2018-19	End May, 2019

e. **Book closure date:**

The Register of Members and Share Transfer Books of the Company will be closed from Monday, 30th July, 2018 to Monday, 6th August, 2018 (both days inclusive) for the purpose of 22nd Annual General Meeting.

f. **Dividend Distribution Policy:**

As per Regulation 43A of the SEBI Listing Regulations, the top 500 listed companies shall formulate a dividend distribution policy. Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Dividend Distribution Policy of the Company is available on the website of the Company at http:// www.adanipower.com/investors/investor-download.

g. **Unclaimed Shares Lying in the Escrow Account:**

The Company entered the Capital Market with Initial Public Offer of 30,16,52,031 equity shares of ₹10/- each at a premium of ₹ 90/- per share through 100% Book Building process in August, 2009. In light of SEBI's notification No. SEBI/CFD/DIL/LA/2009/24/04 on 24th April, 2009, the Company has opened a separate demat account in order to credit the unclaimed shares which could not be allotted to the rightful shareholder due to insufficient / incorrect information or any other reason. The voting rights in respect of the said shares will be frozen till the time rightful owner claims such shares. The details of Unclaimed Shares as on 31st March, 2018 issued pursuant to Initial Public offer (IPO) are as under:

Sr. No.	Particulars	Cases	No. of Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account (i.e. Adani Power Limited unclaimed shares demat suspense account) lying at the beginning of the year , i.e. 1st April, 2017	162	25628
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year	2	231
3	Number of shareholders to whom shares were transferred from the suspense account during the year	2	231
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year, i.e. 31st March, 2018	160	25397

h. Listing on Stock Exchanges:

The Company's shares are listed on the following stock exchanges:

Name of Stock Exchange	Address	Code
BSE Limited	Floor 25, P. J. Towers, Dalal Street Mumbai-400 001	533096
National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex Bandra (E) Mumbai-400 051	ADANIPOWER

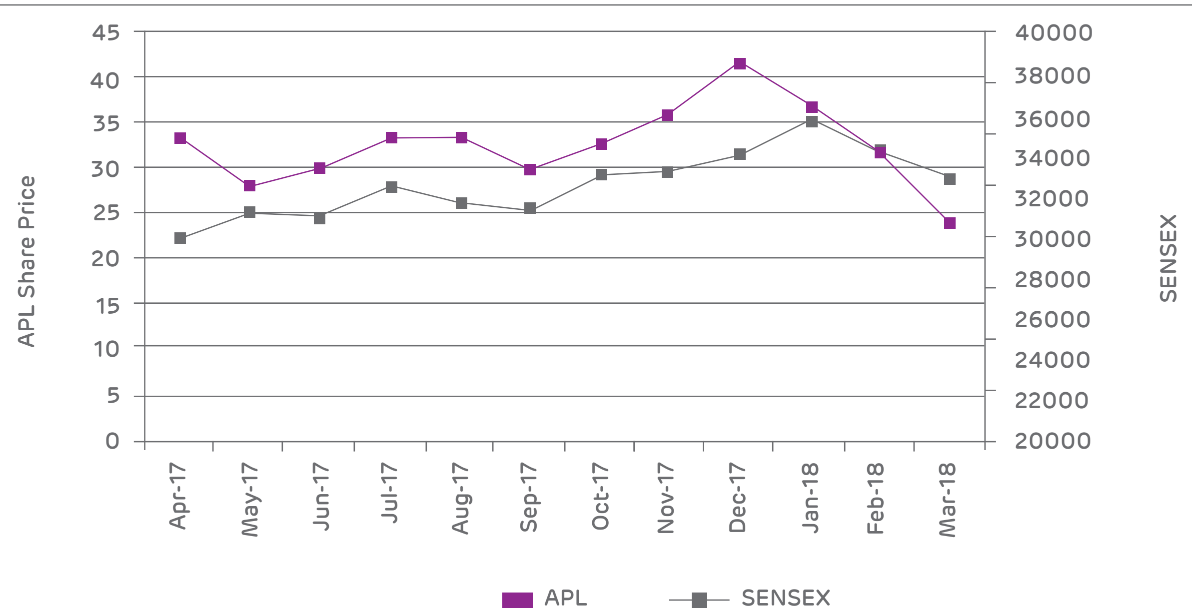
Annual listing fees for the financial year 2017-'18 have been paid by the Company to BSE and NSE.

i. Market Price Data

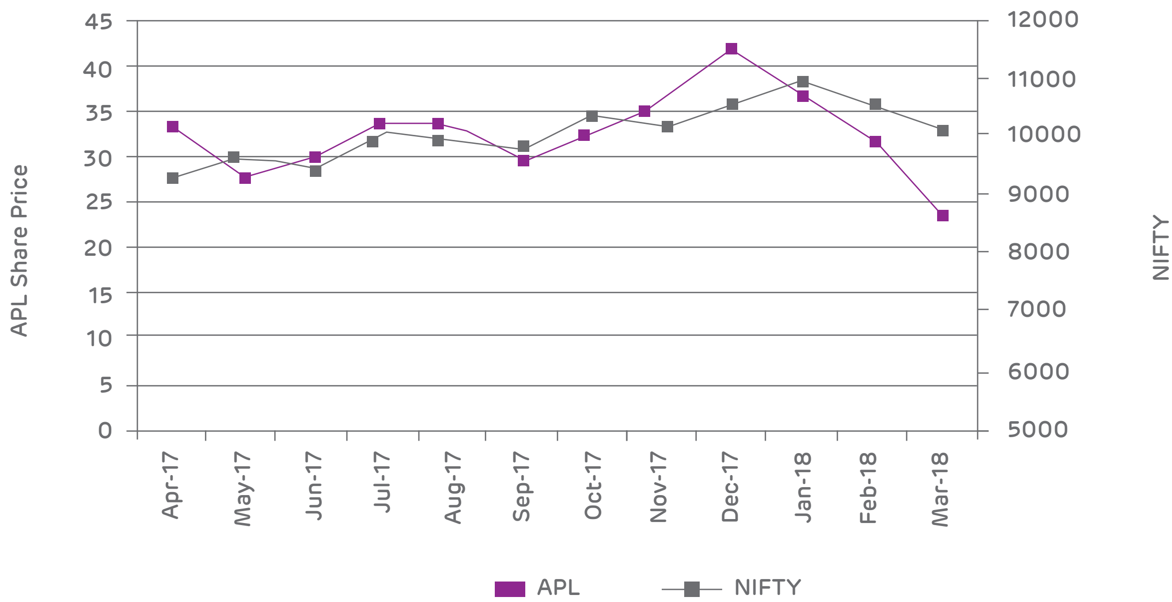
Month	BSE			NSE			Total Volume of BSE &NSE
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume	
April, 2017	46.30	31.80	2280619252	46.35	31.70	17258246594	19538865846
May, 2017	33.70	25.90	1240175974	33.75	25.85	8132386441	9372562415
June, 2017	30.00	26.45	639211473	30.10	26.45	4380079224	5019290697
July, 2017	35.45	28.10	887195681	35.40	28.10	5872320168	6759515849
August, 2017	33.90	25.90	762116537	33.80	26.00	6620444470	7382561007
September, 2017	33.65	28.85	776719746	33.65	28.80	8386454823	9163174569
October, 2017	33.90	28.75	630909073	33.95	28.65	5796637313	6427546386
November, 2017	37.10	31.35	1044644690	37.15	31.30	8410539655	9455184345
December, 2017	42.10	32.10	1391661342	42.10	31.85	12076122248	13467783590
January, 2018	47.75	35.00	2615223917	47.80	36.00	20435604006	23050827923
February, 2018	37.30	29.60	694552283	37.25	29.45	6137371940	6831924223
March, 2018	30.00	23.15	840729042	31.95	23.10	6313758653	7154487695

j. Performance of the share price of the Company in comparison to BSE Sensex and NSE Nifty:

BSE Sensex:



NSE Nifty:



k. **Registrar & Transfer Agents:**

Name & Address: M/s. Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Serilingampally, Hyderabad– 500 032.
Tel. : +91-40-67161526
Fax : +91-40-23001153
E-mail : Einward.ris@karvy.com
Website : www.karvycomputershare.com

l. **Share Transfer Procedure:**

All the transfers are processed by the Registrar and Share Transfer Agents and are approved by the Stakeholders' Relationship Committee.

Pursuant to Regulation 40(9) of the Listing Regulations with the stock exchanges, the Company obtains a Certificate from a Practicing Company Secretary on half yearly basis, for due compliance of share transfer formalities. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, a certificate have also been obtained from a Practicing Company Secretary for timely dematerialization of the shares of the Company and for conducting Secretarial Audit on a quarterly basis for reconciliation of the share capital of the Company. The Company files copy of these certificates with the stock exchange, as required

m. Shareholding as on 31st March, 2018:

(a) Distribution of Shareholding as on 31st March, 2018:

No. of shares	No. of shares	% to shares	Total no. of accounts	% to total accounts
1 – 5000	47,904,362	1.24	291,773	82.78
5001 – 10000	24,671,324	0.64	29,962	8.50
10001 – 20000	23,644,438	0.61	15,273	4.33
20001 – 30000	13,631,306	0.35	5,266	1.50
30001 – 40000	9,040,074	0.24	2,497	0.71
40001 – 50000	9,944,339	0.26	2,092	0.59
50001 – 100000	23,105,862	0.60	3,102	0.88
100001 & above	3,704,997,236	96.06	2,501	0.71
TOTAL	**3,856,938,941**	**100.00**	**352,466**	**100.00**

(b) Shareholding Pattern as on 31st March, 2018:

Category	No. of shares held		Total No. of Shares	% of Holding
	Physical	Electronic		
Promoter and Promoter Group	-	2818287567	2818287567	73.07
Mutual Funds	-	36157116	36157116	0.94
Banks/FI/Central Govt./State Govts/ Trusts & Insurance Companies	-	70188665	70188665	1.82
Foreign Institutional Investors/ Portfolio Investor	-	433995560	433995560	11.26
NRI	-	5641333	5641333	0.14
Foreign Nationals	-	1335096	1335096	0.03
Foreign Companies	-	245777910	245777910	6.37
Other Corporate Bodies	7438	33771388	33778826	0.87
Clearing Member	-	2341844	2341844	0.06
Directors / Relatives of Director	-	511165	511165	0.01
Indian Public / HUF	840188	208083671	208923859	5.43
Total	**847626**	**3656091315**	**3856938941**	**100.00**

n. Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form. Equity shares of the Company representing 99.98% of the Company's share capital are dematerialized as on 31st March, 2018.

The Company's shares are regularly traded on the 'BSE Limited' and 'National Stock Exchange of India Limited'.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE814H01011.

o. Debenture Trustees (for privately placed debentures):

As on 31st March, 2018, the Company has no outstanding Debentures, which were issued earlier on private placement basis. This is because, during the year under review, the said debentures were transferred to the Company's wholly owned subsidiary company ["Adani Power (Mundra) Limited" or "APMuL"] upon the Scheme of arrangement between the Company and APMuL becoming effective in the month of December, 2017.

p. Outstanding GDRs/.ADRs/Warrants or any convertible instrument, conversion and likely impact on equity:

Nil

q. **Commodity Price Risk / Foreign Exchange Risk and Hedging**

The Company is exposed to risk from market fluctuations of foreign exchange on coal imports, foreign currency loans, project imports etc. The Company manages such short term and long term foreign exchange risks within the framework laid down by the Company. The company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved the Board of Directors of the Company. The objective of the Policy is to mitigate the currency risk of foreign currency payables / receivables thereby protecting operating margin of business and achieving greater predictability to earnings. The Company uses derivative financial instruments, such as foreign exchange forward and options contracts to hedge its foreign currency risks. The Company does not use derivatives for trading or speculative purposes.

r. **Site location:**

Solar Project - Village Bitta-Naliya, District Kutch, Gujarat.

s. **Address for Correspondence:**

a. **Mr. Deepak Pandya,**
Company Secretary & Compliance Officer,
"Achalraj", Opp. Mayor Bungalows Law Garden,
Ahmedabad -380 006.
Tel.: +91-79-25555696 Fax: +91-79-25557177
E-mail: deepak.pandya@adani.com

b. **Address for Correspondence in respect of transfer/dematerialization of shares, change of address of members and other queries:**

M/s. Karvy Computershare Private Limited
Karvy Selenium Tower B,
Plot 31-32, Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad – 500 032.
Tel.:+91-40-67161526 +91- 40 23001153
E-mail: Einward.ris@karvy.com
Website: www.karvycomputershare.com

t. **Non-Mandatory Requirements:**

The Non-Mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

a) **The Board:**

The Non-Executive Chairman during the financial year 2017-18 was not reimbursed any expenses for maintenance of the Chairman's office or performance of his duties.

b) **Shareholders' Right:**

The quarterly, half yearly and annual results of your Company with necessary report thereon are published in newspapers and posted on Company's website www.adanipower.com. The same are also available at the sites of the stock exchanges, where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com.

c) **Audit Qualification:**

The Auditors' Qualification has been appropriately dealt with in Note No. 40 of the Notes to the standalone audited financial statements and in Note No. 31 of the Notes to the consolidated audited financial statements. The Auditors' Report is enclosed with the financial statements in this Annual Report.

d) **Reporting of Internal Auditor**

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

Declaration

I, Rajesh S. Adani, Managing Director of Adani Power Limited hereby declare that as of 31st March, 2018, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for Directors and Senior Management Personnel laid down by the Company.

For Adani Power Limited

Rajesh S. Adani
Managing Director

Place: Ahmedabad
Date: 3rd May, 2018

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Adani Power Limited

We have examined the compliance of conditions of Corporate Governance by Adani Power Limited for the year ended 31st March, 2018 as stipulated regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance for the year under the review as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Chirag Shah
Company Secretary
Chirag Shah & Associates,
Company Secretaries,
C.P. No. 3498

Place : Ahmedabad
Date : 3rd May, 2018

CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We, Rajesh S. Adani, Managing Director & Chief Executive Officer and Rajat Kumar Singh, Chief Financial Officer of Adani Power Limited certify that:

We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2018 and to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2018 which are fraudulent, illegal or violative of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit Committee:
   a) There have been no significant changes in internal control over financial reporting system during the year;
   b) There have been no significant changes in accounting policies during the year except for the changes disclosed in the notes to the financial statements, if any; and
   c) There have been no instances of significant fraud, of which we have become aware, involving management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Ahmedabad
Date : 3rd May, 2018

Rajesh S. Adani
Managing Director

Rajat Kumar Singh
Chief Financial Officer

BUSINESS RESPONSIBILITY REPORT

Section A: General Information About The Company

1. **Corporate Identity Number (CIN):** L40100GJ1996PLC030533

2. **Name of the Company:** Adani Power Limited

3. **Registered Office Address:** "Shikhar", Nr. Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009, Gujarat, India

4. **Website:** www.adanipower.com

5. **Email id:** investor.apl@adani.com

6. **Financial Year reported:** 1st April, 2017 to 31st March, 2018

7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Group	Class	Sub-class	Description
351	3510	35102	Electric Power Generation by Coal Based Thermal Power Plants
351	3510	35105	Electric Power Generation using Solar Energy
466	4661	46610	Coal Trading

As per National Industrial Classification – Ministry of Statistics and Program Implementations

8. **List three key products that the Company manufactures/provides (as in balance sheet):**

   Power Generation and Coal Trading

9. **Total number of locations where business activity is undertaken by the Company and its Wholly Owned Subsidiaries:**

   (i) Solar Power Plant at Bitta, Kutch, Gujarat; and (ii) Thermal Power Plants at Mundra, Gujarat; Tiroda, Maharashtra; Kawai, Rajasthan and Udupi, Karnataka.

10. **Markets served by the Company:** Local, State, National

Section B: Financial Details of the Company

1. **Paid up capital (INR):** ₹3,856.94 crores

2. **Total turnover (INR):** ₹8584.05 crores

3. **Total comprehensive (Loss) for the year:** ₹(20.03) crores

4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax:**

   The Company carries its CSR activities through its dedicated CSR wing viz. Adani Foundation. During FY 2017-'18, the Company, along with its subsidiaries, have spent ₹5.65 Cr. towards CSR activities.

5. **List of activities in which expenditure in 4 above has been incurred:**

   The major activities in which Corporate Social Responsibility was undertaken are Education Initiatives, Community Health Initiatives, Water Resource Development, Sustainable Livelihood Development Projects, Rural Infrastructure Development and Community Environment Projects.

Section C: Other Details

1. **Does the Company have any subsidiary company / companies?**

    Yes, the Company has total 6 subsidiary companies as on 31st March, 2018.

2. **Do the subsidiary company / companies participate in the BR initiatives of the parent Company?**

    Business Responsibility initiatives of the parent company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.

3. **Do any other entity / entities that the Company does business with participate in the BR initiatives of the Company?**

    No other entity / entities participate in the BR initiatives of the Company.

Section D: BR Information

1. **Details of Director / Directors responsible for BR:**

    a) Details of the Director / Directors responsible for implementation of the BR Policy(ies)

    DIN : 00053906

    Name : Mr. Vneet S Jaain

    Designation : Whole-time Director

    b) Details of the BR head:

Sr. No.	Particulars	Details
1	DIN (if applicable)	00053906
2	Name	Mr. Vneet S Jaain
3	Designation	Whole-time Director
4	Telephone Number	079-25556984
5	E-mail ID	nair.anil@adani.com

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y/N):

		Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer Value
Sr. No.	**Questions**	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
1.	Do you have a policy / Policies for....	Y	Y*	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/ international standards? If yes, specify?	All the policies are compliant with respective principles of NVG Guidelines.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	-	-	-	-	Y	-	-	-
5.	Does the company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	http://www.adanipower.com/Investor%20relations								
7.	Does the company have in house structure to implement the policy / policies ?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	-	Y	-	Y	-

* The policy addresses the aspect of environmental protection in the Company's operations.

2a. If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the principle	Not Applicable								
2.	The Company is not at stage where it finds itself in a position to formulate and implement the policies on specified principle									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next six months									
5.	It is planned to be done within next one year									
6.	Any other reason (please specify)									

3. Governance related to BR:

(i) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

The CEO periodically assesses the BR performance of the Company.

(ii) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

In line with the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG), company publishes Business Responsibility Report (BRR) on yearly basis and this is Company's fifth BRR and also publishes sustainability report on yearly basis and is available on the Company's website http//www.adanipower.com\\sustainability.

Section E: Principle-Wise Performance

Principle 1:	Principle 2:	Principle 3:
Business should conduct and govern themselves with Ethics, Transparency and Accountability	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Business should promote the wellbeing of all employees
Principle 4:	**Principle 5:**	**Principle 6:**
Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	Business should respect and promote Human Rights	Business should respect, protect, and make effort to restore the environment
Principle 7:	**Principle 8:**	**Principle 9:**
Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner	Business should support inclusive growth and equitable development	Business should engage with and provide value to their customers and consumers in a responsible manner

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

   The Company has adopted a Code of Conduct for its Directors and Senior Management. Additionally, the Policy on Code of Conduct for Employees applies to all employees of Adani Group companies. These do not extend to other entities.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   No stakeholder complaints pertaining to the above Codes were received in the past financial year.

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   The product of the company is Electricity. In today's world, electricity acts as central nervous system that powers modern day society. Access to reliable electric power is now considered as one of the basic necessity for society and human development. Environmental concerns have been incorporated in the design and business by adopting criteria for site selection and conducting Environmental Impact Assessment. In operational phase, the Company has developed Environment Management System (EMS) with in-built mechanism for identification of potential non-conformances and opportunities for improvements. The EMS is ISO 14001:2015 certified. Emissions form all operation is monitored and controlled as per design. Occupational health and safety management is integrated in business by adopting Health and Safety management system and taking OHSAS certifications as per international standards. Company also has Risk Identification and management framework across all operations and corporate office.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional)**

   I. **Reduction during sourcing / production / distribution achieved since the previous year through the value chain:**

   The Company has developed Environment Management System (EMS) with in-built mechanism for identification of potential non- conformances and opportunities for improvements. Emissions form all operation is monitored and controlled as per design. At Mundra Thermal Power Plant, effluents are reused in the Flue Gas Desulphurization process and outlet is again treated before outfall. At other locations, system is designed for zero discharge and effluents are treated and mainly reused for fly ash evacuation and green belt development. The EMS is certified against ISO 14001:2015 standard and there is programme for continual improvement by reduction in resources consumption and waste generation.

   II. **Reduction during usage by consumers (energy, water) achieved since the previous year?**

   Not significant as the product is electricity

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

   To promote sustainable sourcing, Company has built the sustainability concern into its processes for vendor development and procurement management. Starting from the vender on boarding process, applicant vendors are evaluated based on comprehensive criteria that include vendor's capability and performance on environmental, occupational health and safety, labour practices and quality management. After on boarding of the vendor, there is a system of periodical evaluation of vendor on comprehensive criteria that includes compliance with environmental, social and occupational health and safety parameters Vis-à- vis job execution as per quality criteria. This system fosters and promotes the sustainability concerns among vendors of the company.

   Besides, Company believes in adopting new technologies in all fields of its operation to gain maximum efficiency and reduce resources consumption. The adoption of super-critical technology for thermal power generation has led to a decrease in the Company's specific coal consumption.

4. **Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve**

the capacity and capability of local and small vendors?

Indigenously manufactured or supplied material and services are considered as local. It is one of the focus area of the company to regularly indigenise the materials required for the operation and maintenance where any major equipment like boilers and turbines is imported at the time of the project. This serves two benefits that is optimisation of cost of operations and maintenance and support to the local Indian economy. Most of the employee base is Indian and most of the services are provided by Indian workmen and professionals.

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as < 5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so?**

   Ash is the major waste generated at the thermal power plant. A significant portion of this ash is recycled by selling it to cement (PPC) manufacturers in the region, thereby decreasing its environmental burden. Hazardous waste like used and waste oils are disposed through authorized recyclers. Also the Company publishes its Sustainability Report every year and disclose the detailed management approach for material issues and performance indicators as per GRI G4 guidelines that includes waste management"

Principle 3: Business should promote the wellbeing of all employees

1. **Please indicate total number of employees:**

   The Company has a total of 115 employees as on 31st March, 2018.

2. **Please indicate total number of employees hired on temporary/contractual/casual basis:**

   The Company has a total of 20 employees hired on contractual basis as on 31st March, 2018.

3. **Please indicate the number of permanent women employees:**

   The Company has 1 women employee as on 31st March, 2018.

4. **Please indicate the number of permanent employees with disabilities.**

   The Company has no permanent employee with disabilities as on 31st March, 2018.

5. **Do you have an employee association that is recognized by the Management?**

   The Company does not have an employee association recognized by the management.

6. **What Percentage of permanent employees who are members of this recognized employee association?**

   Not applicable.

7. **Please indicate the number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in the last financial year and those pending as on the end of the financial year.**

   There were no complaints of this nature during the financial year.

8. **What Percentage of under mentioned employees were given safety and skill up-gradation training in the last year?**

   Employee training and skills development is an integral aspect of the Company's human resource strategy. The Company's training programs extend to all permanent and contractual employees, which are rolled out as per the annual training calendar and individual employee training needs. All contractual employees are given mandatory safety training on induction as well as on the job skills related training through the Contractors and the Company.

Principle 4: Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. **Has the company mapped its internal and external stakeholders?**

   Yes, Stakeholders of the company have been mapped through a formal process of consultations at all operations. The Company's key stakeholders include employees, suppliers, customers, business partners, regulatory agencies and especially local communities around its sites of operations.

2. **Out of the above, has the company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   Yes, the Company has identified the disadvantaged, vulnerable and the marginalized sections within the local communities around its sites of operations.

3. **Special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders:**

As a responsible business Adani Group is committed to conduct its CSR activities in line with the central goal of Nation Building. All our CSR projects are conducted through Adani Foundation and aligned with the UN Sustainable Development Goals. The Foundation has dedicated itself to the communities in which it operates. The Adani Foundation relentlessly works in empowering communities, enhancing quality of their lives and inspiring the hope of a better future. The Foundation perceives its role as an 'enabler' and 'facilitator', bridging the gaps between existing opportunities and potential beneficiaries, while investing in new facilities and infrastructure.

Working closely with communities, Adani Foundation assumes the role of a facilitator by creating an enabling environment for upliftment of numerous families. The Adani Foundation has become a strong proponent championing the cause of the bringing positive changes in the lives of the deprived and underprivileged. It has been working relentlessly across 13 states, covering 20 locations and 1,470 villages, to uplift the lives of more than 5,00,000 families with a human centric approach to make the processes sustainable, transparent and replicable. This approach has optimized community and individual growth in a sustainable manner. Some of the initiatives undertaken by the group companies across the Power sites are:

EDUCATION

In our rapidly developing economy, education has emerged as the most powerful tool that can utilize the immense potential of billions to fuel the growth of our nation. Education is the foremost and strongest factor influencing change and improvement. Hence, we, at Adani Foundation, have chosen to focus our efforts, in line with the Sustainable Development Goals, on providing inclusive and quality education to meritorious children irrespective of their social or economic backgrounds. All our education endeavours are aimed towards nurturing children by providing them with quality education for a life-long learning and an enabling environment for their holistic development preparing them for the future of job.

Coaching for Jawahar Navodaya Vidyalaya (JNV) entrance – Special coaching classes were conducted for JNV entrance exam in Kawai – Rajasthan and Tiroda - Maharashtra. It is an honest endeavour to provide special coaching to children from the government schools that belong to underprivileged section of the society. These special coaching classes are conducted at three locations, Atru, Aton and Kawai region of Rajasthan, where more than 100 students from 24 schools enrolled in our coaching classes with the sole objective of seeking admission in JNV. Similarly, Adani Foundation set up 2 centres in Gulabtola and Gumadhavda region of Tiroda – Maharashtra where 41 students attended classes on regular basis with 3 special teachers hired for running these classes smoothly. Apart from providing free coaching to these students, the foundation also provided educational kits and refreshment to these students to encourage them to study. Weekly tests were also conducted to review the progress of the students and special attention was provided to students not faring well in these tests.

Project Gyan Jyoti: Under this programme, E-learning kits were provided to all the Government schools in Tiroda block of Maharashtra. The objective of the program is to make the youth of the region tech savvy and comfortable to use digital systems regardless of them belonging to the rural areas. This year the programme covered a total of 31 anganwadis and 1 Government school in the region. The software which is of plug_and_play model, consists of education materials like Rhymes, Colours, Numbers, Alphabets and Short stories etc., and the outcome has been very encouraging.

Special coaching classes of English and Maths for Government Upper Primary Schools – With education being the topmost priority in rural areas, Maharashtra Government spends considerable budget to reach education to the remotest of villages. Though ample facilities are provided to the rural schools, many remain underutilized. To complement the efforts of the Government and to address the issue of poor performance of students especially in subjects like Mathematics and English, Adani Foundation started Champion Square classes for the benefit of the rural students in Zila Panchayat Upper Primary Schools of Chikhali, Kachewani and Mendipur villages around Tiroda. These special classes have helped the students improve in these subjects, which is evident from their annual results. A total of 133 students attended classes on regular basis.

Similar coaching classes were conducted under Apna School initiative for 223 students from 5 villages of Godda district in Jharkhand. Students up to 5th standard received extra coaching classes and were selected from areas where literacy rate is below 50%. Under Adani Gyan Jyoti Yojna, special coaching classes were conducted for 60 students of 9th & 10th standard from underprivileged backgrounds from Motia village. It was heartening to note that these students showed tremendous improvement in their board exam results.

Adani Foundation also distributed quality education kits to 6656 students of 77 Kannada Medium Government & Government Aided Schools in Udupi District of Karnataka. These kits involved branded Slates, Note Books, Bags, Geometry Boxes, and Umbrellas. This initiation has resulted in increase of the strength of students in Government Schools. The foundation has supported 1241 meritorious students from financially weaker sections with education scholarships, to motivate them to take-up the higher education. The minimum amount of scholarship paid was Rs. 1,100/- and maximum was Rs. 10,000/-, depending on the course, discipline, branch and percentage of marks secured by the students in the Academic Year 2016-17.

HEALTH

We firmly believe that improving the health of its citizens can directly result in economic growth of the nation. Healthy people can utilise growth opportunities made available to them in a better way. Lack of basic healthcare facilities has a detrimental impact on the health and well-being of the people. We, at the Adani Foundation, have committed ourselves to raising the standards of and strengthening healthcare systems in and around our operational locations in India to ensure healthy lives and promote well-being at all ages in alignment with Sustainable Development Goals of the UN. Through our efforts in community healthcare, we aim to help people realise their dreams of leading a healthy and happy life.

With an aim to spread awareness and provide basic health facilities to the community members of Kawai (Rajasthan), Tiroda (Maharashtra), Udupi (Karnataka) and Godda (Jharkhand) region, of our Power businesses, the foundation has undertaken various activities in health sector for creating a healthy and happy society.

Mobile Health Care Units: Special MHCUs are deployed by Adani Foundation in the above mentioned regions, with the objective of providing basic healthcare facilities to villages in the vicinity. The facilities provided include diagnostics, medicines, free of cost consultation and referrals by certified doctors at the doorstep of the community members. This year a total of 1,80,313 treatments were provided through six MHCUs deployed across villages in these sites. As a result of this initiative the patients save money on consultation fees, medicines and travel costs, thereby reducing the possibility of losing livelihood. The emotional stress among family members of the patients is also negated when the needy community members get quality healthcare facilities of these MHCU's at their doorsteps.

Heath Camps: Adani Foundation regularly conducts various general and specialised medical camps in and around its operational locations for the benefit of local communities. At these camps services of gynaecologists, orthopaedic surgeons, heart specialists, skin specialists, paediatricians, and ophthalmologist and ENT surgeons are provided to the community members at no cost. Free of cost follow-up services are also made available and necessary discounts are negotiated in cases requiring surgery. Three Medical camps were organized at Barla, Kunjed and Hatidilod villages of Rajasthan this year. A team of around 12 doctors and paramedical staff attended to and provided medical treatment to approximately 1557 villagers from 14 villages this year.

Taking notice of the Osteoarthritic problems of the elderly population of area and their financial condition, Adani Foundation conducted knee brace camps for old age people in collaboration with Helpage India as well as Dr. Vijay Nayak's team in Tiroda region of Maharashtra. Through this specialist medical camp, which was conducted in our premises, a total 86 patients received treatment. The male vasectomy camp was also conducted in Tiroda, where 51 persons participated and were also awarded monetary help under the respective Government scheme.

Poor Patient Assistance: Long term illness or any health condition not only impacts one physically but also mentally and financially. Entire family has to bear the brunt for the deteriorating health and financial condition of such patients. Some major diseases which affect human life like cancer, TB, AIDS and others may need surgery as treatment. For such needy patients Adani foundation started poor patient assistant programme for the villagers of Tiroda region of Maharashtra and provided these patients with financial and emotional support. In this financial year Adani Foundation provided support to 8 poor patients from the surrounding villages of Tiroda – Maharashtra.

Adani Aarogya Card, a tailor made health insurance policy was provided to community members of Mudarangadi and Yellur region in Udupi – Karnataka, with an objective to facilitate the card holders to avail cash-less medical treatment during the time of illness. These cards were issued to 2341 families, covering

9483 villagers in the above mentioned regions. The Adani Aarogya Card enables the villagers of all the age groups to avail cashless medical treatment amounting to Rs.50,000/- per family.

Health and Sanitation: The awareness on health and sanitation is one of the necessary issues to be addressed for rural society. Women, children and the elderly population around Tiroda region of Maharashtra, faced many hygiene related diseases due to unhygienic living condition in these villages. Looking at the need Adani Foundation started awareness drive on various health issues and diseases like hypertension, TB, water born disease and intervention in sanitation for healthy environment for all. A total of 49 such awareness programmes as well as sanitization drives for schools and villages were conducted across 36 villages thereby reaching the message to approximately 2870 people. In addition to this, with an objective to make these villages open defecation free, the villagers were provided total sanitation material support from Adani Foundation in collaboration with respective villages Gram Panchayats. The foundation provided material support for construction of Individual Household toilets in the target villages. In this financial year Adani Foundation supported sanitary materials to needy families of Khairbodi, Berdipar, Mendipur, Chikhali and Garada villages of Tiroda, with Rural pan set, Door, ventilator and GI sheet for roof to needy people. A total of 695 families from 5 villages were covered under this initiative during the financial year 2017-18.

LIVELIHOOD

Empowering people through sustainable livelihoods helps them to transform their lives and contribute to the growth of the nation. Adani Foundation aims at holistic growth and development of the marginalized sections of the society by providing necessary skill development training and alternative livelihood opportunities, thereby reducing poverty and inequality.

Agriculture Initiatives: With the objective of promoting organic farming using the Systematic Rice Intensification (SRI) method, Adani Foundation, in cooperation with respective Block Agriculture Departments, conducted various training programmes for the farmers this year. They have been introduced to various innovative and cost-saving practices in farm cultivation, techniques of low water usage & labour-intensive organic method of growing the crop. This year project has been successfully implemented in 4,381 acres of land by 2,066 farmers of Tiroda in Maharashtra. SRI method has also been introduced at Surguja in Chhattisgarh and at Dhamra in Odisha. As a result to this initiative, farmers today are saving on cultivation and getting more prices for their production. On an average, this method of farming increases the agricultural production by 50% and reduces farming costs by 35%.

Livestock Development: With the support of the Group companies, Adani Foundation initiated a cattle breed improvement programme in the Kawai region of Baran district of Rajasthan and Tiroda region of Gondia district in Maharashtra. Integrated Livestock Development Centres (ILDC) were established in the nearby villages to reach out to the cattle breeders of the region. Taking into consideration the local needs of the farmers and the availability of breed-able cattle, 3 ILDCs are established (2 in Kawai and 1 in Tiroda region). These ILDC's today are providing Artificial Insemination Services in 41 surrounding Villages.

Significant results due to artificial insemination have been witnessed in the reporting period. A total of 802 artificial inseminations were conducted in the reporting period. Other supporting activities like castration, first aid and extension activities related to livestock Development were conducted for the support of the cattle breeders of the region. These Services were provided to the farmers at their doorsteps and the efforts could produce 12 upgraded / cross breed calves during the reporting year.

With an objective to increase the awareness and motivate the farmers, 34 extension meetings and 10 animal treatment camps were also conducted this year to reach the message of CBIP operation in the surrounding villages. A total of 4835 animals were treated during such camps and free medicines were also provided to cattle owners. As per the requirement, fodder seed & fertilizer were distributed to more than 25 beneficiary farmers. Castrations of 10 scrub bulls were conducted to prevent servicing by these local bulls. Preventive vaccination against H.S. & B.Q. was undertaken for the cattle with the support of Department of Animal Husbandry.

Sewing training Classes for women: Under SAKSHAM programme, sewing training classes were organized for the benefit of local community women of Kawai (Rajasthan) and Godda (Jharkhand) regions. Project SAKSHAM works towards empowering women with vocational trainings and ensure opportunities for self-reliance through sustained efforts. A total of 826 rural women received skill training on tailoring and Adani Foundation took complete responsibility of empowering these women by supporting them with NSDC certification, which would be essential to avail bank loans to start their own businesses or to take benefit of any other Government schemes. Also, 237 children learnt basic computer education.

INFRASTRUCTURE DEVELOPMENT

Quality rural infrastructure bears a direct influence on living standard and the development of the rural population. Lack of it may push the rural populace towards poverty and deprivation. At Adani Foundation, we have committed ourselves to building sustainable rural infrastructure to overcome developmental challenges at the rural area keeping national goals in view. We are committed to making a long-term investment in rural infrastructure development as it will connect its dream with the progress of the nation.

Water Conservation

Under the umbrella of water conservation activities in the states of Gujarat, Maharashtra, Rajasthan and Chhattisgarh, the Foundation has constructed various check dams, farm ponds and earthen bunds across streams. During the year the foundation has undertaken the work of 19 streams deepening as well as desilting of 23 existing ponds across regions. Recharge pits were created near wells and hand pumps to ensure adequate water availability for the communities. As a part of rural Infrastructure development initiative, a total of 135 ponds & 64 farm ponds have been deepened and 66 streams have been widened resulting in increase of 32,52,882 cu.mt storage capacity. Some of the water conservation efforts of Adani Foundation in at the Power sites are mentioned below.

In Rajasthan water conservation activities such as, rejuvenation of old check dams and repairing & desilting of percolation tanks were undertaken to provide sustainable water conservation structures and source of potable water for the benefit of around 1500 community members. Development of a pond in Haniheda village and construction of check dam in Bhanpur (under Mukhya Mantri Jal Swawlamban Abhiyan of GoR) will benefit around 2482 villagers of Kharkhada and Ramlothan panchayat villages of Kawai – Rajasthan.

This year, with the support of the group companies, Adani Foundation undertook the pond deepening work of 6 ponds across 4 villages at Godda region of Jharkhand. The aim of this initiative was to increase the water storage capacity of ponds as well as increasing the ground water table. Due to the deepening of ponds 8 nearby villages will reap benefit as they will have access to water for irrigation purpose. More than 650 acre of agricultural land will get irrigation water due to the increased water storage capacity of ponds, as against 150 acres earlier.

This year in the Tiroda region of Maharashtra, 21 ponds were deepened and 19 streams were cleaned, which has increased storage capacity of 272795 cmt of water in the region. This will directly benefit 962 farmers through increase in water level of 307 wells, 148 borewells and for irrigation for 2886 acres farm land during lean period. The dug-up fertile soil was utilised in 124 acres of farm land. One community RO unit and 12 hand pumps were also installed to ensure availability of potable and safe drinking water to villagers of the region.

In Udupi region of Karnataka, 5 community RO's were installed in 5 nearby villages – Yellur, Mudarangadi, Tenka (R&R colony), Bada and Belapu villages. These RO plants have a capacity of purifying 1,000 litres of water per hour and storage capacity of 5000 litres of purified water per unit. Villagers were provided with free water cans of 12 litre capacity to enable them to carry this potable drinking water. The objective of this programme is to reduce water borne disease in the region. With these installed RO plants the foundation encourages the community to gradually handle the day–to-day operation and maintenance of the units to inculcate a sense of ownership. A total population of 4,792 is getting the benefit of safe potable drinking water due to this initiative.

Infrastructure support to Government Schools & Aanganwadis: Adani foundation, in association with the district administration and gram panchayats, has constructed a new aanganwadi building in Kawai – Rajasthan, with an aim of providing an enabling environment for growth and development of the children. This aanganwadi center has been furnished with attractive learning enhancement material, such as vibrant wall paintings, recreational & educational toys and furniture. This center will also be used by the authorities for periodic immunization drives, gender sensitization and maternal care. This model aanganwadi building has been equipped with all the required facilities, such as separate sitting room for children/women, kitchen for cooking, food storage facility, child friendly toilets and sufficient play spaces for children. More than 120 children under age group of 0-5 years, from Kharkhada Ramlothan village will get benefitted due to this intervention.

The Foundation this year has undertaken construction and repair work for improving the infrastructure of various government schools to create conducive learning environment for the students. A classroom was constructed in Government Senior Secondary School at Phoolbaroda region of Kawai. A toilet block was built in Government Senior Secondary School in Barla and flooring work of playground was undertaken at Government Girls Senior Secondary School at Atru village. Other school infrastructure upgradation works include, construction of toilet & boundary wall at Government Senior Secondary School at Bamori and a cultural stage and boundary wall at Government Girls Senior Secondary School at Kawai – Rajasthan.

Taking into consideration the depilated state of the Government School buildings in the region of Tiroda – Maharashtra, Adani Foundation decided to provide the required infrastructure support in the these schools. The foundation this year has constructed classrooms, playgrounds and libraries which are the most important aspects of a school infrastructure. Additional classrooms were constructed in Kachewani, Kawalewada and Belati Bu Village on a request of local Gram panchayat and School management committee. A total 406 students are reaping the benefit of this additional infrastructure.

The foundation this year has constructed a toilet in Middle School of Dumariya village of Godda in Jharkhand. More than 300 students enrolled in the school will be benefited by this initiative. The company also supported in construction of 3 Community Sanitation Facilities in 2 villages of Godda region of Jharkhand. The people of this region had no community toilet facility in their villages and were defecating in open, resulting in unhygienic conditions and diseases among its people. Adani Foundation constructed 3 blocks of sanitation facility, each comprising of two toilets and two bathrooms for common use.

Principle 5: Business Should Respect and Promote Human Rights

1. **Does the Company's policy on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

We believe in protecting the human rights of our people, recognising their need for respect and dignity. We also ensure that stakeholders are protected against abuses and are given the opportunity needed to realise their full potential without any bias. We are committed to fair employment practices and freedom of expression, supported by a strong, company-wide value system. We provide every avenue to our workforce for voicing their opinion. We ensure that all our practices are aligned with our Human Rights Policy.

Our policies on human capital management aim to eliminate discrimination at the workplace. We have comprehensive disciplinary and grievance procedures in place that meet all requirements in terms of fairness as defined in the applicable legislation. We are committed to the labour rights principles provided in the International Labour Organisation core conventions, including eradication of child or forced labour and harassment or intimidation in the workplace.

We do not have any collective bargaining agreements with our workforce. However, our engagement activities provide sufficient avenues to our employees as well as contract workers to voice their opinions.

Good health and safety practices ensure effective performance of our workforce. We realised that we are functioning in a sector which exposes our employees and local communities to health and safety hazards. We have policies and procedures in place to identify and control the safety risks.

Our OH&S policies have been formulated with due consultation. Corporate Safety team monitors the safety performance of all locations. The OH&S function facilitates effective implementation of all policies and protocols. At every location, we have a Safety Committee which has been constituted as per the guidelines of the Factories Act, 1948, comprising of a minimum of 50% representation from the non-management workforce. The Safety Committee meets on a monthly basis. They include representation from the senior management of the plants. We have also initiated the formulation of department-level safety committees to ensure greater participation from the workforce in our safety management.

To strengthen our occupational health, safety systems and processes, all our power generation plants have been certified with IS 18001:2007. On-site emergency plan and safety operating procedures are in place at all our locations. We monitor various lead and lag safety indicators to measure our safety performance at all sites. It is ensured that labels, indicators, posters, tags and signages related to safety aspects are displayed for awareness.

Workforce at all operating locations is motivated to achieve excellence in all aspects of safety.

2. **How many stakeholder complaints have been received**

in the past financial year and what percent was satisfactorily resolved by the Management?

No stakeholder complaints were received during the last financial year.

Principle 6: Business should respect, protect, and make effort to restore the environment

1. **Does the policy pertaining to this Principle cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

   The Company has adopted an Environment Policy as these aspects are integral to the Company's business at operating locations. All joint ventures, suppliers and contractors are required to abide by the Company's Environment Policy and work procedures at Adani Power sites.

2. **Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y / N. If yes, please give hyperlink for web page, etc.**

   Yes, the Company is committed to addressing global environmental issues such as climate change and global warming through adoption of energy and resource efficiency initiatives in its thermal power project operations. At Adani Power, the approach to combat climate change is two pronged, to mitigate as well as to adapt to climate change. Adani Power was the first in the country to commission super-critical boilers. Till date, Adani Power has commissioned 7,920 MW (12 units of 660 MW each) power plants based on super-critical technology. These boilers save more than 2% of fuel per unit of power generated and help in subsequent reduction in GHGs per unit. In future, Adani Power has plans to enter adopt 800 MW supercritical units and solar power generation to further mitigate climate change. Details are available on the following webpage: http://www.adanipower.com.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes, the Company regularly identifies and assesses environmental risk during all stages of its existing and planned projects. At the time of planning of new projects, environmental impacts are assessed through structured EIA process and management plans are prepared. In the operation phase, environmental aspects and impacts are identified and managed through Environment Management System which is certified against ISO 14001:2015 standard.

4. **Does the Company have any project related to Clean Development Mechanism (CDM)? If so provide details thereof, in about 50 words or so. Also, If Yes, whether any environmental compliance report is filed?**

   Yes, Company is committed to adopt latest and efficient technologies for power plant. Company was pioneer in installation of first super critical unit in India and unit number 5 & 6 of the Mundra Thermal Power Plant was registered under CDM Executive Board. After that, company has installed super critical units at its other location also even though there was no benefit for registration under CDM scheme due to position of CDM market.

5. **Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.?**

   The adoption of super-critical technology and other energy conservation initiatives at power plants has led to reduction in coal consumption as well as energy requirements in the plant operations. All operating power plants of the company are certified for Energy Management System that drives continual improvement.

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

   Yes, the emissions / waste generated has been within the permissible limits given by CPCB / SPCB.

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending as of end of financial year.**

   No. There has not been any notice or observation with potential to impact business.

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chambers of association? If Yes, name only those major ones that your business deals with.**

   Yes, the Company is a member of the following key associations, either directly or through its Group companies:

   (i) Association of Power Producers (APP)

   (ii) Confederation of Indian Industry (CII)

   (iii) Federation of Indian Chamber of Commerce and Industry (FICCI)

(iv) Independent Power Producers Association of India (IPPAI)

(v) Gujarat Chamber of Commerce and Industry (GCCI)

(vi) Ahmedabad Management Association (AMA)

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes specify the broad areas (Governance and Administration, Economic Reform, Inclusive Development Polices, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   Yes, through membership in the above industry bodies, the Company has advocated on the key issues impacting energy security, including but not limited to power sale, coal supply, financial health of discoms, transmission evacuation, logistics and rail connectivity, grant of clearances, environment, financing, taxation and fiscal benefits."

Principle 8: Business should support inclusive growth and equitable development

1. **Does the company have specified programme / initiatives / projects in pursuit of the policy related to principle 8? If yes, details thereof.**

   The company has formulated and implemented a Corporate Social Responsibility Policy (CSR). Adani Foundation is the Corporate Social Responsibility (CSR) wing of Adani Group and is dedicated to undertake various activities for the sustainable development of communities around the sites of operations of the Group companies. The Foundation works in four core areas - Quality Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development. It lays special focus upon the marginalized sections of the communities. The Foundation presently operates in 13 Indian states in more than 1470 villages & town transforming lives of more than 500,000 plus families. The list of major initiatives is given in response to question 3 of principle 4.

2. **Are the programmes / projects undertaken through in-house team / own foundation / external NGO / Govt. structure / any other organisation?**

   Adani Foundation is the well-structured Corporate Social Responsibility (CSR) arm of Adani Group. It is registered under Bombay Public Charity Trust act 1950 and Society's Registration Act 1860. The CSR programs are carried out by and large through Adani Foundation (AF) which has a dedicated experienced team of professionals that comprises of experts in domains of education, healthcare, infrastructure development, livelihood and other fields to carry out the development work for the communities. CSR projects and activities are carried out by the Adani foundation and as and when required ADANI FOUNDATION has entered few resource & knowledge partnerships with several government agencies, governmental supported organizations and non-governmental organizations.

3. **Have you done any impact assessment of your initiative?**

   Yes, regular impact assessment studies are carried out by the foundation to evaluate its various on-going programs and to analyse the quantum of transformation the program are able to make on the lives of the communities. There are monthly, quarterly and yearly reviews of the programs carried out by the different levels of management to continually improve the program implementation and outcomes. A third party objective impact Assessment and additional Need Assessments are carried out by competent agencies too.

4. **What is the Company's direct monetary contribution to community development projects and details of projects undertaken?**

   The Companies Monetary Contribution to Community Development projects in FY 2017-'18 was Rs. 183.34 Lakhs.

5. **Have you taken steps to ensure that community development initiative is successfully adopted by the community? Please explain in 50 words.**

   Yes. Community participation is encouraged at all stages of our community development / CSR initiatives, including program planning, monitoring, implementation and assessment / evaluation. Our community Development efforts are strengthened through participatory rural appraisals as well as closely working with Village Development Committees (VDCs) and Cluster Development Advisory Committee (CDAC), and Advisory Council with representation from the community, government and the Company. This level of participation of community members lead to a greater sense of ownership among the people, ensuring successful adoption and sustained outcomes.

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner

1. **What Percentage of customer complaints / consumer cases are pending as on the end of financial year 2017-18?**

   There are no customer complaints / consumer cases pending as of end of financial year - 2017-18.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N. A. / Remarks (additional information)**

   The Company produces electricity, for which product labelling is not relevant.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as of end of FY 2017-18?**

   There are no such pending cases against the Company in a court of law.

4. **Did your company carry out any consumer survey / consumer satisfaction trends?**

   There is a continuous improvement process through which periodic feedback taken on a regular basis from our customers / stakeholders and an immediate action is taken on any issues that they are facing.

INDEPENDENT AUDITOR'S REPORT

To the Members of Adani Power Limited

Report on the Standalone Ind AS financial statements

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

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

We draw attention to note 40 to the standalone Ind AS financial statements regarding uncertainties relating to realisation of advance consideration paid for purchase of 51% shares of Korba West Power Company Limited (KWCPL), loans given to KWCPL for its operations pending resolution of various matters with its stakeholders including lenders and consideration on sale of 49% shares of KWCPL to a third party during the year, involving total amount of ₹ 2,403.32 Crores as at March 31, 2018.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, of its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to:

a. Note 51 to the standalone Ind AS financial statements regarding the accounting treatment of capital reserve followed by the Company, as per the Scheme of Arrangement between the Company and its subsidiary Adani Power (Mundra) Limited, approved by the National Company Law Tribunal during the year , which is not in accordance with the requirements of Ind AS.

b. Note 37 to the standalone Ind AS financial statements regarding uncertainties being faced by Adani Power (Mundra) Limited (APMuL), a wholly owned subsidiary, resulting in APMuL incurring losses and erosion of its entire net worth. The Company has investments and loans and advances aggregating to ₹ 2,521.35 Crores in APMuL as at March 31, 2018. In the opinion of the management of the Company, for the reasons described in the aforesaid note, APMuL would be able to establish profitable operations in foreseeable future and continue as a going concern and as such, no adjustments are considered necessary to the carrying value of the aforesaid investments, loans and advances as at the year end.

Our opinion is not modified in respect of these matters.

Other Matter

The Ind AS financial statements of the Company for the year ended March 31, 2017, included in these standalone Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 27, 2017.

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 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph and also in Note (a) under Emphasis of Matter paragraph, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

   (f) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;

(g) The qualification relating to the maintenance of accounts and other matters connected therewith is as stated in the Basis for Qualified Opinion paragraph above.

(h) 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 dated May 3, 2018 in "Annexure 2" to this report;

(i) 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 has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 36 to the standalone Ind AS financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 20 to the standalone Ind AS financial statements;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Raj Agrawal
Partner
Membership Number: 82028

Place of Signature: Ahmedabad
Date: May 3, 2018

ANNEXURE 1
TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended March 31, 2018

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has regular programme of physical verification of its fixed assets through which all the fixed assets are verified in a phased manner, over a period of three years. In our opinion, the programme of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company, except for freehold land aggregating to ₹ 1.86 Crores for which the title is in dispute and pending resolution in the Civil Court, Kutch as at March 31, 2018.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted loans to a company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

(b) As per the schedule of repayment of principal and interest stipulated for the loan granted as mentioned in clause (a) above, there were no installment of loan and interest due during the year.

(c) Read with our comments in clause (b), above, there are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013, in respect of loans to directors including the entities in which they are interested and in respect of loans and advances given, investments made and guarantees, and securities given, have been complied with by the Company.

(v) The Company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the generation of electricity and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, goods and service tax, cess and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities. The provisions relating to employees' state insurance and excise duty are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, , service tax, sales-tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of service tax, customs duty, excise duty and income tax on account of any dispute, are as follows:

Name of the statute	Nature of Tax	Amount (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	10.09#	Assessment Year 2010-11	Income Tax Appelate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	34.15*	Assessment Year 2011-12	Income Tax Appelate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	2.32	Assessment Year 2012-13	Commissioner Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2.76	Assessment Year 2014-15	Commissioner Income Tax (Appeals)

The department and the Company are in appeal with ITAT against the favourable order of Commissioner of Income Tax (Appeals) for the entire amount.

* The department and the Company have filed appeals with ITAT against the favourable order of Commissioner of Income Tax (Appeals) whereby the demand was reduced to ₹ 2.17 Crores.

(viii) According to the information and explanations given by the management, the Company has not defaulted in the repayment of loans or borrowings to any banks and financial institutions existing as at the balance sheet date. The Company did not have any loans or borrowing in respect of government or dues to debenture holders during the year.

(ix) In our opinion and according to the information and explanations given by the management, the monies raised by the Company by way of term loans were applied for the purposes for which those were raised. The Company has not raised any monies by way of initial public offer / further public offer during the year.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given to us, the Company has not paid any managerial remuneration to its directors, including managing director and whole time directors, and its manager and hence reporting under clause 3(xi) of the Order is not applicable and hence, not commented upon.

(xii) 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 and hence, not commented upon.

(xiii) According to the information and explanations given by the management, transactions with related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and hence, not commented upon.

(xv) According to 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 as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Raj Agrawal
Partner
Membership Number: 82028

Place of Signature: Ahmedabad
Date: May 3, 2018

ANNEXURE 2
TO THE INDEPENDENT AUDITOR'S REPORT

Report of Even Date on the Standalone Ind AS Financial Statements of Adani Power Limited

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

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

Management's Responsibility for Internal Financial Controls

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

An 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 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 qualified audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, a material weakness has been identified in the Company's internal financial controls over financial reporting as at March 31, 2018 relating to inadequate internal financial controls over financial reporting in respect of uncertainties relating to realisation of advance consideration paid (or value thereof) for purchase of 51% shares of Korba West Power Company Limited ('KWPCL'), loans and advances given to KWPCL and realisation of sale consideration on sale of 49% shares of KWPCL aggregating to ₹ 2,403.22 Crores. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone Ind AS financial statements of the Company, which comprise the Balance Sheet as at March 31, 2018, and the related Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated May 3, 2018 expressed a qualified opinion.

For S R B C & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Raj Agrawal
Partner
Membership Number: 82028

Place of Signature: Ahmedabad
Date: May 3, 2018

Balance Sheet as at 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	As at 31st March, 2018 (Refer note 51)	As at 31st March, 2017
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	4.1	638.03	22,711.79
(b) Capital Work-In-Progress	4.1	0.18	68.48
(c) Intangible Assets	4.2	4.22	5.86
(d) Financial Assets			
(i) Investments	5	7,768.08	7,662.08
(ii) Loans	6	7,137.34	5,970.92
(iii) Other Financial Assets	7	239.93	11.80
(e) Other Non-current Assets	8	542.58	1,481.66
Total Non-current Assets		**16,330.36**	**37,912.59**
Current Assets			
(a) Inventories	9	74.69	1,084.83
(b) Financial Assets			
(i) Investments	10	-	78.31
(ii) Trade Receivables	11	41.72	1,744.46
(iii) Cash and Cash Equivalents	12	0.24	52.57
(iv) Bank Balances other than (iii) above	13	210.79	285.06
(v) Loans	14	2,776.91	10.37
(vi) Other Financial Assets	15	266.58	301.23
(c) Other Current Assets	16	0.92	288.06
Total Current Assets		**3,371.85**	**3,844.89**
Total Assets		**19,702.21**	**41,757.48**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	3,856.94	3,856.94
(b) Other Equity	18	5,682.19	816.38
Total Equity		**9,539.13**	**4,673.32**
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	2,244.05	17,227.41
(ii) Other Financial Liabilities	20	51.00	64.67
(b) Provisions	21	1.98	8.05
(c) Deferred Tax Liabilities (Net)	22	-	-
(d) Other Non-current Liabilities	23	-	3,250.65
Total Non-current Liabilities		**2,297.03**	**20,550.78**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	7,287.96	8,046.78
(ii) Trade Payables	25	250.39	4,508.71
(iii) Other Financial Liabilities	26	280.52	3,033.89
(b) Other Current Liabilities	27	45.81	939.65
(c) Provisions	28	1.37	4.35
Total Current Liabilities		**7,866.05**	**16,533.38**
Total Liabilities		**10,163.08**	**37,084.16**
Total Equity and Liabilities		**19,702.21**	**41,757.48**

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

In terms of our report attached

For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per RAJ AGRAWAL
PARTNER
Membership No. : 82028

Place : Ahmedabad
Date : 3rd May, 2018

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJAT KUMAR SINGH
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 3rd May, 2018

Statement of Profit and Loss for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	For the year ended 31st March, 2018 (Refer note 51)	For the year ended 31st March, 2017
Revenue from Operations	29	8,249.26	10,868.11
Other Income	30	334.79	735.22
Total Income		**8,584.05**	**11,603.33**
Expenses			
Fuel Cost		4,963.26	7,190.72
Purchases of Stock in Trade		1,283.66	1,266.26
Employee Benefits Expense	31	123.35	166.76
Finance Costs	32	2,008.07	3,101.56
Depreciation and Amortisation Expense	4.1, 4.2	860.67	1,120.72
Other Expenses	33	875.66	986.94
Total Expenses		**10,114.67**	**13,832.96**
(Loss) before exceptional items and tax		**(1,530.62)**	**(2,229.63)**
Exceptional Items	34	(1,506.85)	3,907.94
(Loss) before tax		**(23.77)**	**(6,137.57)**
Tax Expense:			
Current Tax	35	-	0.03
Deferred Tax	22	-	(83.26)
Total Tax Expense		**-**	**(83.23)**
(Loss) for the year	**(A)**	**(23.77)**	**(6,054.34)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans	48 (B)	3.74	1.63
(Tax ₹ Nil (Previous year ₹ Nil))			
Total Comprehensive (Loss) for the year	**Total (A+B)**	**(20.03)**	**(6,052.71)**
Earnings / (Loss) Per Equity Share (EPS) **Basic and Diluted (Face Value ₹ 10 Per Share) (₹)**	46	(0.06)	(17.48)

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

In terms of our report attached

For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per RAJ AGRAWAL
PARTNER
Membership No. : 82028

Place : Ahmedabad
Date : 3rd May, 2018

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJAT KUMAR SINGH
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 3rd May, 2018

Statement of changes in equity for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

A. Equity Share Capital

Particulars	No. of Shares	Amount
Balance as at 1st April, 2016	**3,333,938,941**	**3,333.94**
Changes in equity share capital during the year		
Shares issued on conversion of share warrants (Refer note 17(e))	523,000,000	523.00
Balance as at 31st March, 2017	**3,856,938,941**	**3,856.94**
Changes in equity share capital during the year		
Issue of shares	-	-
Balance as at 31st March, 2018	**3,856,938,941**	**3,856.94**

B. Other Equity

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2016	**359.80**	**6,231.00**	**9.04**	**(909.58)**	**5,690.26**
(Loss) for the year	-	-	-	(6,054.34)	(6,054.34)
Remeasurement of defined benefit plans	-	-	-	1.63	1.63
Total comprehensive (Loss) for the year	**-**	**-**	**-**	**(6,052.71)**	**(6,052.71)**
Addition on account of issue of shares (Refer note 17(e))	-	1,178.83	-	-	1,178.83
	-	**1,178.83**	**-**	**-**	**1,178.83**
Balance as at 31st March, 2017	**359.80**	**7,409.83**	**9.04**	**(6,962.29)**	**816.38**

Statement of changes in equity for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

B. Other Equity (Contd..)

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
(Loss) for the year	-	-	-	(23.77)	(23.77)
Remeasurement of defined benefit plans	-	-	-	3.74	3.74
Total comprehensive (Loss) for the year	**-**	**-**	**-**	**(20.03)**	**(20.03)**
Addition / (Transfer) on account of scheme of arrangement (Refer note 18 and note 51)	106.00	(3,273.56)	-	8,053.40	4,885.84
	106.00	**(3,273.56)**	**-**	**8,053.40**	**4,885.84**
Balance as at 31st March, 2018	**465.80**	**4,136.27**	**9.04**	**1,071.08**	**5,682.19**

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

In terms of our report attached

For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per RAJ AGRAWAL
PARTNER
Membership No. : 82028

Place : Ahmedabad
Date : 3rd May, 2018

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJAT KUMAR SINGH
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 3rd May, 2018

Statement of Cash Flow for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(A) Cash flow from operating activities		
(Loss) before tax	**(23.77)**	**(6,137.57)**
Adjustment for:		
Depreciation and Amortisation Expense	83.37	1,120.72
Unrealised Gain on Foreign Exchange Fluctuation	-	(253.77)
Income from Mutual Funds	(0.12)	(1.84)
Loss on Sale / Retirement of Property, Plant and Equipment	0.01	7.00
Bad Debt Written Off	0.75	0.03
Government Grant Income	-	(171.12)
Finance Costs	264.81	3,101.56
Interest income	(275.87)	(586.80)
Exceptional Items (Refer note 34 (i) & (ii))	-	3,907.94
Operating profit before working capital changes	**49.18**	**986.15**
Changes in working capital:		
(Increase) in Inventories	(72.03)	(253.97)
Decrease / (Increase) in Trade Receivables	8.13	(303.91)
(Increase) in Other Assets	(55.14)	(68.81)
Increase in Trade Payables	220.11	753.36
(Decrease) in Other Liabilities and Provisions	(482.35)	(463.96)
	(381.28)	**(337.29)**
Cash (used in) / generated from operations	**(332.10)**	**648.86**
Less : Tax (Paid) / Refund (Net)	(0.44)	10.57
Net cash (used in) / generated from operating activities (A)	**(332.54)**	**659.43**
(B) Cash flow from investing activities		
Capital expenditure on Property, Plant and Equipment, including capital advances and capital work-in-progress and on intangible assets	(1.37)	(595.55)
Proceeds from Sale of Property, Plant and Equipment	0.22	5.92
(Investment in) / Proceeds from sale of Current Investments (Net)	78.43	(76.46)
Payment towards Loans given to subsidiaries	(10,615.30)	(1,282.34)
Proceeds from Loans repaid by subsidiaries	6,857.02	1,788.34
Payment towards Loans given to others	(140.45)	(546.07)
Refund from / (Advances for) business acquisitions	422.51	(0.03)
Bank deposits / margin money withdrawn / (placed) (Net)	(210.79)	94.25
Interest received	97.22	57.15
Net cash (used in) investing activities (B)	**(3,512.51)**	**(554.79)**

Statement of Cash Flow for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(C) Cash flow from financing activities		
Proceeds from Non-current borrowings	2,934.81	6,360.49
Repayment of Non-current borrowings	(1,695.62)	(4,391.68)
Proceeds from / (Repayment of) Current borrowings (Net)	2,772.62	(1,714.41)
Proceeds from Issue of Equity Shares (Refer note 17(e))	-	1,701.83
Finance Costs Paid	(166.57)	(2,050.83)
Net cash generated from / (used in) financing activities (C)	**3,845.24**	**(94.60)**
Net increase in cash and cash equivalents (A)+(B)+(C)	0.19	10.04
Cash and cash equivalents at the beginning of the year	52.57	42.53
Cash and cash equivalents transferred pursuant to scheme of arrangement for transfer of 4620 MW mundra thermal power undertaking (Refer note 51)	(52.52)	-
Cash and cash equivalents at the end of the year	**0.24**	**52.57**
Notes to Cash flow Statement :		
Cash and cash equivalents as per above comprise of the following :		
Cash and cash equivalents (Refer note 12)	0.24	52.57
Balances as per Statement of Cash Flow	**0.24**	**52.57**

1. **Non cash items :**
   i) During the year, the Company has refinanced Non-current borrowings of ₹ Nil (Previous year - ₹ 712.00 Crores).
   ii) During the year, interest of ₹ 63.38 Crores (Previous year - ₹ 582.89 Crores) and ₹ 34.97 Crores (Previous year - ₹ 432.49 Crores) on Inter Corporate Deposits ("ICD") taken and given respectively from / to related parties, have been added to the ICD balances as on reporting date.
   iii) During the year, the Company has transferred assets of ₹ 25,987.71 Crores and liabilities and other equity of ₹ 25,987.71 Croes of its Mundra Thermal Power Undertaking to its subsidiary, Adani Power (Mundra) Limited ("APMuL"), at a consideration of ₹ 106 Crores, received in equity shares issued by APMuL. (Also refer note 51)
2. The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7 'Cash Flow Statement'.
3. As per the recent amendment by MCA in "Ind AS 7 Statement of Cash flows : Disclosure initiative" effective from 1st April, 2017, disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are given below:

(₹ in Crores)

Particulars	As at 1st April, 2017	Net cash flows	Transfer on account of scheme of arrangement	Changes in fair values	Others	As at 31st March, 2018
Non-current borrowings	19,227.19	1,239.19	(18,179.63)	-	2.66	2,289.41
Current borrowings	8,046.78	2,772.62	(3,592.16)	-	60.72	7,287.96
Derivatives	210.48	-	(210.48)	0.94	-	0.94
Interest accrued	490.86	(185.25)	(199.10)	-	(63.38)	43.13
Total	**27,975.31**	**3,826.56**	**(22,181.37)**	**0.94**	**-**	**9,621.44**

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

In terms of our report attached

For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per RAJ AGRAWAL
PARTNER
Membership No. : 82028

Place : Ahmedabad
Date : 3rd May, 2018

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJAT KUMAR SINGH
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 3rd May, 2018

Notes to financial statements for the year ended 31st March, 2018

1 Corporate information

The financial statements comprise financial statements of Adani Power Limited (the "Company, APL") for the year ended March 31, 2018. The Company is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at "Shikhar", Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009, Gujarat, India.

The Company, together with its subsidiaries currently has multiple power projects located at various locations with a combined installed and commissioned capacity of 10480 MW. The Company sells power generated from these projects under a combination of long term Power Purchase Agreements and on merchant basis.

As at 31st March, 2018, S. B. Adani Family Trust ("SBAFT") together with entities controlled by it has the ability to control the Company. The Company gets synergetic benefit of the integrated value chain of Adani group.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 03, 2018.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of Companies Act, 2013, on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

In addition, The financial statements are presented in INR and all values are rounded to the nearest Crore, except when otherwise indicated.

2.2 Summary of significant accounting policies

a Property, plant and equipment

Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, 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 freehold land and properties under construction) 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 except in case of power generation plant assets, where the life has been estimated at 25 years based on technical assessment, taking into account the nature of assets, the estimated usage of the assets, the operating condition of the assets, anticipated technical changes, manufacturer warranties and maintenance support. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Subsequent costs are depreciated over the residual life of the respective assets.

Notes to financial statements for the year ended 31st March, 2018

b **Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. The Company has Intangible asset in the nature of Computer Software having useful life of 5 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

c **Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition and the sale is highly probable. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell.

d **Financial Instruments**

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

Financial assets 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 statement of 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 i.e. the date that the Company commits to purchase or sell the assets. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the market place.

Subsequent measurement

All recognised 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 at amortised cost

Financial assets that meet the following conditions are subsequently measured at amortised cost using effective interest method (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 asset 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 w(ii).

The effective interest method is a method of calculating the amortised cost of 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 fair value through other comprehensive income (FVTOCI)

Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value. The fair value movement or remeasurement are recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the asset that give rise on specified dates to cash flows that represent solely payment of principal and interest.

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 or when it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received / 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.

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 recognised initially at fair value and in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

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

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term.

Notes to financial statements for the year ended 31st March, 2018

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 'n'.

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 in profit or loss.

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 costs 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. Similarly, interest bearing loans and borrowings are subsequently measured at amortised cost using effective interest rate method. Trade credits include Buyer's credit.

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 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 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivatives financial instruments are disclosed in note 41.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 - "Financial Instrument" are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss.

h Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are accounted for at cost.

i Inventories

Inventories are stated at the lower of cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Cost is determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of power generation and costs necessary to make the sale.

Notes to financial statements for the year ended 31st March, 2018

j Cash and cash equivalents

The Company considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of 3 months or less from the date of purchase to be cash equivalents. Cash and cash equivalents consist of bank balances which are unrestricted for withdrawal and usage.

k Business combinations

Acquisitions of business are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred and liabilities incurred by the Company to the former owners of the acquire and the equity interest issued by the Company in exchange of control of the acquire. Acquisition related costs are added to the cost of investment.

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method the assets and liabilities of the combining entities / business are reflected at their carrying value.

Purchase consideration paid in excess / shortfall of the fair value of identifiable assets and liabilities including contingent liabilities and contingent assets, is recognised as goodwill / capital reserve respectively, except in case where different accounting treatment specified in the court approved scheme.

Deferred tax assets and liabilities and assets or liabilities related to employee benefits arrangements are recognised and measured in accordance with Ind AS 12 - "Income Taxes" and Ind AS 19 - "Employee Benefits" respectively.

l Operating Cycle

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

m Foreign currency translations

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in profit and loss in the period in which they arise except for exchange differences foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

The Company has elected to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items outstanding and recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. 31st March, 2016 as per the previous GAAP.

n Fair value measurement

The Company measures financial instruments, such as, derivative at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability 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:

Notes to financial statements for the year ended 31st March, 2018

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

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

The 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

External valuers are involved for valuation of significant assets, such as unquoted financial assets and financial liabilities and derivatives.

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.

o Government grants

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Where Government grants relates to non-monetary assets, the cost of assets are presented at gross value and grant thereon is recognised as income in the statement of profit and loss over the useful life of the related assets in proportion in which depreciation is charged.

Grants related to income are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

p Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Revenue from Power Supply

Revenue from Power Supply is recognised on the basis of sales to State Distribution Companies and also on the basis of orders of the competent authorities in terms of the Power Purchase Agreements (PPA) or on the basis of sales under merchant trading based on the contracted rates, as the case may be. Such Revenue is measured at the value of the consideration received or receivable, net of trade / cash discounts if any.

ii) Sale of other goods

Revenue from the sale of other goods (including coal) is recognised as per the contracted price when the significant risks and rewards have been transferred to the buyer. Such revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company.

iii) Interest income is recognised on time proportion basis at the effective interest rate ("EIR") applicable.

Notes to financial statements for the year ended 31st March, 2018

iv) Dividend income from investments is recognised when the Company's right to receive payment has been established which is generally when shareholder approve the dividend, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

v) Delayed payment charges and interest on delayed payment for power supply are recognised on reasonable certainty to expect ultimate collection.

q Borrowing costs

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

r Employee benefits

i) Defined benefit plans:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Remeasurements, comprising of actuarial gains and losses, the effect of changes to the asset ceiling (excluding amounts included in net interest or the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with corresponding debit or credit to retained earnings through OCI in the period in which it occurs. Remeasurement are not classified to profit and loss in subsequent periods. Past service cost is recognised in profit and loss in the period of a plan amendment.

ii) Defined contribution plan:

Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the statement of profit and loss for the period in which the contributions to the respective funds accrue as per relevant statues.

iii) Compensated absences:

Provision for Compensated absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

iv) Short term employee benefits:

These are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

s Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of

Notes to financial statements for the year ended 31st March, 2018

a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

Assets held under finance leases are intially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the period in which they are incurred.

Rentals expense from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under opertaing leases are recognised as an expense in the period in which they are incurred.

t Taxes on Income

Tax on Income comprises current tax and deferred tax. These are 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 substantially 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. Deferred tax liabilities are generally recognised for all taxable temporary differences except when the deferred tax liability arises at the time of transaction that affects neither the accounting profit or loss nor taxable profit or loss. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carry forward of unused tax credit and unused tax losses can be utilised, except when the deferred tax asset relating to temporary differences arising at the time of transaction that affects neither the accounting profit or loss nor the taxable profit or loss. 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 and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

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 substantially enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

u 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 year. 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 shares plus dilutive potential equity shares.

v 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 may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote such contingent liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position. (Refer note 36).

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

w 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

Notes to financial statements for the year ended 31st March, 2018

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.

The Company bases its impairment calculation on detailed budget and forecast calculations, which are prepared separately for each of the Company's cash-generating unit to which the individual assets are allocated. These budget and forecast calculations generally cover a period. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budget / forecasts, the Company estimates cash flow projections based on estimated growth rate.

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 the statement of 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) Impairment of Financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

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

Notes to financial statements for the year ended 31st March, 2018

contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Uncertainties 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.

Key sources of estimation uncertainty :

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) Useful lives of property, plant and equipment

In case of the power plant assets, in whose case the life of the assets has been estimated at 25 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, 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.

ii) 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 43.

iii) 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. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in Note 48.

Iv) Impairment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management.(Refer note 38)

v) Investments made / Intercorporate deposits ("ICDs") given to subsidiaries

In case of investments made and Intercorporate Deposits ("ICD") given by the company in its subsidiaries, the Management assesses whether there is any indication of impairment in the value of investments and ICDs. The carrying amount is compared with the present value of future net cash flow of the subsidiaries. (Refer note 39)

Notes to financial statements for the year ended 31st March, 2018

vi) 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, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961. Deferred tax assets is recognised to the extent of the corresponding deferred tax liability. (Refer note 22.1)

vii) Revenue

Revenue from operations on account of force majeure / change in law events in terms of Power Purchase Agreements with various State Power Distribution Utilities in some cases is accounted for by the Company based on best estimates including orders / reports of Regulatory Authorities, which may be subject to adjustments on receipt of final orders of the respective Regulatory Authorities.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

4.1 Property, Plant and Equipment and Capital Work-In-Progress (Also refer note 51)

Description of Assets	Tangible Assets									Capital Work-In-Progress
	Land - Freehold	Buildings	Plant and Equipment (Refer note ii)	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	Total	
I. Cost										
Balance as at 1st April,2016	**35.76**	**486.09**	**24,873.15**	**8.81**	**4.50**	**12.20**	**13.72**	**5.72**	**25,439.95**	**38.92**
Additions	1.51	4.90	99.95	0.44	-	3.02	1.48	1.18	112.48	140.52
Effect of foreign currency exchange differences	-	-	(51.37)	-	-	-	-	-	(51.37)	-
Disposals / transfers	-	-	15.56	0.11	-	0.07	0.09	0.11	15.94	110.96
Others	-	-	(9.26)	-	-	-	-	-	(9.26)	-
Balance as at 31st March, 2017	**37.27**	**490.99**	**24,896.91**	**9.14**	**4.50**	**15.15**	**15.11**	**6.79**	**25,475.86**	**68.48**
Additions	0.03	0.28	43.20	-	-	1.24	0.08	0.10	44.93	43.35
Effect of foreign currency exchange differences	-	-	(42.76)	-	-	-	-	-	(42.76)	-
Disposals / transfers	-	-	14.20	-	-	0.10	0.02	0.24	14.56	88.62
Transfer on account of scheme of arrangement (Refer note 51)		476.42	24,228.50	0.18	4.50	0.59	0.04	0.02	24,710.25	23.03
Balance as at 31st March, 2018	**37.30**	**14.85**	**654.65**	**8.96**	**-**	**15.71**	**15.13**	**6.63**	**753.22**	**0.18**
II. Accumulated depreciation										
Balance as at 1st April,2016	**-**	**17.16**	**1,623.10**	**1.28**	**0.43**	**2.69**	**2.90**	**1.20**	**1,648.76**	
Depreciation expense	-	17.21	1,091.27	1.30	0.43	4.03	3.03	1.07	1,118.34	
Disposals / transfers	-	-	2.96	0.02	-	0.01	0.02	0.02	3.03	
Balance as at 31st March, 2017	**-**	**34.37**	**2,711.41**	**2.56**	**0.86**	**6.71**	**5.91**	**2.25**	**2,764.07**	
Depreciation expense		12.43	836.67	1.28	0.32	3.91	2.75	1.03	858.39	
Disposals / transfers	-	-	3.38	-	-	0.05	0.01	0.14	3.58	
Transfer on account of scheme of arrangement (Refer note 51)		42.53	3,459.37	0.06	1.18	0.51	0.03	0.01	3,503.69	
Balance as at 31st March, 2018	**-**	**4.27**	**85.33**	**3.78**	**-**	**10.06**	**8.62**	**3.13**	**115.19**	

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Carrying amount of Property, Plant and Equipment and Capital Work-In-Progress

Description of Assets	Tangible Assets									Capital Work-In-Progress
	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	Total	
Carrying amount :										
As at 31st March, 2017	**37.27**	**456.62**	**22,185.50**	**6.58**	**3.64**	**8.44**	**9.20**	**4.54**	**22,711.79**	**68.48**
As at 31st March, 2018	**37.30**	**10.58**	**569.32**	**5.18**	**-**	**5.65**	**6.51**	**3.50**	**638.03**	**0.18**

i. For charges created on the aforesaid assets, refer note 19.1 and 24.

ii. Previous years numbers include amount towards tax and duty benefit in the nature of exemptions from Custom Duty, Excise Duty, Service Tax, VAT and CST on its project procurements with respect to its power plant located at Mundra, Gujarat. The said benefits were availed by virtue of SEZ approval granted to the Company in December 2006, in terms of the provisions of the Special Economic Zones Act, 2005 (hereinafter referred to as the 'SEZ Act') and the Special Economic Zone Rules, 2006 which entitled the plant to procure goods and services without payment of taxes and duties as referred above.

Since, the procurement of goods and services during the project period were done by availing the exemption from payment of aforesaid taxes and duties, the amount capitalised for the said power plant as on the put to use date, is cost of property, plant and equipment (PPE) net off tax and duty benefit availed. In compliance with Ind AS 20 – "Government Grant", the Company has grossed up the value of its PPE by the amount of tax and duty benefit availed by the Company after considering the same as government grant. The amount of said government grant (net off accumulated depreciation) as on the transition date has been added to the value of PPE with corresponding credit made to the deferred government grant. The amount of grant shall be depreciated as per useful life of PPE along with depreciation on PPE. The amount of deferred liability shall be amortised over the useful life of the PPE with credit to statement of profit and loss under the head "Other Operating Income".

The Company had recognised Government grant net of depreciation of ₹ 3,421.77 Crores till 31st March, 2017.

iii. Cost of the Property, Plant and Equipment includes carrying value recognised as deemed cost as of 1st April, 2015, measured as per previous GAAP and cost of subsequent additions.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

4.2 Intangible Assets

Particulars	Computer software	Total
I. Cost		
Balance as at 1st April, 2016	**8.11**	**8.11**
Additions	2.53	2.53
Disposals	-	-
Balance as at 31st March, 2017	**10.64**	**10.64**
Additions	0.64	0.64
Disposals	-	-
Balance as at 31st March, 2018	**11.28**	**11.28**
II. Accumulated depreciation		
Balance as at 1st April, 2016	**2.40**	**2.40**
Amortisation expense	2.38	2.38
Disposals	-	-
Balance as at 31st March, 2017	**4.78**	**4.78**
Amortisation expense	2.28	2.28
Disposals	-	-
Balance as at 31st March, 2018	**7.06**	**7.06**

Carrying amount of Intangible Assets

Particulars	Computer software	Total
Carrying amount :		
As at 31st March, 2017	**5.86**	**5.86**
As at 31st March, 2018	**4.22**	**4.22**

i. For charges created on aforesaid assets, refer note 19.1 and 24.

ii. Cost of the Intangible assets includes carrying value recognised as deemed cost as of 1st April, 2015, measured as per previous GAAP and cost of subsequent additions.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

5 Non-current Investments

	As at 31st March, 2018	As at 31st March, 2017
Unquoted Investments (All fully paid)		
Investments in Equity Instruments (Face value of ₹ 10 each)		
In subsidiary companies (Valued at cost)		
Adani Power Maharashtra Limited 2,854,731,240 Shares (Previous year - 2,854,731,240 Shares) (Refer note (i) below)	4,205.92	4,205.92
Adani Power Rajasthan Limited 1,200,000,000 Shares (Previous year - 1,200,000,000 Shares) (Refer note (ii) below)	1,200.00	1,200.00
Udupi Power Corporation Limited 1,934,202,548 Shares (Previous year - 1,934,202,548 Shares) (Refer note (iii) below)	2,256.03	2,256.03
Adani Power Resources Limited (Formerly known as Adani Transmission (Maharashtra) Limited) 25,000 Shares (Previous year - 25,000 Shares)	0.03	0.03
Adani Power (Mundra) Limited (Formerly known as Adani Power (Karnataka) Limited) 10,60,49,500 Shares (Previous year - 49,500 Shares) (Refer note (v) below, 37 and 51)	106.05	0.05
Adani Power (Jharkhand) Limited 50,000 Shares (Previous year - 50,000 Shares)	0.05	0.05
Investment in government securities		
* 1 National savings certificate (lying with government authority) ₹ 42,699 (Previous year - ₹ 42,699)	*	*
Total	**7,768.08**	**7,662.08**

* Figures below ₹ 50,000

Notes:

i) Of the above shares 1,655,744,119 Equity shares (1,655,744,119 Equity shares as at 31st March, 2017) have been pledged by the Company as additional security for secured term loans availed by Adani Power Maharashtra Limited.

ii) Of the above shares 612,000,000 Equity shares (612,000,000 Equity shares as at 31st March, 2017) have been pledged by the Company as additional security for secured term loans availed by Adani Power Rajasthan Limited.

iii) Of the above shares 986,443,300 Equity shares (986,443,300 Equity shares as at 31st March, 2017) have been pledged by the Company as additional security for secured term loans availed by Udupi Power Corporation Limited.

iv) For purchase / acquisition and sale of investment in Korba West Power Company Limited during the year, refer note 40.

v) The investment held in Adani Power (Mundra) Limited ("APMuL") are subject to pledge in favour of lenders of APMuL as at year end.

6 Non-current Loans

(Unsecured, considered good)

	As at 31st March, 2018	As at 31st March, 2017
Loans to related parties (Refer note 39 and 53)	5,747.39	4,721.42
Loans to others (Refer note 40)	1,389.95	1,249.50
Total	**7,137.34**	**5,970.92**

Note:

The fair value of Loans is not materially different from the carrying value presented.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

7 Other Non-current Financial Assets

(Unsecured, considered good) (Also refer note 51)

	As at 31st March, 2018	As at 31st March, 2017
Balances held as Margin Money or security against borrowings (Refer note 19 and 24)	-	7.66
Interest receivable (Refer note 40)	238.37	-
Security Deposits	1.56	4.14
Total	**239.93**	**11.80**

Note:

The fair value of Other Non-current Financial Assets is not materially different from the carrying value presented.

8 Other Non-current Assets

(Unsecured, considered good) (Also refer note 51)

	As at 31st March, 2018	As at 31st March, 2017
Capital advances	5.66	105.17
Advances for business acquisitions (Refer note 40)	512.06	1,198.26
Advance income tax ((Net of Provision of ₹ 4.55 Crores) Previous year - ₹ 4.55 Crores)	9.86	9.42
Gratuity fund (Net)	13.72	1.95
Advances for services	0.02	2.36
Prepayments under operating lease arrangements	1.26	164.50
Total	**542.58**	**1,481.66**

9 Inventories

(At lower of weighted average cost or net realisable value) (Also refer note 51)

	As at 31st March, 2018	As at 31st March, 2017
Fuel (Includes in transit ₹ 70.34 Crores Stock in trade) (Previous year - ₹ 455.04 Crores)	70.38	797.03
Stores & spares	4.31	287.80
Total	**74.69**	**1,084.83**

Notes:

i. For charge created on inventories, refer note 19.1 and 24.

ii. For fuel consumption, refer statement of profit and loss account and for stores spares consumption, refer other expense note 33.

10 Current Investments

Unquoted Investments (Fully paid)

	As at 31st March, 2018	As at 31st March, 2017
Investment in Mutual Funds SBI Ultra Short Term Debt-Regular Plan-Growth - Nil Units (Previous year - 372802.70 Units) (Refer note (i) below)	-	78.31
Total	**-**	**78.31**

Note:

i. Lien on mutual funds against the margin on bank guarantees of ₹ Nil as at 31st March, 2018 (Previous year - ₹ 78.31).

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

11 Trade Receivables

	As at 31st March, 2018	As at 31st March, 2017
Unsecured, considered good (Also refer note 51)	41.72	1,744.46
Total	**41.72**	**1,744.46**

Notes:

i) For charge created on receivables, refer note 19.1 and 24.

ii) **Credit concentration**

As at 31st March 2018, out of the total trade receivables, 28.12 % pertains to dues from State Distribution Company under Long Term Power Purchase Agreement ("PPA") and 71.83 % from related parties for sale of materials and remaining from others.

iii) **Expected Credit Loss (ECL)**

The Company is having majority of receivables from State Electricity Distribution Company which is a Government undertaking and from related parties. The Company is regularly receiving its normal power sale dues from Discoms and in case of any disputed amount not being received; the same is recognised on conservative basis which carries interest as per the terms of agreement. Hence they are secured from credit losses in the future.

iv) The fair value of Trade receivables is not materially different from the carrying value presented.

12 Cash and Cash equivalents

	As at 31st March, 2018	As at 31st March, 2017
Balances with banks		
In current accounts (Refer note (i) below) (Also refer note 51)	0.24	52.57
Total	**0.24**	**52.57**

Note:

i. For charges created on Cash and Cash equivalents, refer note 19.1 and 24.

13 Bank balances (Other than Cash and Cash equivalents)

	As at 31st March, 2018	As at 31st March, 2017
Balances held as Margin Money (Refer note (i) below) (Also refer note 51)	15.79	285.06
Fixed Deposits (With original maturity for more than three months)	195.00	-
Total	**210.79**	**285.06**

Notes:

i. For charges ceated on Bank balances (Other than cash and cash equivalents), refer note 19.1 and 24.

ii. The fair value of Bank balances (Other than Cash and Cash equivalents) is not materially different from the carrying value presented.

14 Current Loans

(Unsecured, considered good)

	As at 31st March, 2018	As at 31st March, 2017
Loans to related parties (Refer note 53)	2,776.74	9.46
Loans to employees (Also refer note 51)	0.17	0.91
Total	**2,776.91**	**10.37**

Note:

The fair value of Loans is not materially different from the carrying value presented.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

15 Other Current Financial Assets

(Unsecured, considered good) (Also refer note 51)

	As at 31st March, 2018	As at 31st March, 2017
Interest receivable	1.93	100.05
Unbilled Revenue	-	174.46
Derivatives not designated as hedges (Refer note (ii) below)	0.94	-
Security deposits	0.02	16.70
Other receivables (Refer note 40)	263.69	10.02
Total	**266.58**	**301.23**

Notes:

i. The fair value of Other Current Financial Assets is not materially different from the carrying value presented except for Derivatives not designated as hedges (Also refer note 43).

ii. Includes Options amounting to ₹ 0.83 Crores and Forward cover of ₹ 0.11 Crores as at 31st March, 2018 (Previous year - ₹ Nil).

16 Other Current Assets

(Unsecured, considered good) (Also refer note 51)

	As at 31st March, 2018	As at 31st March, 2017
Advances for goods and services	0.26	163.62
Balances with Government authorities	0.26	98.73
Prepayments under operating lease arrangements	0.05	10.79
Prepaid expenses	0.27	13.67
Advance to Employees	0.08	1.25
Total	**0.92**	**288.06**

17 Equity Share Capital

	As at 31st March, 2018	As at 31st March, 2017
Authorised Share Capital		
4,500,000,000 (Previous year - 4,500,000,000) equity shares of ₹ 10 each	4,500.00	4,500.00
500,000,000 (Previous year - 500,000,000) Cumulative Compulsorily Convertible Participatory Preference shares of ₹ 10 each	500.00	500.00
Total	**5,000.00**	**5,000.00**
Issued, Subscribed and Fully paid-up equity shares		
3,856,938,941 (Previous year - 3,856,938,941) fully paid up equity shares of ₹ 10 each	3,856.94	3,856.94
Total	**3,856.94**	**3,856.94**

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

17 Equity Share Capital (Contd..)

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

	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
At the beginning of the year	3,856,938,941	3,856.94	3,333,938,941	3,333.94
Issued during the year :				
On conversion of share warrants (Refer note (e) below)	-	-	523,000,000	523.00
Outstanding at the end of the year	**3,856,938,941**	**3,856.94**	**3,856,938,941**	**3,856.94**

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 shares held by the share holders.

c. Aggregate number of shares issued other than cash, during the period of five years immediately preceding the reporting date

	As at 31st March, 2018	As at 31st March, 2017
Company has issued and allotted fully paid up equity shares of ₹ 10 each, to the equity shareholders of Adani Enterprises Limited ("AEL") pursuant to merger of Solar Power Undertaking of AEL into the Company during FY 2015-16	63,916,831	63,916,831

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

	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Mr. Gautam S. Adani / Mr. Rajesh S. Adani (On behalf of S.B. Adani Family Trust)	1,405,179,633	36.43%	1,405,179,633	36.43%
Parsa Kente Rail Infra LLP	377,180,885	9.78%	377,180,885	9.78%
OPAL Investment Private Limited	213,236,910	5.53%	213,236,910	5.53%
Worldwide Emerging Market Holding Limited	192,846,900	5.00%	265,485,675	6.88%
Afro Asia Trade And Investments Limited	265,485,675	6.88%	265,485,675	6.88%
Universal Trade And Investments Limited	291,124,451	7.54%	218,485,676	5.66%
	2,745,054,454	**71.16%**	**2,745,054,454**	**71.16%**

e. During the previous year, the Company had issued and allotted 52.30 Crores warrants at a price of ₹ 32.54 per warrant to promoter group entities on preferential basis under section 42 of the Companies Act, 2013 and other relevant SEBI Regulations which had been converted into equivalent number of equity shares of ₹ 10 each at a premium of ₹ 22.54 per share . The proceeds received from above had been utilised for repayment of trade payables, loans and other general corporate purposes.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

18 Other Equity

	As at 31st March, 2018	As at 31st March, 2017
Capital Reserve (Refer note (i) below and note 51)	465.80	359.80
Securities Premium Account (Refer note (ii) below and note 51)	4,136.27	7,409.83
General Reserve (Refer note (iii) below)	9.04	9.04
Retained earnings (Refer note (iv) below and note 51)	1,071.08	(6,962.29)
Share warrants (Refer note 17(e))	-	-
Total	**5,682.19**	**816.38**

18.1 Capital Reserve (Refer note (i) below)

	As at 31st March, 2018	As at 31st March, 2017
Opening Balance	**359.80**	**359.80**
Add : Addition on account of scheme of arrangement (Refer note 51)	106.00	-
Closing Balance	**465.80**	**359.80**

18.2 Securities Premium Account (Refer note (ii) below)

	As at 31st March, 2018	As at 31st March, 2017
Opening Balance	7,409.83	6,231.00
Add: Addition on account of issue of shares during the year (Refer note 17(e))	-	1,178.83
Less : Transfer on account of scheme of arrangement (Refer note 51)	(3,273.56)	-
Closing Balance	**4,136.27**	**7,409.83**

18.3 General Reserve (Refer note (iii) below)

	As at 31st March, 2018	As at 31st March, 2017
Closing balance	**9.04**	**9.04**

18.4 Retained earnings (Refer note (iv) below)

	As at 31st March, 2018	As at 31st March, 2017
Opening Balance	(6,962.29)	(909.58)
Add : (Loss) / Profit for the year	(23.77)	(6,054.34)
Add : Remeasurement of defined benefit plans, net of tax	3.74	1.63
Less : Transfer of (Loss) on account of scheme of arrangement (Refer note 51)	8,053.40	-
Closing Balance	**1,071.08**	**(6,962.29)**

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

18.5 Share warrants (Refer note 17(e))

	As at 31st March, 2018	As at 31st March, 2017
Opening Balance	-	-
Add: Addition on account of issue of warrants during the year	-	1,701.83
Less : Conversion of warrants into equity shares during the year	-	(1,701.83)
Closing Balance	-	-
Total	**5,682.19**	**816.38**

Note :

i) Capital Reserve of ₹359.80 Crores was created due to amalgamation of Growmore Trade and Investment Private Limited with the Company in the financial year 2012-13 as per Section 391 to 394 of the Companies Act, 1956. As per the order of the Hon'ble High Court of Gujarat, the capital reserve created on amalgamation shall be treated as free reserve of the Company.

ii) Securities premium reserve represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

iii) General reserve of ₹ 9.04 Crores was created in the FY 2015-16 due to merger of solar power undertaking acquired from Adani Enterprises Limited. As per the scheme of arrangement approved by order of the Hon'ble High Court of Gujarat, the difference between the value of assets acquired and the value of liabilities of the solar power undertaking transferred by Adani Enterprises Limited, has been treated as General Reserve of the Company.

iv) Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013. No dividends are distributed by the Company.

19 Non-current Borrowings

(Also refer note 51 and 2d below)

	As at 31st March, 2018		As at 31st March, 2017	
	Non-Current	Current	Non-Current	Current
Secured borrowings - at amortised cost				
Term Loans				
From Banks (Refer note 1 a and b below)	231.82	45.36	11,023.69	1,327.35
From Financial Institutions (Refer note 1 a below)	-	-	1,338.88	71.77
	231.82	**45.36**	**12,362.57**	**1,399.12**
Unsecured borrowings - at amortised cost				
10.48% Non-Convertible Debentures	-	-	748.23	-
10.30% Non-Convertible Debentures	-	-	749.20	-
10.70% Non-Convertible Debentures	-	-	449.33	-
10.50% Non Convertible Debentures	-	-	1,529.00	-
9.00% Non Convertible Debentures	-	-	300.00	-
9.07% Non Convertible Debentures	-	-	275.00	-
Term Loans				
From Banks	-	-	133.72	53.43
From Related Parties (Refer note 53)	551.37	-	680.36	-
From Financial Institutions	-	-	-	497.53
From Others	1,460.86	-	-	49.70
	2,012.23	**-**	**4,864.84**	**600.66**
Total	**2,244.05**	**45.36**	**17,227.41**	**1,999.78**
Amount disclosed under head other current financial liabilities (Refer note 26)	**-**	**(45.36)**	**-**	**(1,999.78)**
	2,244.05	**-**	**17,227.41**	**-**

Notes:

1 **The security details for the balances as at 31st March, 2018 :**

a. Rupee Term Loans from Banks aggregating to ₹ 277.18 Crores (Previous year - ₹ 317.50 Crores), Rupee Term Loans from Financial Institutions aggregating to ₹ Nil (Previous year - ₹ 1,412.34 Crores) and Foreign Currency Loans from Banks aggregating to ₹ Nil

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

(Previous Year - ₹ 2,938.88 Crores) are secured / to be secured by first charge on all immovable, movable assets and leasehold land (Refer note 8 and 16) of the Company on paripassu basis. (Also refer note 4.1 and 4.2).

b Rupee Term Loans from Banks and Trade credits aggregating to ₹ Nil (Previous year - ₹ 9,762.18 Crores) are further secured / to be secured by pledge of Nil Equity Shares held by S.B. Adani Family Trust (Previous year - 794,749,709 Equity Shares held by S.B. Adani Family Trust) as First charge.

2. Repayment schedule for the balances as at 31st March, 2018 :

a. The secured term loans from banks aggregating to ₹ 277.18 Crores (Previous year - ₹ 7,432.23 Crores) are repayable over a period of next 5 years in quarterly to yearly basis (separate instalments for various loans) from FY 2018-19 to FY 2022-23.

b. Unsecured loans from related parties of ₹ 551.37 Crores (Previous year - ₹ 680.36 Crores) are repayable on mutually agreed dates after a period of 42 months from the balance sheet date in FY 2021-22

c. Unsecured loans from others ₹ 1,460.86 Crores (Previous year - ₹ 49.70 Crores) are repayable on mutually agreed dates after a period of 36 months from the balance sheet date.

d. Pursuant to scheme of arrangement, the Company has transferred the Secured Term loan from Banks of ₹ 12,033.54 Crores and Financial Institutions of ₹ 1,410.65 Crores, Unsecured borrowing in nature of Debenture of ₹ 4,050.76 Crores, Term loan from bank of ₹ 187.15 Crores and Financial institutions of ₹ 497.53 Crores to APMuL. (Refer note 51).

3. The amount disclosed in security details in note 1, above and repayment schedule in note 2, above are gross amount excluding adjustments towards upfront fees.

20 Other Non-current Financial Liabilities

(Also refer note 51)

	As at 31st March, 2018	As at 31st March, 2017
Derivatives not designated as hedges (Refer note (ii) below)	-	13.67
Retention money payable	51.00	51.00
Total	**51.00**	**64.67**

Notes :

i. The fair value of Other Non-current Financial Liabilities is not materially different from the carrying value presented except for Derivatives not designated as hedges (Also refer note 43).

ii. Includes Options amounting to ₹ Nil as at 31st March, 2018 (Previous year - ₹ 13.67 Crores)

21 Non-current Provisions

	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee benefits (Refer note 48 and 51)		
Provision for Leave Encashment	1.98	8.05
Total	**1.98**	**8.05**

22 Deferred Tax Liabilities (Net)

(a) Deferred Tax Liabilities (Net)

		As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Liabilities			
Property, Plant and Equipment		197.32	3,118.17
Gross Deferred Tax Liabilities	**Total (A)**	**197.32**	**3,118.17**
Deferred Tax Assets			
Provision for Employee benefits		1.17	4.30
Other provision		-	11.98
On unabsorbed depreciation		196.15	3,101.89
Gross Deferred Tax Assets	**Total (B)**	**197.32**	**3,118.17**
Net Deferred Tax Liabilities	**Total (A-B)**	**-**	**-**

The Company has recognised deferred tax assets on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

(b) Movement in Deferred Tax Liabilities (Net) **for the year ended 31st March, 2018.**

	Opening Balance as at 1st April, 2017	On account of Scheme of Arrangement	Recognised in other comprehensive income	Closing balance as at 31st March, 2018
Tax effect of items constituting Deferred Tax Liabilities :				
Property, Plant and Equipment	3,118.17	(2,920.85)	-	197.32
	3,118.17	**(2,920.85)**	**-**	**197.32**
Tax effect of items constituting Deferred Tax Assets :				
Unabsorbed depreciation	3,101.89	(2,905.74)*	-	196.15
Other provision	11.98	(11.98)	-	-
Provision for Employee benefits	4.30	(3.13)	-	1.17
	3,118.17	**(2,920.85)**	**-**	**197.32**
Net Deferred Tax Liabilities	**-**	**-**	**-**	**-**

* Deferred Tax Assets on unabsorbed depreciation is reversed during the year to reconcile the residual balance with available Deferred Tax Liability as at year end due to scheme of arrangement.

(c) Movement in Deferred Tax Liabilities (net) for the year ended 31st March, 2017.

	Opening Balance as at 1st April, 2016	On account of Scheme of Arrangement	Recognised in other comprehensive income	Closing balance as at 31st March, 2017
Tax effect of items constituting Deferred Tax Liabilities :				
Property, Plant and Equipment	2,886.89	231.28	-	3,118.17
	2,886.89	**231.28**	**-**	**3,118.17**
Tax effect of items constituting Deferred Tax Assets :				
Employee Benefits	-	4.30	-	4.30
Other Items	-	11.98	-	11.98
Unabsorbed depreciation	2,803.63	298.26	-	3,101.89
	2,803.63	**314.54**	**-**	**3,118.17**
Net Deferred Tax Liabilities	**83.26**	**(83.26)**	**-**	**-**

22.1 Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no Deferred Tax Assets have been recognised are attributable to the following :

	As at 31st March, 2018	As at 31st March, 2017
Unused tax losses (revenue in nature) and unabsorbed depreciation*	13,122.55	6,337.32
	13,122.55	**6,337.32**

* Out of above unused tax business losses of ₹ 248.32 Crores and ₹ 5,391.20 Crores will expire in AY 2021-22 and AY 2025-26 respectively.

No Deferred Tax Asset has been recognised on the above unutilised tax losses and tax credits as there is no evidence that sufficient taxable profit will be available in the future against which they can be utilised by the Company.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

23 Other Non-current Liabilities

	As at 31st March, 2018	As at 31st March, 2017
Deferred Government Grant (Refer note 4.1 (ii) and 51)	-	3,250.65
Total	**-**	**3,250.65**

24 Current Borrowings

(Also refer note 51)

	As at 31st March, 2018	As at 31st March, 2017
Secured Borrowings - at amortised cost		
Loan From Financial Institutions	-	250.00
Trade Credits		
From Banks	-	2,728.48
	-	**2,978.48**
Unsecured Borrowings - at amortised cost		
8.50% Non Convertible Debentures	-	270.00
Loans From Financial Institutions	1.00	343.68
Loans From Related Parties (Refer Note 53)	6,119.41	2,829.64
Loans From Others*	1,167.55	1,624.98
	7,287.96	**5,068.30**
Total	**7,287.96**	**8,046.78**

* Includes borrowing of ₹ 62.52 Crores as at 31st March, 2018 (Previous year - ₹ Nil) secured by the assets of 4,620 MW power plant which have been transferred pursuant to the scheme of arrangement. (Refer note 51)

Notes:

1. Trade Credit for working capital from banks of ₹ Nil (Previous year - ₹ 2,728.48 Crores) are secured / to be secured by first mortgage and charge on respective immovable and movable assets of the Company.
2. Loans from Financial Institutions aggregating to ₹ Nil (Previous year - ₹ 250.00 Crores) are secured / to be secured by second charge on all immovable and movable assets of the Company on paripassu basis & first charge by way of pledge of 49% paid up equity shares of Udupi Power Corporation Limited, Adani Power Rajasthan Limited and Adani Power Maharashtra Limited, respectively.

25 Trade Payables

(Also refer note 51)

	As at 31st March, 2018	As at 31st March, 2017
Acceptances	71.94	1,557.22
Other than acceptances	178.45	2,951.49
Total	**250.39**	**4,508.71**

Notes:

i) There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (including interest on outstanding dues) which are outstanding as at the Balance Sheet date. The above information 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.

ii) Trade payables mainly include amount payable to coal suppliers and operation and maintenance vendors in whose case credit period allowed is less than 12 months. Company usually opens usance letter of credit in favour of the coal suppliers. Interest is charged by such suppliers for amount unpaid beyond the credit period. Since the average credit period is less than 12 months, the trade payable amount has been classified as current.

iii) The fair value of Trade payables is not materially different from the carrying value presented.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

26 Other Current Financial Liabilities

(Also refer note 51)

	As at 31st March, 2018	As at 31st March, 2017
Current maturities of Non-current borrowings (Refer note 19)	45.36	1,999.78
Interest accrued	43.13	490.86
Payable on purchase of Property, Plant and Equipments (including retention money)	3.91	263.70
Book Overdraft	188.12	-
Derivatives not designated as hedges (Refer note (ii) below)	-	275.11
Derivative Payables	-	4.44
Total	**280.52**	**3,033.89**

Notes :

i. The fair value of Other Current Financial Liabilities is not materially different from the carrying value presented except for Derivatives not designated as hedges (Also refer note 43).

ii. Includes Options amounting to ₹ Nil (Previous year - ₹ 152.04 Crores) and Forward covers amounting to ₹ Nil (Previous year - ₹ 123.07 Crores).

27 Other Current Liabilities

(Also refer note 51)

	As at 31st March, 2018	As at 31st March, 2017
Statutory liabilities	5.53	59.06
Advance from Customers (Refer note 53)	40.28	707.93
Deferred Government Grant (Refer note 4.1(ii))	-	171.12
Others*	-	1.54
(* Includes security deposits)		
Total	**45.81**	**939.65**

28 Current Provisions

	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee benefits (Refer note 48 and 51)		
Provision for Leave Encashment	1.37	4.35
Total	**1.37**	**4.35**

29 Revenue from Operations

(Also refer note 51)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue from Power Supply (Refer note (i) below and 34(i))	6,804.10	8,968.30
Revenue from Coal Sale	1,303.58	1,704.12
Other Operating Revenue		
Sale of Fly Ash	13.19	24.57
Government Grant Income (Refer note 4.1 (ii))	128.39	171.12
Total	**8,249.26**	**10,868.11**

Note :

Pursuant to the order of the Hon'ble Supreme Court dated 11th April, 2017, the Central Electricity Regulatory Commission ("CERC") was directed to determine the relief under clause 13 of Power Purchase Agreement ("PPA"). Subsequent to this, based on the petition filed by the Company with CERC, in case of PPA of 1424 MW with Haryana Discoms, part of 4620 MW Thermal Power Plant at Mundra, which was transferred to Adani Power (Mundra) Limited ("APMuL") by virtue of NCLT order as referred in note 51 below, the CERC vide its interim order dated 28th September, 2017, directed that pending the issue of final order, Haryana Utilities shall pay 75% of the relief claimed by APMuL, subject to adjustment based on final order. Based on the above order, the Company has recognised revenue of ₹ 683.35 Crores (including ₹ 639.67 Crores for the period up to 31st March, 2017) on account of Change in Law during the year ended 31st March, 2018.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

30 Other Income

(Also refer note 51)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Income (Refer note (i) below)	290.95	586.80
Income from mutual funds	2.82	1.84
Sale of Scrap	3.20	5.70
Foreign Exchange Fluctuation Gain (net)	15.88	41.13
Miscellaneous Income (Refer note (ii) below)	21.94	99.75
Total	**334.79**	**735.22**

Note:

i) Interest income comprises of :

a) Interest income of ₹ 290.95 Crores (Previous Year - ₹ 586.45 Crores) on financial assets carried at amortised cost, which includes interest on fixed deposits with banks ₹ 16.22 Crores (Previous Year - ₹ 16.41 Crores), interest on loans and advances ₹ 274.73 Crores (Previous Year - ₹ 568.35 Crores) and interest on others ₹ Nil (Previous Year - ₹ 1.69 Crores); and

b) Interest income of ₹ Nil (Previous Year - ₹ 0.35 Crores) on tax refunds.

ii) Miscellaneous income includes ₹ 0.40 Crores (Previous Year - ₹ 76.23 Crores) towards provision no longer required written back.

31 Employee Benefits Expenses

(Also refer note 51)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, Wages and Allowances	110.23	147.72
Contribution to Provident and Other Funds (Refer note 48)	8.38	10.78
Staff Welfare Expenses	4.74	8.26
Total	**123.35**	**166.76**

32 Finance costs

(Also refer note 51)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) Interest Expenses on :		
Loans and Debentures	1,708.80	2,587.96
Trade Credits and others	146.17	149.32
	1,854.97	**2,737.28**
(b) Other borrowing costs :		
Loss on Derivatives Contracts	98.79	290.25
Bank Charges and Other Borrowing Costs	46.36	74.03
	145.15	**364.28**
(c) Net loss on foreign currency transactions and translation (to the extent considered as finance cost)	7.95	-
	7.95	**-**
Total	**2,008.07**	**3,101.56**

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

33 Other Expenses

(Also refer note 51)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Transmission Expenses	576.22	549.27
Consumption of Stores and Spares	42.70	85.42
Repairs and Maintenance		
Plant and Equipment	109.58	93.88
Others	12.05	9.37
Operating Lease Rent	14.90	16.34
Rates and Taxes	3.77	64.66
Legal and Professional Expenses	48.47	84.18
Directors' Sitting Fees	0.08	0.07
Payment to Auditors (Refer Note 45)	0.78	1.13
Communication Expenses	2.53	4.72
Travelling and Conveyance Expenses	11.73	20.05
Insurance Expenses	16.43	21.31
Office expenses	1.77	2.05
Bad Debt Written Off	0.75	0.03
Loss on Sale / Retirement of Property, Plant and Equipment (net)	10.73	7.00
Donations	0.22	0.49
Corporate Social Responsibility Expenses (Refer note 49)	0.01	0.23
Electricity Expenses	1.91	2.55
Miscellaneous Expenses	21.03	24.19
Total	**875.66**	**986.94**

34 Exceptional Items

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Reversal of Compensatory Tariff (Refer note (i) below)	-	3,619.49
Write off Advance (Refer note (ii) below)	-	288.45
Transfer on account of Scheme of Arrangement (Refer note 51)	(1,506.85)	-
Total	**(1,506.85)**	**3,907.94**

Note:

i) During the previous year, pursuant to the Central Electricity Regulatory Commission ("CERC") order dated 21st February, 2014, the Company had recognized revenue in the nature of Compensatory Tariff ("CT") of ₹ 3,938.65 Crores upto 31st December, 2016 in respect of a long term Power Purchase Agreement ("PPA") (Bid 2) of 1,000 MW entered into with Gujarat Urja Vikas Nigam Limited ("GUVNL") and other long term PPAs of 1,424 MW entered into with Haryana Utilities. In addition, the Company had also recognized CT of ₹ 426.19 Crores upto 31st December, 2016 in respect of another long term PPA (Bid 1) of 1,000 MW entered into with GUVNL.

The said order was challenged in the Appellate Tribunal for Electricity ("APTEL"). APTEL vide its order dated 7th April, 2016, had set aside the aforementioned CERC order and had held that the promulgation of Indonesian regulation constitutes Force Majeure event which was contested in the Hon'ble Supreme Court. The Hon'ble Supreme Court, vide its order dated 11th April, 2017 has set aside the aforementioned APTEL order and has ruled that the said event is neither Force Majeure nor Change in Law as per the terms of PPA and hence, does not entitle the Company to CT. Consequently, the Company had derecognised its claim on account of CT of ₹ 4,364.84 Crores recognized up to 31st December, 2016, out of which, ₹ 3,619.49 Crores (recognised upto 31st March, 2016) was shown as an exceptional item and ₹ 745.35 Crores (recognised from 1st April, 2016 to 31st December, 2016) had been adjusted from the revenue from operations of previous year.

Further, the aforesaid order of the Hon'ble Supreme Court also held that the non-availability of domestic coal due to change in policy or Change in Law, in force in India, constitutes Change in Law as per the terms of PPA. Hon. Supreme Court directed the CERC to determine the relief under clause 13 of PPA. The Company has filed a petition with CERC to ascertain the relief that may be available to the Company.

ii) During the previous year, the Company had given advances to Brakel Kinnaur Power Private Limited ("Brakel") of ₹ 288.45 Crores which were, in turn, deposited by Brakel with Government of Himachal Pradesh ("the GoHP") in relation to 960 MW hydro power plant project ("the project"). The said advances had been written off due to delay in initiation of underlying project during previous year.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

35 Income Tax

The major components of income tax expense for the year ended 31st March, 2018 and 31st March, 2017 are:

Income Tax Expense :	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Current Tax:		
Current Income Tax Charge	-	-
Adjustments in respect of prior years	-	0.03
Total (a)	**-**	**0.03**
Deferred Tax		
In respect of current year origination and reversal of temporary differences	-	(83.26)
Total (b)	**-**	**(83.26)**
Total (a+b)	**-**	**(83.23)**

		For the year ended 31st March, 2018	For the year ended 31st March, 2017
(Loss) before tax as per Statement of Profit and loss		(23.77)	(6,137.57)
Income tax using the company's domestic tax rate @ 34.608%		(8.23)	(2,124.09)
Tax Effect of :			
i) Deferred Tax asset not created on temporary differences / unabsorbed depreciation or carried forward losses		11.59	2,106.41
ii) Brought forward losses utilised during the year		(3.44)	-
iv) Non-deductible expenses		0.08	1.92
iv) Reversal of provision not chargeable to tax		-	(67.50)
v) Income-taxes related to prior years		-	0.03
Income tax recognised in Statement of Profit and Loss at effective rate	**Total**	**-**	**(83.23)**

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

36 Contingent liabilities and commitments:

(i) Contingent liabilities :

	As at 31st March, 2018	As at 31st March, 2017
1. Undertaking issued by the Company to Gujarat Urja Vikas Nigam Limited (GUVNL) to repay the amount received from GUVNL towards sales made prior to Scheduled Commercial Operation Date ("SCODs") if Hon'ble Supreme Court gives decision in favour of the GUVNL. (Refer note 51)	-	135.20
2. Claims against the Company not acknowledged as debts in respect of:		
a. Income Tax (Refer note (i) below)	52.54	49.74
b. Service Tax (Refer note (ii) below and 51)	-	5.12
c. Central Sales Tax (Refer note (iii) below and 51)	-	0.02
Total	**52.54**	**190.08**

i) Matters relating to Income Tax from AY 2008-09 to 2014-15 are being contested at various levels of Tax authorities.

ii) Matter relating to Service Tax for FY 2008-09 is being contested at CESTAT.

iii) Matter relating to Central Sales Tax for FY 2010-11 is contested at Appellate authority.

iv) Management is not expecting any future cash outflow with respect to above litigations.

(ii) Commitments :

(Also refer note 51)

	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	19.94
Estimated amount payable towards coal block allocated to the Company		
Upfront Fees	-	13.60
Total	**-**	**33.54**

37 As at the year end, the Company is carrying equity investment of ₹ 106.05 Crores in equity of its subsidiary Adani Power (Mundra) Limited ("APMuL") which owns and operates 4,620MW Mundra thermal power undertaking and also has outstanding loans and advances granted to APMuL of ₹ 2,415.30 Crores. APMuL has reported a loss of ₹ 1,694.09 Crores for the year ended 31st March, 2018 and has accumulated losses of ₹ 9,747.59 Crores as at 31st March, 2018 (read with note 51). Further, its current liabilities (including ₹ 6,329.78 Crores to related parties) exceed current assets by ₹ 10,729.22 Crores and the net worth of APMuL has been completely eroded based on the latest financial statements.

Notwithstanding the above, the Management believes based on its assessment made, that over the foreseeable future, APMuL would be able to establish profitable operations with settlement of change in law claims with Discoms, better future merchant tariff price / other operating parameters and alternative arrangements / approaches to deal with the current situation leading to better cash flows in APMuL. Considering APMuL Management's plan and assessment and the support of the Company, Management of the Company believes that APMuL would be able to meet its financial obligations and has accordingly prepared its financial statements on a going concern basis and no provision / adjustment to the carrying value of the said investment / loans and advances is considered necessary by the management as at 31st March, 2018.

38 The Company has determined the recoverable amounts of the Power Plants over its useful life under Ind AS 36, Impairment of Assets based on the estimates relating to tariff, operational performance of the Plants, life extension plans, inflation, terminal value etc. which are considered reasonable by the Management.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

On a careful evaluation of the aforesaid factors, the Management of the Company has concluded that the recoverable amounts of the Power Plant is higher than their carrying amounts as at 31st March, 2018.

39 The carrying amounts of Non-current investments in equity shares of wholly owned subsidiary companies viz. Adani Power Maharashtra Limited ("APML"), Adani Power Rajasthan Limited ("APRL") and Adani Power (Mundra) Limited ("APMuL") are ₹ 4,205.92 Crores (Previous year - ₹ 4,205.92 Crores), ₹ 1,200 Crores (Previous year - ₹ 1,200 Crores) and ₹ 106.05 Crores (Previous year - ₹ 0.05 Crores) respectively, and Non-current loans (Refer note 5) include loans given to APML and APRL of ₹ 3,727.32 Crores (Previous year - ₹ 2,999.00 Crores) and ₹ 2,020.07 Crores (Previous year - ₹ 1,722.42 Crores) respectively. Current loans (Refer note 14) includes Loans given to APMuL of ₹ 2,414.68 Crores (Previous year - ₹ Nil).

APMuL, APML and APRL own and operate 4620 MW, 3300 MW and 1320 MW coal based power plants respectively with major capacities tied up under power purchase agreements ("PPAs") for twenty five years with substantially fixed tariffs. The PPAs for these plants were made based on the commitments / understanding that domestic coal linkages would be available to meet the fuel requirements. However, adequate coal linkages could not be made available due to various reasons, including government policies, not attributable to the respective subsidiary companies. In response to the pleas to various regulatory authorities for compensating the losses due to above and orders passed thereof, the respective state electricity regulators have granted part relief during the year on account of Change in Law / Force Majeure. The Company's management believes that APML and APRL are eligible to get the required coal linkages as APML and APRL supply power under the Long Term PPAs and until then are eligible for relief on account of Change in Law / Force Majeure to compensate the operating losses. Whilst some of the matters related to relief on account of Change in Law / Force Majeure are under litigation, it is expected that equivalent amounts as recognised by the respective subsidiaries (₹ 1,685.14 Crores by APML and ₹ 2,546.34 Crores by APRL up to 31st March, 2018 (₹ 2,583.23 Crores by APML and ₹ 1,980.92 Crores by APRL up to 31st March, 2017)) will be ultimately recovered. As per the assessment by the Management, it would not be unreasonable to expect ultimate collection of an equivalent amount of relief, which is predicated on the legal advice that APML and APRL have good arguable cases on merits, based on the principles set forth by the Hon. Supreme Court in its order dated 11th April, 2017 and also based on the regulatory orders received during the year. In respect of relief on account of short fall in domestic coal supply in case of APMuL 1424 MW Power Purchase Agreement ("PPA") with Haryana Utilities (please refer note 34 (i)). Having regard to above and the expectation that similar relief will continue to be available till existence of the aforesaid circumstances, the Management of the Company has concluded that no provision for impairment is considered necessary at this stage.

40 Further to the execution of the share purchase agreement ("SPA") on 4th March, 2015 with the owners of Korba West Power Company Limited ("KWPCL"), having operating capacity of 600 MW Thermal Power Project at Korba, Chhattisgarh, the Company had paid total amount of ₹ 775 Crores by 17th March, 2015 to the owners of KWPCL towards 100% acquisition of shares and including ₹ 107.90 Crores towards loan in KWPCL and has further advanced ₹ 1,628.32 Crores to KWPCL as inter corporate deposit till 31st March, 2018 (including ₹ 140.46 Crores advanced during FY 2017-18 & interest accrued thereon (₹ 1,487.86 Crores till 31st March, 2017). The process of closure of the acquisition of KWPCL as per SPA, got delayed pending resolution of disputes in terms of the SPA, suspension of plant operations due to failure of generator leading to differences with original equipment supplier and finally, pending restructuring of loans by the lenders. Based on understanding reached with stakeholders and the KWPCL lenders, the Company acquired 49% of the equity shares of KWPCL on 22nd December, 2017 whereby KWPCL became Company's associate entity.

Further to the above, the Company has entered into a separate SPA to sell / dispose-off, the acquired 49% equity shares to a third party on 18th January, 2018 for a consideration of ₹ 263.69 Crores and the shares have been transferred to the said party before 31st March, 2018. In terms of SPA, the Company is expected to realise the consideration at the earliest.

Based on restructuring plan proposed and approved by the lead banker of KWPCL, dated 15th March, 2018, which has been approved by few of the other lenders and is under approval of the remaining lenders, the Company expects to acquire 51% of shares of KWPCL in the near future. It also expects that KWPCL plant will be operational in next few months after repair of the generator defect. Further, the Company is of the view that on signing of restructuring plan with the lenders and commencement of operation of the plant, the Company will be able to realise the value of its investments and advances over the expected useful life of the thermal power project.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

41 The Company has taken various derivatives to hedge its foreign currency exposures. The outstanding position of derivative instruments is as under: (Also refer note 51)

Nature	Purpose	As at 31st March, 2018		As at 31st March, 2017	
		Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
Forward covers	Hedging of Trade Credits, Acceptances, Creditors and future coal contracts	38.21	USD 5.86	2,344.12	USD 361.47
	Hedging of ECB	-	-	192.60	USD 29.70
Options	Hedging of ECB	-	-	1,010.44	USD 155.81
	Hedging of Trade Credits, Acceptances, Creditors and Interest accrued	166.15	USD 25.49	3,092.74	USD 476.91
		204.36		**6,639.90**	

The details of foreign currency exposures not hedged by derivative instruments are as under :

	As at 31st March, 2018		As at 31st March, 2017	
	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
1. Import Creditors and Acceptances	96.89	USD 14.87	364.59	USD 56.22 *
	-	-	0.04	EUR 0.01
	-	-	0.59	SEK 0.81
2. Foreign currency borrowings	-	-	1,751.38	USD 270.07
3. Interest accrued but not due	0.40	USD 0.06	2.59	USD 0.40
	97.29		**2,119.19**	

* The Company had hedged USD 271.74 million of exposure in the form of firm commitments as at 31st March, 2017 pertaining to future coal imports, however for the purpose of determining unhedged foreign currency exposure of "Import Creditors and Acceptances", forward contracts aggregating to USD 254.23 million had been set off against outstanding amounting to USD 310.45 million towards import creditors and acceptances, as the management of the Company considers that the impact of such exposure on Statement of Profit and Loss due to movement in foreign exchange rates will be effectively offset by such financial hedges.

42 (i) 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 the risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

In the ordinary course of business, the Company is exposed to Market risk, Credit risk and Liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and commodity risk.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings. To manage this, the Company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon notional principal amount.

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuation at the end of the reporting period. The said analysis has been carried out on the amount of floating rate long term liabilities outstanding at the end of the reporting period. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points on the exposure on long term borrowings of ₹ 277.18 Crores as on 31st March, 2018 and ₹ 14,540.71 Crores as on 31st March, 2017 respectively and if all other variables were held constant, the Company's profit and loss for the year would increase or decrease as follows:

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Impact on Profit or Loss for the year	1.39	72.70

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company manages its foreign currency risk by hedging transactions that are expected to realise in future. The Company manages its foreign currency risk by entering into currency swap for converting INR loan into other foreign currency for taking advantage of lower cost of borrowing in stable currency environment. The Company also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings or trade payables.

Every one percentage point depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar on the exposure of $ 14.93 million as on 31st March, 2018 and $ 22.29 million as on 31st March, 2017, would have affected the Company's profit and loss for the year as follows :

	Impact of change in USD to INR rate	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Impact on Profit or Loss for the year	0.97	1.45

c) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the on-going purchase or continuous supply of coal. Therefore the Company monitors its purchases closely to optimise the price.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

The Company is having majority of receivables from State Electricity Boards which are Government undertakings and hence they are secured from credit losses in the future.

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 continued support from lenders, trade creditors as well as subsidiaries.

Maturity profile of financial liabilities :

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

As at 31st March, 2018	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	7,333.32	2,244.05	-	9,577.37
Trade Payables	250.39	-	-	250.39
Other Financial Liabilities	235.16	51.00	-	286.16

As at 31st March, 2017	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	10,046.56	10,741.50	6,485.91	27,273.97
Trade Payables	4,363.19	-	-	4,363.19
Derivative instruments	275.11	13.67	-	288.78
Other Financial Liabilities	904.51	51.00	-	955.51

(ii) Capital management :

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

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 and other long term borrowings. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

43 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 31st March, 2018 is as follows :

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	0.24	0.24
Bank balances other than cash and cash equivalents	-	-	210.79	210.79
Trade Receivables	-	-	41.72	41.72
Loans	-	-	9,914.25	9,914.25
Derivative instruments	-	0.94	-	0.94
Other Financial assets	-	-	505.57	505.57
Total	**-**	**0.94**	**10,672.57**	**10,673.51**
Financial Liabilities				
Borrowings	-	-	9,577.37	9,577.37
Trade Payables	-	-	250.39	250.39
Other Financial Liabilities	-	-	286.16	286.16
Total	**-**	**-**	**10,113.92**	**10,113.92**

b) The carrying value of financial instruments by categories as of 31st March, 2017 is as follows :

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	52.57	52.57
Bank balances other than cash and cash equivalents	-	-	285.06	285.06
Current Investments	-	78.31	-	78.31
Trade Receivables	-	-	1,744.46	1,744.46
Loans	-	-	5,981.29	5,981.29
Other financial assets	-	-	313.03	313.03
Total	**-**	**78.31**	**8,376.41**	**8,454.72**
Financial Liabilities				
Borrowings	-	-	27,273.97	27,273.97
Trade Payables	-	-	4,508.71	4,508.71
Derivative instruments	-	288.78	-	288.78
Other Financial Liabilities	-	-	810.00	810.00
Total	**-**	**288.78**	**32,592.68**	**32,881.46**

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

44 Fair Value hierarchy :

Particulars	As at 31st March, 2018			
	Level 1	Level 2	Level 3	Total
Assets				
Derivative instruments	-	0.94	-	0.94
Total	**-**	**0.94**	**-**	**0.94**

Particulars	As at 31st March, 2017			
	Level 1	Level 2	Level 3	Total
Assets				
Current investments	-	78.31	-	78.31
Total	**-**	**78.31**	**-**	**78.31**
Liabilities				
Derivative instruments	-	288.78	-	288.78
Total	**-**	**288.78**	**-**	**288.78**

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

45 Payment to auditors

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Audit fees	0.73	0.87
Fees for certificates and other services	0.04	0.26
Out of pocket expenses	0.01	-
Total	**0.78**	**1.13**

46 Earnings per share

Particulars		For the year ended 31st March, 2018	For the year ended 31st March, 2017
Basic and Diluted EPS			
(Loss) / Profit attributable to equity shareholders	Amount **(₹ in Crores)**	(23.77)	(6,054.34)
Weighted average number of equity shares outstanding during the year	No.	3,856,938,941	3,464,159,997
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	(0.06)	(17.48)

47 The Company's activities during the year revolve around power generation. Considering the nature of Company's business and operations, as well as based on reviews of operating results by the chief operating decision maker to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS - 108 – "Operating Segments", prescribed under Companies (Indian Accounting Standards) Rules, 2015.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

48 As per Ind AS - 19 "Employee Benefits", the disclosures are given below.

(a) (i) Defined Benefit Plan

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

The status of gratuity plan as required under Ind AS-19 :

Particulars	As at 31st March, 2018	As at 31st March, 2017
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	15.74	14.95
Current Service Cost	0.63	2.87
Interest Expense / Cost	1.20	1.18
Liability Transferred In from other companies	1.02	-
Liability Transferred Out to other companies	(9.38)	-
Acquisition adjustment	-	(1.31)
Benefits paid	(1.04)	(0.31)
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	(0.00)	0.35
change in financial assumptions	(0.35)	(1.78)
experience variance (i.e. Actual experience vs assumptions)	(3.92)	(0.20)
Present Value of Defined Benefit Obligations at the end of the Year	3.90	15.74
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets		
Fair Value of Plan assets at the beginning of the Year	17.71	16.70
Investment Income	1.34	1.32
Employer's Contributions	0.76	-
Employee's Contributions	-	-
Benefits paid	(1.65)	(0.31)
Actuarial gain/(loss) on plan assets	(0.54)	-
Fair Value of Plan assets at the end of the Year	17.62	17.71
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	3.90	15.74
Fair Value of Plan assets at the end of the Year	17.62	17.71
Net Asset / (Liability) recognised in balance sheet as at the end of the year	13.72	1.97
iv. Composition of Plan Assets		
100% of Plan Assets are administered by Life Insurance Corporation of India		
v. Gratuity Cost for the Year		
Current service cost	0.63	2.87
Interest cost	1.20	1.18
Investment Income	(1.34)	(1.32)
Net Gratuity cost recognised in the statement of Profit and Loss	0.49	2.73

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Particulars	As at 31st March, 2018	As at 31st March, 2017
vi. Other Comprehensive Income		
Actuarial (gains) / losses		
change in demographic assumptions	(0.00)	0.35
change in financial assumptions	(0.35)	(1.78)
experience variance (i.e. Actual experience vs assumptions)	(3.92)	(0.20)
others	-	-
Return on plan assets, excluding amount recognised in net interest expense	0.54	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in other comprehensive income	(3.73)	(1.63)
vii. Actuarial Assumptions		
Discount Rate (per annum)	7.80%	7.60%
Expected annual Increase in Salary Cost	7.00%	8.00%
Attrition / Withdrawal rate (per annum)	5.24%	5.70%
Mortality Rates as given under Indian Assured Lives Mortality (2006-08) Ultimate Retirement Age 58 Years.		

viii. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Defined Benefit Obligation (Base)	3.90	15.74

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	4.20	3.64	17.36	14.37
(% change compared to base due to sensitivity	7.6%	(6.70)%	10.2%	(8.70)%
Salary Growth Rate (- / + 1%)	3.63	4.20	14.37	17.34
(% change compared to base due to sensitivity)	(6.80)%	7.6%	(8.80)%	10.1%
Attrition Rate (- / + 50%)	3.88	3.91	15.99	15.56
(% change compared to base due to sensitivity)	(0.5)%	0.30 %	1.5%	(1.20)%
Mortality Rate (- / + 10%)	3.90	3.90	15.75	15.75
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

ix. Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan,the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

x. Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is ₹ Nil.

c) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows) - 7 years.

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	0.84
2 to 5 years	1.14
6 to 10 years	1.91
More than 10 years	3.95

xi. The Company has defined benefit plan for Gratuity to eligible employees, the contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines

The discount rate is based on the prevailing market yields of Government of India's securities as at the balance sheet date for the estimated term of the obligations.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2017-18.

The actuarial liability for compensated absences as at the year ended 31st March, 2018 is ₹ 3.35 Crores (Previous Year ₹ 12.40 Crores).

(b) Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised in Statement of Profit and Loss, for the year is as under:

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Employer's Contribution to Provident Fund	5.36	7.49
Employer's Contribution to Superannuation Fund	0.10	0.13

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

49 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The Company is not required to incur any CSR expense as per the requirement of Section 135 of Companies Act, 2013. However for a noble cause, it has incurred expenses of ₹ 0.01 Crores (Previous year-₹ 0.23 Crores) on the activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Gross amount as per the limits of Section 135 of the Companies Act, 2013	-	-
i) Amount contributed		
Construction/acquisition of any assets	-	-
On purpose other than (a) above	0.01	0.23
Total amount contributed during the year	**0.01**	**0.23**
ii) Amount yet to be contributed	-	-

50 The details of loans and advances of the Company outstanding at the end of the year, in terms of regulation 53 (F) read together with para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2015).

Name of the Company and Relationship	Outstanding amount		Maximum amount outstanding during the year	
	As at 31st March 2018	As at 31st March 2017	2017 - 18	2016 - 17
Adani Power Maharashtra Limited (Subsidiary)	3,727.32	2,999.00	4,203.77	3,044.09
Adani Power Rajasthan Limited (Subsidiary)	2,020.07	1,722.42	2,020.07	1,722.42
Adani Power (Jharkhand) Limited (Subsidiary)	362.06	9.46	362.06	9.46
Adani Power (Mundra) Limited (formerly known as Adani Power (Karnataka) Limited) (Subsidiary)	2,414.68	-	2,414.68	281.39
Korba West Power Company Limited (From 22nd December, 2017 to 18th January, 2018) (Associate)	Refer note 40	-	1,389.95	-
	8,524.13	**4,730.88**	**10,390.53**	**5,057.36**

51 Scheme of arrangement

The National Company Law Tribunal ('NCLT') had sanctioned the Scheme of Arrangement (Scheme) under section 230-232 of the Companies Act, 2013, for the transfer of the Company's 4,620 MW thermal power undertaking ("Undertaking") at Mundra into its subsidiary, Adani Power (Mundra) Limited, on a slump exchange basis from an appointed date of 31st March, 2017. The Undertaking constitutes 4,620 MW thermal power plant (comprising of 9 units i.e. 4 units of 330 MW each and 5 units of 660 MW each) in multi product Special Economic Zone at Mundra and the allotted Jitpur Coal Block in Jharkhand for the end use of units 1 to 6 i.e. for Phase 1 and Phase 2 and Fuel Supply Agreement ('FSA') of 8.72 MMTPA for the end use of units 7, 8 and 9, i.e. Phase 3

The scheme has been sanctioned by NCLT through its order dated 3rd November, 2017 and accordingly the aforesaid scheme was made effective on 22nd December, 2017 with appointed date of 31st March, 2017, on receipt of all the requisite approvals. Due to practical difficulties and as a matter of convenience, the effect of the scheme has been given on 31st December, 2017.

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Pursuant to the Scheme, the Company transferred the balances of assets, liabilities, components of reserves and surplus (including accumulated losses) pertaining to the Undertaking, at their respective book values to APMuL and the consideration for slump exchange amounting to ₹ 106 Crores has been credited to Capital Reserve, which is not in accordance with the requirements of Ind AS although the same has been approved by NCLT.

Following is the summary of the net assets of the Undertaking as at the appointed date, 31st March, 2017, in terms of the Scheme of Arrangement:

Particulars	(₹ in Crores)
Assets	
Non-current Assets	
Property, Plant and Equipment	22,037.06
Capital Work-In-Progress	25.24
Financial Assets	
Other Financial Assets	11.80
Other Non-current Assets	265.91
Total Non-current Assets	**22,340.01**
Current Assets	
Inventories	1,082.17
Financial Assets	
Trade Receivables	1,693.87
Cash and Cash Equivalents	52.52
Bank Balances other than above	285.06
Loans	0.91
Other Financial Assets	246.12
Other Current Assets	287.05
Total Current Assets	**3,647.70**
Total Assets (a)	**25,987.71**
EQUITY AND LIABILITIES	
EQUITY	
Other Equity	(4,779.83)
Total Equity	**(4,779.83)**
LIABILITIES	
Non-current Liabilities	
Financial Liabilities	
Borrowings	16,269.86
Other Financial Liabilities	13.67
Provisions	4.55
Other Non-current Liabilities	3,250.65
Total Non-current Liabilities	**19,538.73**
Current Liabilities	
Financial Liabilities	
Borrowings	3,592.16
Trade Payables	4,509.23
Other Financial Liabilities	2,903.28
Other Current Liabilities	221.66
Provisions	2.48
Total Current Liabilities	**11,228.81**
Total Liabilities	**30,767.54**
Total Equity and Liabilities (b)	**25,987.71**
Net Assets (a-b)	**Nil**
Consideration paid	106.00
Capital Reserve	**106.00**

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Further, following is the summary of the net results of the operations of the Undertaking for the period from appointed date to effective date.

(₹ in Crores)

Particulars	For the period 1st April, 2017 to 31st December, 2017
Revenue from Operations	7,806.20
Other Income	60.38
Total Income	**7,866.58**
Expenses	
Fuel Cost	4,962.48
Purchases of Stock in Trade	951.83
Employee Benefits Expense	101.43
Finance Costs	1,743.26
Depreciation and Amortisation Expense	820.42
Other Expenses	794.01
Total Expenses	**9,373.43**
Loss before tax	**(1,506.85)**

The aforesaid amount of ₹1,506.85 Crores has been shown as an Exceptional item in the statement of profit or loss.

52 Pursuant to the Scheme of Arrangement relating to Mundra Thermal Power Undertaking between the Company and APMuL, which came into effect from 22nd December, 2017, as stated in note 51, the Company continued to procure coal in terms of the Fuel Supply Agreements ("FSAs") linked to Mundra Thermal Power Undertaking and transfer the same to Adani Power Maharashtra Limited ("APML") and these transactions are being transferred and recorded in Adani Power (Mundra) Limited till 31st March, 2018. The Company believes such transactions are appropriately entered and accounted in the books.

53 Related party transactions

a. List of related parties and relationship

Description of relationship	Name of Related Parties
Controlling Entity (through direct and indirect control)	S. B. Adani Family Trust ("SBAFT")
Subsidiaries	Adani Power Maharashtra Limited
	Adani Power Rajasthan Limited
	Adani Power Resources Limited (Formerly known as Adani Transmission (Maharashtra) Limited)
	Adani Power (Mundra) Limited (Formerly known as Adani Power (Karnataka) Limited)
	Udupi Power Corporation Limited (w.e.f. 20th April, 2015)
	Adani Power (Jharkhand) Limited (w.e.f. 18th December, 2015)

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

a. List of related parties and relationship (Contd..)

Description of relationship	Name of Related Parties
Entities on which one or more Key Management Personnel	
("KMP") have a significant influence / control	Adani Agrifresh Limited
	Adani Bunkering Private Limited
	Adani Enterprises Limited
	Adani Gas Limited
	Adani Global FZE, Dubai.
	Adani Global Pte Limited
	Adani Green Energy (Tamilnadu) Limited
	Adani Green Energy (UP) Limited
	Adani Green Energy Limited
	Adani Hazira Port Private Limited
	Adani Hospitals Mundra Private Limited
	Adani Infra India Limited
	Adani Infrastructure And Developers Private Limited
	Adani Infrastructure Management Services Limited
	Adani Kandla Bulk Terminal Private Limited
	Adani Petronet (Dahej) Port Private Limited
	Adani Ports & Special Economic Zone Limited
	Adani Properties Private Limited
	Adani Renewable Energy Park Rajasthan Limited
	Adani Transmission (India) Limited
	Adani Transmission Limited
	Adani Wilmar Limited
	Karnavati Aviation Private Limited
	Maharashtra Eastern Grid Power Transmission Company Limited
	MPSEZ Utilities Private Limited
	Mundra Solar PV Limited
	Mundra Solar Technopark Private Limited
	Parampujya Solar Energy Private Limited
	Wardha Solar (Maharashtra) Private Limited
Associate	Korba West Power Company Limited (from 22nd December, 2017 to 18th January, 2018)
Key management personnel	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Managing Director
	Mr. Vneet S Jaain, Whole-time Director
	Mr. Vinod Bhandawat. CFO (Up to 31st January 2018)
	Mr. Deepak Pandya, Company Secretory
	Mr. Chandra Prakash Jain (Ceased to be a Director w.e.f. 3rd February, 2018)
	Ms. Nandita Vohra
	Mr. Raminder Singh Gujral
	Mr. Rajat Kumar Singh, CFO (W.e.f.1st February, 2018)

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

53 Related party transactions (Contd..)

b. Transactions with related parties

Sr No.	Particulars	For the year ended 31st March, 2018				For the year ended 31st March, 2017		
		With Direct Subsidiaries	Entities on which one or more Key Management Personnel ("KMP") have a significant influence / controls	With Associate	Key Management Personnel	With Direct Subsidiaries	Entities on which one or more Key Management Personnel ("KMP") have a significant influence / controls	Key Management Personnel
1	Investment in Subsidiary	106.00	-	-	-	-	-	-
2	Loan Taken	707.31	9,557.88	-	-	173.67	2,559.35	-
3	Loan Repaid Back	836.30	6,268.11	-	-	257.44	4,958.85	-
4	Interest Expense on Loan	19.84	77.50	-	-	71.30	480.78	-
5	Interest expenses	-	39.13	-	-	-	64.50	-
6	Loan Given	10,613.38	1.92	20.99	-	1,714.77	10.00	-
7	Loan Received Back	6,820.13	1.92	-	-	1,788.34	10.00	-
8	Interest Income	132.33	0.03	11.13	-	472.33	0.02	-
9	Sale of Goods	307.35	28.96	-	-	1,685.96	1,135.06	-
10	Purchase of Goods (Including GIT)	-	412.12	-	-	62.94	6,192.05	-
11	Other Balances Transfer from Related Party	-	-	-	-	3.42	2.64	-
12	Other Balances Transfer to Related Party	-	-	-	-	0.34	0.97	-
13	Rendering of Service	-	-	-	-	*	17.77	-
14	Receiving of Services	-	0.17	-	-	*	566.39	-
15	Advance Received against sale of Goods	-	-	-	-	-	705.83	-
16	Deposit Repaid	-	-	-	-	-	200.00	-
17	Issue of share warrants (subsequently converted into equity shares during the year) (Refer note 18(f))	-	-	-	-	-	1,701.83	-
18	Sale of Investment	-	-	-	-	*	-	-
19	Compensation of Key Management Personnel							
a	Short-term benefits	-	-	-	3.03	-	-	2.51
b	Post-employment benefits	-	-	-	0.23	-	-	0.23
c	Director sitting fees	-	-	-	0.08	-	-	0.07

The above transactions do not include reimbursement of expenses.

For transfer of Mundra Power Generation Undertaking pursuant to scheme of arrangement refer note 51.

(Figures below ₹ 50,000 are denominated by *)

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

c. Balances With Related Parties :

Sr No.	Particulars	As at 31st March, 2018		As at 31st March, 2017	
		With Direct Subsidiaries	Entities on which one or more Key Management Personnel ("KMP") have a significant influence / controls	With Direct Subsidiaries	Entities on which one or more Key Management Personnel ("KMP") have a significant influence / controls
1	Borrowings	551.37	6,119.41	680.36	2,829.64
2	Loans and Advances	8,524.13	-	4,730.88	-
	Receivables				
3	Trade Receivables	1.01	28.96	685.65	35.62
4	Security Deposit and Advances	-	1.00	0.12	3.02
5	Interest Receivable	0.72	0.03	0.63	-
	Payables				
6	Trade and Other Payables	0.08	292.59	27.78	3,726.97
7	Advances Received	-	40.28	-	706.16
8	Interest Payable	0.05	-	-	-

The amounts outstanding are unsecured and will be settled in cash or kind. No guarantees have been given or received. No expense has been recognised in current year or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

54 Recent accounting pronouncements

The Company applied for first time certain amendmends to the Standards, which are effective for annual periods begining on or after 1st April, 2017. The nature and impact of each amendmend is described below:

Amendmends to Ind AS 7 Statement of Cash flows : Disclosure initiative

The Amendment requires entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for both the current and comparative period.

Standard issued but not effective:

Ind As 115 revenue from contracts with customers

Ind AS 115 was notified on 28th March, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Company. Ind AS 115 is effective for the

Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Company in the first quarter of fiscal 2019 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Company continues to evaluate the available transition methods and its contractual arrangements.The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business.

A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the implementation project has been completed.

55 Previous year figures have been regrouped and rearranged wherever necessary to conform to this year's classification.

In terms of our report attached

For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per RAJ AGRAWAL
PARTNER
Membership No. : 82028

Place : Ahmedabad
Date : 3rd May, 2018

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJAT KUMAR SINGH
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 3rd May, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Adani Power Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Adani Power Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion, on these consolidated Ind AS financial statements based on our audit. While conducting the 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, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated Ind AS financial statements.

Basis for Qualified Opinion

We draw attention to:

a) Note 30(ii) to the consolidated Ind AS financial statements regarding the basis on which a subsidiary, Adani Power Maharashtra Limited ("APML"), has continued to recognize total revenue of ₹ 1,258.54 crores on account of relief under Force Majeure Events and Change in Law Events on de-allocation of Lohara coal block and other claim events up to March 31, 2018 (₹ (23.83) crores and ₹ 110.30 crores recognized during the year ended March 31, 2018 and year ended March 31, 2017, respectively) which is pending adjudication by the relevant regulators, as more fully described in said Note.

   Since the matters relating to relief under Force Majeure Events / Change in Law Events on de-allocation of Lohara coal block and other claim events are sub-judice, the appropriateness or otherwise of the continued recognition of such revenue for and up to the period ended March 31, 2018 and consequential effects on the financial statement can only be determined on final outcome of litigations and accordingly, we are unable to comment on the appropriateness of recognition of such revenue and related receivables.

b) Note 30(iii) to the consolidated Ind AS financial statements regarding the basis on which a subsidiary, Adani Power Rajasthan Limited ("APRL"), has continued to recognize total revenue of ₹ 2,546.33 crores on account of relief under Force Majeure Events and Change in Law Events up to March 31, 2018 (₹ 565.41 crores and ₹ 726.48 crores recognized during the year ended March 31, 2018 and year ended March 31, 2017, respectively) which is pending adjudication by the relevant regulators, as more fully described in said Note.

   Since the matters relating to relief under Force Majeure Events / Change in Law Events are sub-judice, the appropriateness or otherwise of the continued recognition of such revenue for and up to the period ended March 31, 2018 and consequential effects on the financial statement can only be determined on final outcome of litigations and accordingly, we are unable to comment on the appropriateness of recognition of such revenue and related receivables.

c) Note 39 to the consolidated Ind AS financial statements regarding ongoing balance reconciliation exercise with customers of a subsidiary, Udupi Power Corporation Limited ("UPCL"), with respect to trade receivables amounting to ₹ 110.11 crores (₹ 137.11 crores as at March 31, 2017). Based on assessment by the management, the said amount will be fully recovered upon conclusion of the ongoing reconciliation exercise.

   In the absence of reconciliation and balance confirmations, adjustments, if any, to the carrying amounts of such trade receivables can be determined only upon conclusion of aforementioned exercise / approval by the customers and accordingly, we are unable to comment on the appropriateness of carrying amount of such receivables.

d) Note 42 to the consolidated Ind AS financial statements regarding uncertainties relating to realisation of advance consideration paid for purchase of 51% shares of Korba West Power Company Limited (KWCPL), loans given to KWCPL for its operations, pending resolution of various matters with its stakeholders including lenders, and consideration on sale of 49% shares of KWCPL during the year, involving total amount of ₹ 2,403.32 crores as at March 31, 2018.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2018, of their consolidated loss including other comprehensive income and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose Ind AS financial statements include total assets of ₹ 368.02 crores and net assets of ₹ 367.55 crores as at March 31, 2018, and total revenues of ₹ Nil and net cash inflows of ₹ 0.37 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. The consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 29.18 crores for the year ended March 31, 2018, in respect of an associate, whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.

Our above opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

The consolidated Ind AS financial statements of the Group for the year ended March 31, 2017, included in these consolidated Ind AS financial statements, have been audited by the predecessor auditor who expressed a modified opinion on those statements on May 27, 2017.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matters' paragraph above, to the extent applicable, we report that:

    (a) Except for the matters described in paragraph of the Basis for Qualified Opinion paragraph, we / the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

    (b) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as appears from our examination of those books and the reports of the other auditors;

    (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

    (d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended;

    (e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;

    (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies none of the directors of the Group's companies is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

    (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

    (h) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate report in "Annexure 1" to this report;

(i) 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 consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 38 to the consolidated Ind AS financial statements:

ii. Except for the possible effect of the matters described in the Basis of Qualified Opinion paragraph above, provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts ;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, and associate, incorporated in India during the year ended March 31, 2018.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Raj Agrawal**
Partner
Membership Number: 82028

Place of Signature: Ahmedabad
Date: May 3, 2018

ANNEXURE 1
TO THE INDEPENDENT AUDITOR'S REPORT

of even date on the Consolidated Ind AS Financial Statements of Adani Power Limited

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

In conjunction with our audit of the consolidated Ind AS financial statements of Adani Power Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Adani Power Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion, on the Holding Company's and its subsidiary companies' internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both issued by the Institute of Chartered Accountants of India 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit and the reports issued by other auditors on internal financial controls over financial reporting in case of its subsidiary companies, as noted in 'other matters' paragraph below, the following material weaknesses have been identified as at March 31, 2018:

a) In Holding Company, uncertainties relating to realisation of advance consideration paid for purchase of 51% shares of Korba West Power Company Limited ('KWPCL'), loans and advances given to KWPCL and realisation of sale consideration on sale of 49% shares of KWPCL aggregating to ₹ 2,403.22 crores.

b) In Adani Power Maharashtra Limited, in respect of revenue recognition on account of relief under Force Majeure Events/ Change in Law events and additional relief pending litigations amounting to ₹ 1,258.54 crores.

c) In Adani Power Rajasthan Limited, in respect of revenue recognition on account of relief under Force Majeure Events / Change in Law events pending litigations amounting to ₹ 2,546.33 crores.

d) In Udupi Power Corporation Limited, in respect of assessment of recoverability of carrying amount of certain trade receivables under reconciliation amounting to ₹ 110.11 crores.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company and its subsidiary companies, which are companies incorporated in India, have maintained 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, 2018, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies, is based on the corresponding reports of the auditors of such companies.

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India as specified under section 143(10) of the Act, the consolidated financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2018, and the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated May 3, 2018 expressed a qualified opinion

For **S R B C & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Raj Agrawal**
Partner
Membership Number: 82028

Place of Signature: Ahmedabad
Date: May 3, 2018

Consolidated Balance Sheet as at 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	4.1	51,940.42	54,193.15
(b) Capital Work-In-Progress	4.1	119.86	124.61
(c) Goodwill		190.61	190.61
(d) Intangible Assets	4.2	6.11	7.17
(e) Financial Assets			
(i) Investments	5	0.01	0.01
(ii) Loans	6	1,389.95	1,249.50
(iii) Other Financial Assets	7	352.64	88.72
(f) Other Non-current Assets	8	1,571.95	2,126.35
Total Non-current Assets		**55,571.55**	**57,980.12**
Current Assets			
(a) Inventories	9	869.19	1,760.41
(b) Financial Assets			
(i) Investments	10	-	164.32
(ii) Trade Receivables	11	6,069.81	7,704.34
(iii) Cash and Cash Equivalents	12	61.62	81.01
(iv) Bank balances other than (iii) above	13	794.99	523.16
(v) Loans	14	3.66	2.00
(vi) Other Financial Assets	15	5,191.73	2,427.57
(c) Other Current Assets	16	960.73	868.12
Total Current Assets		**13,951.73**	**13,530.93**
Total Assets		**69,523.28**	**71,511.05**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	3,856.94	3,856.94
(b) Other Equity	18	(2,972.40)	(857.38)
Total Equity		**884.54**	**2,999.56**
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	34,559.85	36,650.61
(ii) Other Financial Liabilities	20	82.12	67.07
(b) Provisions	21	46.07	32.38
(c) Deferred Tax Liabilities (Net)	22	212.83	224.85
(d) Other Non-current Liabilities	23	5,700.06	5,875.08
Total Non-current Liabilities		**40,600.93**	**42,849.99**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	14,560.34	12,580.00
(ii) Trade Payables	25	7,626.37	7,399.75
(iii) Other Financial Liabilities	26	5,277.61	4,555.13
(b) Other Current Liabilities	27	563.67	1,108.10
(c) Provisions	28	9.82	9.71
(d) Current Tax Liabilities (Net)	29	-	8.81
Total Current Liabilities		**28,037.81**	**25,661.50**
Total Liabilities		**68,638.74**	**68,511.49**
Total Equity and Liabilities		**69,523.28**	**71,511.05**

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

In terms of our report attached

For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per RAJ AGRAWAL
PARTNER
Membership No. : 82028

Place : Ahmedabad
Date : 3rd May, 2018

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJAT KUMAR SINGH
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 3rd May, 2018

Consolidated Statement of Profit and Loss for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue from Operations	30	20,611.04	22,615.51
Other Income	31	482.39	418.96
Total Income		**21,093.43**	**23,034.47**
Expenses			
Fuel Cost		12,548.36	14,623.61
Purchases of Stock in Trade		309.26	215.68
Employee Benefits Expense	32	353.74	360.89
Finance Costs	33	5,570.23	5,901.73
Depreciation and Amortisation Expense	4.1, 4.2	2,698.72	2,672.36
Other Expenses	34	1,708.45	1,443.68
Total Expenses		**23,188.76**	**25,217.95**
(Loss) before exceptional items and tax		**(2,095.33)**	**(2,183.48)**
(Add) / Less : Exceptional Items	35	-	4,076.69
(Loss) before tax		**(2,095.33)**	**(6,260.17)**
Tax Expense :			
Current Tax	36	6.88	12.50
Deferred Tax	22	(12.03)	(98.57)
Total Tax Expense		**(5.15)**	**(86.07)**
(Loss) for the year before share of (loss) from associate		**(2,090.18)**	**(6,174.10)**
Net Share of (loss) from associate		(29.18)	-
(Loss) for the year	**(A)**	**(2,119.36)**	**(6,174.10)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans (Tax - ₹ Nil (Previous year - ₹ Nil))	49 (B)	4.34	3.97
Total Comprehensive (Loss) for the year	**Total (A+B)**	**(2,115.02)**	**(6,170.13)**
Earnings / (Loss) Per Share (EPS)	47		
Basic and Diluted (Face Value ₹ 10 Per Share) - ₹		(5.42)	(17.82)

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

In terms of our report attached

For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per RAJ AGRAWAL
PARTNER
Membership No. : 82028

Place : Ahmedabad
Date : 3rd May, 2018

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJAT KUMAR SINGH
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 3rd May, 2018

Consolidated Statement of changes in equity for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

A. Equity Share Capital

Particulars	No. of Shares	Amount
Balance as at 1st April, 2016	**3,333,938,941**	**3,333.94**
Changes in equity share capital during the year		
Shares issued on conversion of share warrants (Refer note 17(e))	523,000,000	523.00
Balance as at 31st March, 2017	**3,856,938,941**	**3,856.94**
Changes in equity share capital during the year	-	-
Balance as at 31st March, 2018	**3,856,938,941**	**3,856.94**

B. Other Equity

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2016	**359.80**	**6,231.00**	**9.04**	**(2,465.92)**	**4,133.92**
(Loss) for the year	-	-	-	(6,174.10)	(6,174.10)
Remeasurement of defined benefit plans, net of tax	-	-	-	3.97	3.97
Total Comprehensive (Loss) for the year	-	-	-	**(6,170.13)**	**(6,170.13)**
Transactions during the year					
Addition on account of issue of shares (Refer note 17(e))	-	1,178.83	-	-	1,178.83
	-	**1,178.83**	-	-	**1,178.83**
Balance as at 31st March, 2017	**359.80**	**7,409.83**	**9.04**	**(8,636.05)**	**(857.38)**

Consolidated Statement of changes in equity for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

B. Other Equity (Contd..)

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
(Loss) for the year	-	-	-	(2,119.36)	(2,119.36)
Remeasurement of defined benefit plans, net of tax	-	-	-	4.34	4.34
Total Comprehensive (Loss) for the year	-	-	-	**(2,115.02)**	**(2,115.02)**
Balance as at 31st March, 2018	**359.80**	**7,409.83**	**9.04**	**(10,751.07)**	**(2,972.40)**

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

In terms of our report attached

For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per RAJ AGRAWAL
PARTNER
Membership No. : 82028

Place : Ahmedabad
Date : 3rd May, 2018

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJAT KUMAR SINGH
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 3rd May, 2018

Consolidated Statement of Cash Flow for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(A) Cash flow from operating activities		
(Loss) before tax	**(2,095.33)**	**(6,260.17)**
Adjustment for:		
Depreciation and Amortisation Expense	2,698.72	2,672.36
Unrealised Gain on Foreign Exchange Fluctuation	(46.90)	(398.42)
Income from Mutual Funds	(7.28)	(2.19)
Loss on Sale / Retirement of Property , Plant and Equipment (Net)	35.05	8.39
Government Grant Income	(306.76)	(299.84)
Finance Costs	5,570.23	5,901.73
Interest income	(393.56)	(235.48)
Profit on Sale of Investment	(29.18)	-
Exceptional Items (Refer note 35)	-	4,076.69
Operating profit before working capital changes	**5,424.99**	**5,463.07**
Changes in working capital:		
Decrease / (Increase) in Inventories	891.22	(141.21)
Decrease / (Increase) in Trade Receivables	1,634.53	(1,284.36)
(Increase) in Other Assets	(2,623.08)	(352.95)
(Decrease) / Increase in Trade Payables	(27.95)	1,240.78
(Decrease) in Other Liabilities and Provisions	(186.79)	(196.59)
	(312.07)	**(734.33)**
Cash generated from operations	**5,112.92**	**4,728.74**
Less : Tax paid (Net)	(13.20)	(3.54)
Net cash generated from operating activities (A)	**5,099.72**	**4,725.20**
(B) Cash flow from investing activities		
Capital expenditure on Property, Plant and Equipment, including capital advances and capital work-in-progress and on intangible assets	(941.15)	(854.29)
Proceeds from Sale of Property, Plant and Equipment	15.46	10.17
Receipt back of advance given for business acquisitions	422.51	-
Proceeds from / (Purchase of) Current investments (Net)	171.60	(162.09)
Bank Deposits / Margin Money withdrawn / (placed) (Net)	(275.77)	202.13
Payment towards Loan given to others	(142.11)	(546.51)
Interest received	230.46	138.55
Net cash used in investing activities (B)	**(519.00)**	**(1,212.04)**

Consolidated Statement of Cash Flow for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(C) Cash flow from financing activities		
Proceeds from Non-current borrowings	3,642.34	6,379.57
Repayment of Non-current borrowings	(5,177.92)	(5,146.03)
Proceeds from / (Replayment of) Current borrowings (Net)	1,983.74	(1,299.88)
Finance Costs Paid	(5,048.27)	(5,174.42)
Proceeds from issue of Equity Shares (Refer note 18e)	-	1,701.83
Net cash used in financing activities (C)	**(4,600.11)**	**(3,538.93)**
Net decrease in cash and cash equivalents (A)+(B)+(C)	(19.39)	(25.77)
Cash and cash equivalents at the beginning of the year	81.01	106.78
Cash and cash equivalents at the end of the year	**61.62**	**81.01**
Notes to Cash flow Statement :		
Cash and cash equivalents as per above comprise of the following :		
Cash and cash equivalents (Refer note 12)	61.62	81.01
Balances as per statement of cash flows	**61.62**	**81.01**

1. **Non cash items :**
   i) During the year, the Group has refinanced Non-current borrowings of ₹ 783.00 Crores (Previous year ₹ 829.39 Crores).
   ii) During the year, interest of ₹ 62.89 Crores (Previous year ₹ 515.34 Crores) on Inter Corporate ("ICD") taken from related parties, has been added to the ICD balances as on reporting date.
2. The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7 'Cash Flow Statement'.
3. As per the recent amendment by MCA in "Ind AS 7 Statement of Cash flows : Disclosure initiative" effective from 1st April, 2017, disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, are given below:

(₹ in Crores)

Particulars	As at 1st April, 2017	Net cash flows	Changes in fair values	Foreign exchange management	Others	As at 31st March, 2018
Non-current borrowings	39,904.37	(1,535.58)	44.53	(215.85)	77.00	38,274.47
Current borrowings	12,580.00	1,983.74	-	10.71	(14.11)	14,560.34
Derivatives	252.19	(252.19)	43.59	-	-	43.59
Interest accrued	542.77	(4,660.91)	5,272.22	-	(62.89)	1,091.19
Total	**53,279.33**	**(4,464.94)**	**5,360.34**	**(205.14)**	**-**	**53,969.59**

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

In terms of our report attached

For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per RAJ AGRAWAL
PARTNER
Membership No. : 82028

Place : Ahmedabad
Date : 3rd May, 2018

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJAT KUMAR SINGH
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 3rd May, 2018

Consolidated Notes to financial statements for the year ended 31st March, 2018

1 Corporate information

Adani Power Limited ("the Company" or "APL") is a public company domiciled in India and incorporated under the provisions of the Companies Act, applicable in India having its registered office at "Shikhar", Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009, Gujarat, India.

The Company, together with its subsidiaries, currently has multiple power projects located at various locations with a combined installed and commissioned capacity of 10480 MW. The parent company, Adani Power Limited and the subsidiaries (together referred to as "the Group") sell power generated from these projects under a combination of long term Power Purchase Agreements and on merchant basis.

As at 31st March, 2018, S. B. Adani Family Trust ("SBAFT") together with entities controlled by it, has the ability to control the Group. The Group gets synergetic benefit of the integrated value chain of Adani group.

The financial statements were authorised for issue in accordance with a resolution of the directors on 3rd May, 2018.

2 Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of Companies Act, 2013, on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

In addition, the Financial Statements are presented in INR and all values are rounded to nearest crores, except when other wise indicated.

2.2 Basis of consolidation

a <u>Subsidiaries</u>

The consolidated financial statements incorporate the consolidated financial statements of the Company and its subsidiaries, being the entities controlled by it as at year end. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Consolidated Notes to financial statements for the year ended 31st March, 2018

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

b Investment in associates

Associate is an entity over which the Group has significant influence but not control. Investments in Associate is accounted for using the equity method of accounting as per Ind AS 28 "Investments in Associates and Joint Ventures". Under the equity method, on initial recognition, the investment in an associate is recognised at cost and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss of the associate subsequent to the date of acquisition. The Group's share of the Associate's profit or loss is recognised in the Group's Statement of profit or loss. On sale / disposal of interest in associate, the Group recognises the difference, between the sale consideration and the carrying cost as on the date of sale, in the statement of profit and loss.

2.3 Summary of significant accounting policies

a Property, plant and equipment

Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, 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.

In respect of business covered under part A of Schedule II to the Companies Act, 2013, depreciation is recognised based on the cost of assets (other than freehold land and properties under construction) 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 except in case of power plant assets, where the life has been estimated at 25 years based on technical assessment, taking into account the nature of assets, the estimated usage of the assets, the operating condition of the assets, anticipated technical changes, manufacturer warranties and maintenance support. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

In respect of business covered under part B of Schedule II to the Companies Act, 2013, depreciation is provided at the rate as well as methodology notified by the Central Electricity Regulatory Commission ("the CERC") (Term and Condition of Tariff) Regulations, 2014.

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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Subsequent costs are depreciated over the residual life of the respective assets.

b Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. The Group has intangible assets in the nature of Computer software having useful life of 5 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

c Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition and the sale is highly probable. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell.

d Financial Instruments

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

Financial assets 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 statement of 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 i.e. the date that the Company commits to purchase or sell the assets. Regular way purchases or sales are purchases and sales of financial assets that require delivery of assets

Consolidated Notes to financial statements for the year ended 31st March, 2018

within a timeframe established by regulation or convention in the market place.

Subsequent measurement

All recognised 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 at amortised cost

Financial assets that meet the following conditions are subsequently measured at amortised cost using effective interest method (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 asset 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 v(ii).

The effective interest method is a method of calculating the amortised cost of 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 fair value through other comprehensive income (FVTOCI)

Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value. The fair value movement or remeasurement are recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the asset that give rise on specified dates to cash flows that represent solely payment of principal and interest.

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

Financial assets that do not meet the amortised cost criteria or 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 Group 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 or when it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received / 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.

f Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group 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 Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

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

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

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognisition as at FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term.

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 'm'.

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 in profit or loss.

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 costs 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. Similarly, interest bearing loans and borrowings are subsequently measured at amortised cost using effective interest rate method. Trade credits include Buyer's credit.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange 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 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivatives financial instruments are disclosed in note 43.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their

Consolidated Notes to financial statements for the year ended 31st March, 2018

fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss.

h Inventories

Inventories are stated at the lower of cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Cost is determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of power generation and costs necessary to make the sale.

i Cash and cash equivalents

The Group considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of 3 months or less from the date of purchase to be cash equivalents. Cash and cash equivalents consist of bank balances which are unrestricted for withdrawal and usage.

j Business combinations

Acquisitions of business are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquire and the equity interest issued by the Group in exchange of control of the acquire. Acquisition related costs are recognised in profit and loss as incurred.

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities / business are reflected at their carrying value.

Purchase consideration paid in excess/shortfall of the fair value of identifiable assets and liabilities including contingent liabilities and contingent assets, is recognised as goodwill/capital reserve respectively, except in case where different accounting treatment is specified in the court approved scheme.

Deferred tax assets and liabilities and assets or liabilities related to employee benefits arrangements are recognized and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Consolidated Notes to financial statements for the year ended 31st March, 2018

k Operating cycle

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

l Foreign currency translations

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

The Group has elected to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items outstanding and recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. 31st March, 2016 as per the previous GAAP.

m Fair value measurement

The Group measures financial instruments, such as, derivative at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability 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 for the asset or liability

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

The Group 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

External valuers are involved for valuation of significant assets, such as unquoted financial assets and financial liabilities and derivatives.

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 Group's accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on

Consolidated Notes to financial statements for the year ended 31st March, 2018

the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

n Government grants

The Group recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Where Government grants relates to non-monetary assets, the cost of assets are presented at gross value and grant thereon is recognised as income in the statement of profit and loss over the useful life of the related assets in proportion in which depreciation is charged.

Grants related to income are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

o Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured regardless of when the payment is made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Revenue from Power Supply

Revenue from Power Supply is recognised on the basis of sales to State Distribution Companies and also on the basis of orders of the competent authorities in terms of the Power Purchase Agreements (PPA) or on the basis of sales under merchant trading based on the contracted rates, as the case may be. Such Revenue is measured at the value of the consideration received or receivable, net of trade / cash discounts if any.

In case of Udupi Power Corporation Limited ("UPCL"), revenue from sale of power is recognised based on the most recent tariff approved by the CERC, as modified by the orders of Appellate Tribunal for Electricity, to the extent applicable, having regard to mechanism provided in applicable tariff regulations and the bilateral arrangements with the customers.

ii) Sale of other goods

Revenue from the sale of other goods is recognised as per the contracted price when the significant risks and rewards have been transferred to the buyer. Such revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group.

iii) Interest income is recognised on time proportion basis at the effective interest rate ("EIR") applicable.

iv) Dividend income from investments is recognised when the Company's right to receive payment is established which is generally when shareholder approve the dividend, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

v) Delayed payment charges and interest on delayed payment for power supply are recognised on reasonable certainty to expect ultimate collection.

p Borrowing costs

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

q Employee benefits

i) Defined benefit plans:

The Group has obligations towards gratuity, a defined benefit retirement plan covering eligible employees which in some cases is funded through Group Gratuity Scheme of Life Insurance Corporation of India. The Group accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Remeasurement, comprising of actuarial gains and losses, the effect of changes to the asset ceiling (excluding amounts included in net interest or the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with corresponding debit or credit to retained earnings through OCI in the period in which it occurs. Remeasurement are not classified to profit and loss in subsequent periods. Past service cost is recognised in profit and loss in the period of a plan amendment.

ii) Defined contribution plan:

Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the statement of profit and loss for the period in which the contributions to the respective funds accrue as per relevant statues.

iii) Compensated Absences:

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

iv) Short term employee benefits:

These are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

r Leases

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Consolidated Notes to financial statements for the year ended 31st March, 2018

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the period in which they are incurred.

Rentals expense from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

s Taxes on Income

Tax on Income comprises current tax and deferred tax. These are 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 substantially 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. Deferred tax liabilities are generally recognised for all taxable temporary differences except when the deferred tax liability arises at the time of transaction that affects neither the accounting profit or loss nor taxable profit or loss. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carry forward of unused tax credit and unused tax losses can be utilised, except when the deferred tax asset relating to temporary differences arising at the time of transaction that affects neither the accounting profit or loss nor the taxable profit or loss. 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 and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

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 substantially enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

t 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 year. 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 shares plus dilutive potential equity shares.

u Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group 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 recognised 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 Group 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 may arise from litigation, taxation and other claims against the Group. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote such contingent liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the Group does not expect them to have a materially adverse impact on the Group's financial position. (Refer note 38)

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

v Impairment

i) Impairment of tangible and intangible assets

At the end of each reporting period, the Group 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 Group 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.

The Group bases its impairment calculation on detailed budget and forecast calculations, which are prepared separately for each of the Company's cash-generating unit's to which the individual assets are allocated. These budget and forecast calculations generally covers a period. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budget / forecasts, the Group estimates cash flow projections based on estimated growth rate.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of

Consolidated Notes to financial statements for the year ended 31st March, 2018

the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of 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) Impairment of Financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instruments has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

3 Significant accounting judgements, estimates and assumptions

The preparation of the Group'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. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognised in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Uncertainties about these assumptions and estimates may differ from these estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key Sources of estimation uncertainty :

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 Group. Such changes are reflected in the assumptions when they occur.

i) Useful lives of property, plant and equipment

In case of the power plant assets, in whose case the life of the assets has been estimated at 25 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 some components identified during the year, depreciation on the same is provided based on the useful life of each such component based on

Consolidated Notes to financial statements for the year ended 31st March, 2018

technical assessment, if materially different from that of the main asset.

ii) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group 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 45.

iii) 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. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in Note 49.

iv) Impairment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management. (Refer note 41)

v) 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, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961. Deferred tax assets is recognised to the extent of the corresponding deferred tax liability. (Refer note 22.1)

vi) Revenue

Revenue from operations on account of force majeure / change in law events in terms of Power Purchase Agreements with various State Power Distribution Utilities in some cases is accounted for by the Group based on best estimates including orders / reports of Regulatory Authorities, which may be subject to adjustments on receipt of final orders of the respective Regulatory Authorities.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

4.1 Property, Plant and Equipment and Capital Work-In-Progress

Description of Assets	Tangible Assets										Capital Work-In-Progress
	Land - Leasehold	Land - Freehold	Buildings	Plant and Equipment (Refer note (ii) below)	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	Total	
I. Cost											
Balance as at 1st April, 2016	**127.39**	**87.53**	**1,346.38**	**58,177.36**	**21.51**	**255.07**	**18.07**	**40.02**	**10.03**	**60,083.36**	**87.92**
Additions	11.62	1.55	63.11	176.48	1.97	0.13	5.39	4.85	3.62	268.72	292.09
Effect of foreign currency exchange differences	-	-	-	(125.13)	-	-	-	-	-	(125.13)	-
Disposals / transfers	-	-	-	17.82	0.11	-	0.09	0.18	0.36	18.56	(255.40)
Others	-	-	-	(9.26)	-	(0.31)	-	-	-	(9.57)	-
Balance as at 31st March, 2017	**139.01**	**89.08**	**1,409.49**	**58,201.63**	**23.37**	**254.89**	**23.37**	**44.69**	**13.29**	**60,198.82**	**124.61**
Additions	46.23	0.66	66.94	350.72	0.88	-	4.06	0.58	0.49	470.56	224.04
Effect of foreign currency exchange differences	-	-	-	23.15	-	-	-	-	-	23.15	-
Disposals / transfers	-	-	0.12	60.64	-	-	0.10	0.07	0.32	61.25	228.79
Balance as at 31st March, 2018	**185.24**	**89.74**	**1,476.31**	**58,514.86**	**24.25**	**254.89**	**27.33**	**45.20**	**13.46**	**60,631.28**	**119.86**
II. Accumulated depreciation and impairment											
Balance as at 1st April, 2016	**1.02**	**-**	**34.41**	**3,269.98**	**2.68**	**16.79**	**3.80**	**8.64**	**2.00**	**3,339.32**	
Depreciation expense	1.02	-	56.13	2,575.90	2.87	17.66	5.58	8.50	1.96	2,669.62	
Disposals / transfers	-	-	-	3.04	0.02	-	0.02	0.01	0.18	3.27	
Balance as at 31st March, 2017	**2.04**	**-**	**90.54**	**5,842.84**	**5.53**	**34.45**	**9.36**	**17.13**	**3.78**	**6,005.67**	
Depreciation expense	1.54	-	57.17	2,600.87	2.86	17.69	5.80	8.00	2.00	2,695.93	
Disposals / transfers	-	-	-	10.48	-	-	0.05	0.03	0.18	10.74	
Balance as at 31st March, 2018	**3.58**	**-**	**147.71**	**8,433.23**	**8.39**	**52.14**	**15.11**	**25.10**	**5.60**	**8,690.86**	

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Carrying amount of Property, Plant and Equipment Capital Work in Progress (Conti.)

Description of Assets	Tangible Assets										Capital Work-In-Progress
	Land - Leasehold	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	Total	
Carrying amount :											
As at 31st March,2017	136.97	89.08	1,318.95	52,358.79	17.84	220.44	14.01	27.56	9.51	54,193.15	124.61
As at 31st March,2018	181.66	89.74	1,328.60	50,081.63	15.86	202.75	12.22	20.10	7.86	51,940.42	119.86

i. For charge created on aforesaid assets, refer note 19.1 and 24.

ii. APMuL has availed tax and duty benefit in the nature of exemptions from Custom Duty, Excise Duty, Service Tax, VAT and CST on its project procurements with respect to its power plant located at Mundra, Gujarat. The said power plant has been transferred to APMuL pursuant to scheme of arrangement with appointed date of 31st March, 2017 (Refer note 51). The said benefits were availed by virtue of SEZ approval granted to the Company in December 2006, in terms of the provisions of the Special Economic Zones Act, 2005 (hereinafter referred to as the 'SEZ Act') and the Special Economic Zone Rules, 2006 which entitled the plant to procure goods and services without payment of taxes and duties as referred above. Addition during the year includes Government Grant of ₹ 139.50 Crores.

Adani Power Maharashtra Limited ("APML") and Adani Power Rajasthan Limited ("APRL") have availed tax and duty benefit in the nature of exemptions from Custom Duty and Excise Duty on its project procurements with respect to their power plants located at Tiroda, Maharashtra and Kawai, Rajasthan respectively. The said benefits were availed by virtue of power plants being designated as Mega Power Project in accordance with the policy guidelines issued in this regard by the Ministry of Power, Government of India which entitled the power plants to procure goods and services without payment of taxes and duties as referred above.

Since, the procurement of goods and services during the project period were done by availing the exemption from payment of aforesaid taxes and duties, the amount capitalised for the said power plants as on the put to use date, is cost of property, plant and equipment (PPE) net off tax and duty benefit availed. In compliance with Ind AS 20 – "Government Grant", the Group has grossed up the value of its PPE by the amount of tax and duty benefits availed by the Group after considering the same as government grant. The amount of said government grant (net off accumulated depreciation) as on the transition date has been added to the value of PPE with corresponding credit made to the deferred government grant. The amount of grant shall be depreciated as per useful life of PPE along with depreciation on PPE. The amount of deferred liability shall be amortised over the useful life of the PPE with credit to statement of profit and loss under the head "Other Operating Income".

The Group has recognised Government grant (net of depreciation) of ₹ 6,007.65 Crores till 31st March, 2018 (Previous year ₹ 6,174.92 Crores).

iii. Cost of Property Plant and Equipment includes carrying value recognised as deemed cost as of 1st April, 2015, measured as per previous GAAP and cost of subsequent additions.

iv. APML has obtained Land under finance lease from various authorities for a lease period of 99 years. The Company has a right to sell the land at the end of the term after taking necessary approvals from the regulatory authorities.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

APRL has obtained Land under finance lease from various authorities for long term lease period. The Company has a right to sell the land at the end of the term after taking necessary approvals from the regulatory authorities.

In November 2007, UPCL has obtained Land under finance lease from Karnataka Industrial Areas Development Board (Lessor). The amount of said land as at 31st March, 2018 is ₹ 76.64 Crores (Previous year - ₹ 76.64 Crores) which will remain leasehold for 11 years from the date of agreement. UPCL has option to purchase the land subject to fulfilment of all the terms and conditions of allotment and payment of additional price, if any, as may be finally fixed by Lessor. Since entire amount is to be adjusted as consideration at the time of transfer, UPCL has not provided amortization on said land under finance lease. All the requirements have been satisfied with respect to the terms and conditions of allotment. Further, UPCL does not have any financial obligations under the finance lease arrangement.

During the year, UPCL has obtained 121.22 acre of land under finance lease from Karnataka Industrial Areas Development Board (Lessor) amounting to ₹ 46.23 Crores which will remain leasehold for 99 years from the date of agreement. The Company has provided amortization on said land under finance lease on a straight line basis considering 99 years period. All the requirements have been satisfied with respect to the terms and conditions of allotment. Further, the Company does not have any financial obligations under the finance lease arrangement. arrangement.

4.2 Intangible Assets

Particulars	Computer software	Total
I. Cost		
Balance as at 1st April, 2016	**9.26**	**9.26**
Additions	3.34	3.34
Disposals	-	-
Balance as at 31st March, 2017	**12.60**	**12.60**
Additions	1.75	1.75
Disposals	-	-
Balance as at 31st March, 2018	**14.35**	**14.35**
II. Accumulated amortization and impairment		
Balance as at 1st April, 2016	**2.69**	**2.69**
Amortisation expense	2.74	2.74
Disposals	-	-
Balance as at 31st March, 2017	**5.43**	**5.43**
Amortisation expense	2.81	2.81
Disposals	-	-
Balance as at 31st March, 2018	**8.24**	**8.24**

Particulars	Computer software	Total
Carrying amount :		
As at 31st March, 2017	**7.17**	**7.17**
As at 31st March, 2018	**6.11**	**6.11**

i. For charge created on aforesaid assets, refer note 19.1 and 24.

ii. Cost of intangible assets includes carrying value recognised as deemed cost as of 1st April, 2015, measured as per previous GAAP and cost of subsequent additions.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

5 Non-current Investments

	As at 31st March, 2018	As at 31st March, 2017
National savings certificate (lying with government authority)	0.01	0.01
Total	**0.01**	**0.01**

6 Non-current Loans

(Unsecured, considered good)

	As at 31st March, 2018	As at 31st March, 2017
Loan (Refer note 42)	1,389.95	1,249.50
Total	**1,389.95**	**1,249.50**

Note:

(i) The fair value of Loans is not materially different from the carrying value presented.

7 Other Non-current Financial Assets

(Unsecured, considered good)

	As at 31st March, 2018	As at 31st March, 2017
Balances held as Margin money (security against borrowings) (Refer note 19.1 and 24)	65.70	61.76
Derivatives not designated as hedges (Refer note (i) below)	33.52	19.80
Interest receivable (Refer note 42)	238.37	-
Security Deposits	15.05	7.16
Total	**352.64**	**88.72**

Notes:

i. Includes Interest Rate Swap of ₹ 33.52 Crores (Previous year - ₹ Nil) and Options of ₹ Nil (Previous year - ₹ 19.80 Crores).

ii. The fair value of Other Non-current Financial Assets is not materially different from the carrying value presented.

8 Other Non-current Assets

(Unsecured, considered good)

	As at 31st March, 2018	As at 31st March, 2017
Capital advances	686.48	562.45
Advances for business acquisitions (Refer note 42)	511.30	1,197.50
Advances for goods and services	151.79	143.73
Advance income tax (Net of provision of ₹ 13.77 Crores (Previous year- ₹ 4.55 Crores))	39.28	41.76
Balances with government authorities	15.67	14.46
Gratuity fund	13.72	1.95
Prepayments under operating lease arrangements	153.71	164.50
Total	**1,571.95**	**2,126.35**

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

9 Inventories

(At lower of weighted average cost or net realisable value)

	As at 31st March, 2018	As at 31st March, 2017
Fuel (Includes in transit ₹ 131.10 Crores (Previous year ₹ 455.04 Crores))	332.62	1,164.59
Stores & spares	536.57	595.82
Total	**869.19**	**1,760.41**

Notes:

i. For charges created on inventories, refer note 19.1 and 24.

ii. For fuel consumption, refer statement of profit and loss account and for stores spares consumption, refer Other Expense note no 34.

10 Current Investments-Unquoted Investments (Fully Paid)

	As at 31st March, 2018	As at 31st March, 2017
Investment in Mutual Funds (Refer note (i) below)		
Nil Units (Previous year - 781,936.789 Units) SBI Ultra Short Term Debt-Regular Plan-Growth	-	164.24
Nil Units (Previous year - 3,062.37 Units) Birla Sun Life Cash Plus-Direct-Growth	-	0.08
Total	**-**	**164.32**

Note:

i. Lien on mutual funds against the margin on bank guarantees ₹ Nil (Previous year ₹ 164.32 Crores).

11 Trade Receivables

	As at 31st March, 2018	As at 31st March, 2017
Unsecured, considered good	6,069.81	7,704.34
Total	**6,069.81**	**7,704.34**

Notes :

i) For charges created on Trade Receivables, refer note 19.1 and 24.

ii) **Credit concentration**

As at 31st March, 2018, out of the total trade receivables, 94.85% pertains to dues from State Distribution Companies under Long Term Power Purchase Agreements ("PPAs") including receivables on account of relief under Force Majeure / Change in Law events in case of APML and APRL and pending reconciliation / confirmation in case of UPCL and remaining from others. (Also refer note 30(ii) & (iii) and 39)

iii) **Expected Credit Loss (ECL)**

The Group is having majority of receivables from State Distribution Companies which are Government undertakings and hence they are secured from credit losses in the future.

The Group is regularly receiving its normal power sale dues from its customers and in case of any disputed amount not being received, the same is recognised on conservative basis which carries interest as per the terms of PPAs. Hence they are secured from credit losses in the future.

iv) The fair value of Trade receivables is not materially different from the carrying value presented.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

12 Cash and Cash equivalents

	As at 31st March, 2018	As at 31st March, 2017
Balances with banks (Refer note (i) below)		
In current accounts	61.62	81.01
Total	**61.62**	**81.01**

Note:

i. For charges created on cash and cash equivalents, refer note 19.1 and 24.

13 Bank balances (Other than cash and cash equivalents)

	As at 31st March, 2018	As at 31st March, 2017
Balances held as Margin money (With original maturity for more than three months) (Refer note (i) below)	599.99	523.16
Fixed deposits (With original maturity for more than three months) (Refer note (i) below)	195.00	-
Total	**794.99**	**523.16**

Notes :

i. For charges created on Bank balances (Other than cash and cash equivalents), refer note 19.1 and 24.

ii. The fair value of Bank balances (Other than cash and cash equivalents) is not materially different from the carrying value presented.

14 Current Loans

(Unsecured, considered good)

	As at 31st March, 2018	As at 31st March, 2017
Loans to employees	3.66	2.00
Total	**3.66**	**2.00**

Note:

i. The fair value of Loans is not materially different from the carrying value presented.

15 Other Current Financial Assets

(Unsecured, considered good)

	As at 31st March, 2018	As at 31st March, 2017
Interest receivable	33.93	109.20
Unbilled revenue (Refer note 30(ii) and (iii))	4,795.43	2,268.37
Security deposits	24.53	26.61
Derivatives not designated as hedges (Refer note (ii) below)	61.77	-
Forward cover receivable	1.66	-
Other receivables (Refer note 42)	274.41	23.39
Total	**5,191.73**	**2,427.57**

Notes :

i. The fair value of Other Current Financial Assets is not materially different from the carrying value presented except for derivatives not designated as hedges.

ii. Includes Options of ₹ 54.74 Crores (Previous year- ₹ Nil) and Forwards of ₹ 7.03 Crores (Previous year- ₹ Nil).

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

16 Other Current Assets

(Unsecured, considered good)

	As at 31st March, 2018	As at 31st March, 2017
Advances for goods and services	687.44	710.20
Balances with Government authorities	212.89	98.77
Prepayments under operating lease arrangements	10.79	10.79
Prepaid expenses	48.30	45.92
Advance to Employees	1.31	2.44
Total	**960.73**	**868.12**

17 Equity Share Capital

	As at 31st March, 2018	As at 31st March, 2017
Authorised Share Capital		
4,500,000,000 (Previous year - 4,500,000,000) equity shares of ₹ 10 each	4,500.00	4,500.00
500,000,000 (Previous year - 500,000,000) Cumulative Compulsorily Convertible Participatory Preference shares of ₹ 10 each	500.00	500.00
Total	**5,000.00**	**5,000.00**
Issued, Subscribed and Fully paid-up equity shares		
3,856,938,941 (Previous year - 3,856,938,941) fully paid up equity shares of ₹ 10 each	3,856.94	3,856.94
Total	**3,856.94**	**3,856.94**

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

	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
At the beginning of the year	3,856,938,941	3,856.94	3,333,938,941	3,333.94
Issued during the year :				
On conversion of share warrants	-	-	523,000,000	523.00
Outstanding at the end of the year	**3,856,938,941**	**3,856.94**	**3,856,938,941**	**3,856.94**

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 shares held by the share holders.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

c. Aggregate number of shares issued other than cash, during the period of five years immediately preceding the reporting date

	As at 31st March, 2018	As at 31st March, 2017
Company has issued and allotted fully paid up equity shares of ₹ 10 Each, to the equity shareholders of Adani Enterprises Limited ("AEL") pursuant to merger of Solar Power Undertaking of AEL into the Company during F.Y. 2015-16	63,916,831	63,916,831

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

	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Mr. Gautam S. Adani / Mr. Rajesh S. Adani (On behalf of S.B. Adani Family Trust)	1,405,179,633	36.43%	1,405,179,633	36.43%
Parsa Kente Rail Infra LLP	377,180,885	9.78%	377,180,885	9.78%
OPAL Investment Private Limited	213,236,910	5.53%	213,236,910	5.53%
Worldwide Emerging Market Holding Limited	192,846,900	5.00%	265,485,675	6.88%
Afro Asia Trade And Investments Limited	265,485,675	6.88%	265,485,675	6.88%
Universal Trade And Investments Limited	291,124,451	7.54%	218,485,676	5.66%
	2,745,054,454	**71.16%**	**2,745,054,454**	**71.16%**

e. During the previous year, the Company had issued and allotted 52.30 Crores warrants at a price of ₹ 32.54 per warrant to promoter group entities on preferential basis under section 42 of the Companies Act, 2013 and other relevant SEBI Regulations which had been converted into equivalent number of equity shares of ₹ 10 each at a premium of ₹ 22.54 per share. The proceeds received from above had been utilised for repayment of trade payables, loans and other general corporate purposes.

18 Other Equity

	As at 31st March, 2018	As at 31st March, 2017
Capital Reserve (Refer note (i) below)	359.80	359.80
Securities Premium Account (Refer note (ii) below)	7,409.83	7,409.83
General Reserve (Refer note (iii) below)	9.04	9.04
Retained earnings (Refer note (iv) below)	(10,751.07)	(8,636.05)
Share warrants (Refer note 17(e))	-	-
Total	**(2,972.40)**	**(857.38)**

a. Capital Reserve **(Refer note (i) below)**

	As at 31st March, 2018	As at 31st March, 2017
Closing Balance	**359.80**	**359.80**

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

b. Securities Premium Account (Refer note (ii) below)

	As at 31st March, 2018	As at 31st March, 2017
Opening Balance	7,409.83	6,231.00
Add: Addition on account of issue of shares during the year (Refer note 17(e))	-	1,178.83
Closing Balance	**7,409.83**	**7,409.83**

c. General Reserve (Refer note (iii) below)

	As at 31st March, 2018	As at 31st March, 2017
Closing Balance	**9.04**	**9.04**

d. Retained earnings (Refer note (iv) below)

	As at 31st March, 2018	As at 31st March, 2017
Opening Balance	(8,636.05)	(2,465.92)
Add : (Loss) for the year	(2,119.36)	(6,174.10)
Add : Other Comprehensive Income for the year	4.34	3.97
Closing Balance	**(10,751.07)**	**(8,636.05)**

e. Share warrants (Refer note 17(e))

	As at 31st March, 2018	As at 31st March, 2017
Opening Balance	-	-
Add: Addition on account of issue of warrants during the year	-	1,701.83
Less : Conversion of share warrants into equity shares during the year	-	(1,701.83)
Closing Balance	**-**	**-**
Total	**(2,972.40)**	**(857.38)**

Notes :

i) Capital Reserve of ₹ 359.80 Crores was created due to amalgamation of Growmore Trade and Investment Private Limited with the Company in the financial year 2012-13 as per Sections 391 to 394 of the Companies Act, 1956. As per the order of the Hon'ble High Court of Gujarat, the capital reserve created on amalgamation shall be treated as free reserve of the Company.

ii) Securities premium reserve represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

iii) General reserve of ₹ 9.04 Crores was created in the FY 2015-16 due to merger of solar power undertaking acquired from Adani Enterprises Limited. As per the scheme of arrangement approved by order of the Hon'ble High Court of Gujarat, the difference between the value of assets acquired and the value of liabilities of the solar power undertaking transferred by Adani Enterprises Limited, has been treated as General Reserve of the Company.

iv) Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013. No dividends are distributed given the accumulated losses incurred by the Company.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

19 Non-current Borrowings

	As at 31st March, 2018		As at 31st March, 2017	
	Non-current	Current	Non-current	Current
Secured borrowings - at amortised cost				
Term Loans				
From Banks (Refer note 1 below)	24,783.52	2,596.33	27,110.62	2,373.07
From Financial Institutions (Refer note 1 below)	5,063.73	318.12	5,355.51	265.97
	29,847.25	**2,914.45**	**32,466.13**	**2,639.04**
Unsecured borrowings - at amortised cost				
9.00% Non Convertible Debentures	-	-	300.00	-
9.07% Non Convertible Debentures	-	-	275.00	-
10.50% Non Convertible Debentures	729.42	800.00	1,529.00	-
10.70% Non-Convertible Debentures	406.52	-	449.33	-
10.30% Non-Convertible Debentures	599.38	-	749.19	-
10.48% Non Convertible Debentures	748.92	-	748.23	-
9.25% Non Convertible Debentures	485.15	-	-	-
9.40% Non Convertible Debentures	150.00	-	-	-
Term Loans				
From Banks	-	-	133.73	53.43
From Financial Institutions	125.50	0.17	-	547.23
From Others	1,467.71	-	-	-
Deferred Payment Liabilities				
From Related Party (Refer note 53)	-	-	-	14.06
	4,712.60	**800.17**	**4,184.48**	**614.72**
Amount disclosed under head other current financial liabilities (Refer note 26)	-	(3,714.62)	-	(3,253.76)
Total	**34,559.85**	**-**	**36,650.61**	**-**

Notes:

1 **The security details for the balances as at 31st March, 2018 :**

a. Rupee Term Loans from Banks aggregating to ₹ 22,892.17 Crores (Previous year ₹ 23,964.26 Crores), Rupee Term Loans from Financial Institutions aggregating to ₹ 3,684.32 Crores (Previous year ₹ 3,863.60 Crores), Foreign Currency Loans from Banks aggregating to ₹ 4,717.32 Crores (Previous year ₹ 5,789.62 Crores) and Foreign Currency Loans from Financial Institutions aggregating to ₹ 1676.95 Crores (Previous year ₹ 1,732.70 Crores) are secured / to be secured by first charge on all present and future immovable, movable assets and leasehold land (Refer note 8 and 16) of the respective entities on paripassu basis. (Also refer note 4.1 and 4.2).

b. Borrowings of ₹ 32.85 Crores (Previous year ₹ 38.57 Crores) from Power Finance Corporation is secured by deposits with banks of ₹ 41.98 Crores (Previous year ₹ 41.98 Crores).

c. For Adani Power (Mundra) Limited ("APMuL"), Rupee Term Loans from Banks, Financial Institutions and Trade credits aggregating to ₹ 9,092.75 Crores (Previous year ₹ 9,762.18 Crores) are further secured / to be secured by pledge of 794,749,709 Equity Shares held by S.B. Adani Family Trust (Previous year 794,749,709 Equity Shares held by S.B. Adani Family Trust) as first charge. Further, Adani Power Limited ("APL") is in the process to pledge 10,60,00,000 equity shares of APMuL held by APL.

d. For Adani Power Maharashtra Limited ("APML"), Rupee Term Loan from Banks and Financial Institutions, Foreign Currency Loans and Trade Credit aggregating to ₹ 11,295.22 Crores (Previous year ₹ 12,744.97 Crores) are further secured by pledge of 1,655,744,119 Equity shares (Previous year 1,655,744,119 Shares) held by the Parent Company, Adani Power Limited as first charge.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

e. For Adani Power Rajasthan Limited ("APRL"), the said secured facility is also secured by pledge of 51% shares, 612,000,000 shares (Previous year 51% shares, 612,000,000 shares), held by Adani Power Limited, the Parent Company, on paripassu basis.

f. For Udupi Power Corporation Limited ("UPCL"), Borrowings from Banks and Financial institutions, except a loan from Power Finance Corporation, are secured / to be secured by first mortgage and charge on all immovable and movable assets, both present and future, of Company's 1200 MW power project at Yelluru Village, Udupi (Karnataka) on paripassu basis (Also refer note 4.1 and 4.2). These borrowings are further secured by pledge of 51% Equity shares held by the Parent Company, Adani Power Limited as first charge.

2. **Repayment schedule for the balances as at 31st March, 2018 :**

a. The secured term loans from Banks aggregating to ₹ 9,040.59 Crores (Previous year ₹ 10,282.97 Crores) and from Financial Institutions aggregating to ₹ 1,676.95 Crores (Previous year ₹ 1,732.70 Crores) are repayable over a period of next 10 years from FY 2018-19 to FY 2027-28.

b. The secured term loans from Banks aggregating to ₹ 18,568.90 Crores (Previous year ₹ 19,470.90 Crores) and from Financial Institutions aggregating to ₹ 3,717.17 Crores (Previous year ₹ 3,902.17 Crores) respectively are repayable over a period of next 16 years from FY 2018-19 to FY 2033-34.

c. Unsecured term loans from Banks and Financial Institutions of ₹ 75.00 Crores (Previous year ₹ 690.91 Crores) are repayable over a period of next 17 months FY 2018-19 to FY 2019-20.

d. Unsecured loans from others of ₹ 1,467.21 Crores (Previous year ₹ 49.70 Crores) are repayable on mutually agreed dates after a period of 36 months from the balance sheet date.

e. 9.00% Non Convertible debentures of ₹ NIL (Previous year ₹ 300 Crores) is repaid during the year.

f. 9.07% Non Convertible debentures of ₹ NIL (Previous year ₹ 275 Crores) is repaid during the year.

g. 10.30% Non Convertible debentures of ₹ 600 Crores (Previous year ₹ 750 Crores) are redeemable on due date after 13 months in FY 2019-20.

h. 10.50% Non Convertible debentures of ₹ 1,200 Crores (Previous year ₹ 1,200 Crores). ₹ 400 Crores are redeemable on due date after 7 months, ₹ 400 Crores are redeemable on due date after 10 months and ₹ 400 Crores are redeemable on due date after 13 months in FY 2018-19 to FY 2019-20.

i. 10.50% Non Convertible debentures of ₹ 330 Crores (Previous year ₹ 330 Crores) are redeemable on due date after 21 months in FY 2019-20.

j. 10.70% Non Convertible debentures of ₹ 408 Crores (Previous year ₹ 451 Crores) are redeemable on due date after 13 months in FY 2019-20.

k. Out of 10.48% Non Convertible debentures of ₹ 750 Crores (Previous year ₹ 750 Crores), ₹ 350 Crores are redeemable on due date after 13 months and ₹ 400 Crores are redeemable on due date after 25 months in FY 2019-20 and FY 2020-21 respectively.

l. 9.25% Non Convertible debentures of ₹ 490 Crores (Previous year ₹ Nil) are redeemable on due date after 13 months in FY 2019-20.

m. 9.40% Non Convertible debentures of ₹ 150 Crores (Previous year ₹ Nil) are redeemable on due date after 33 months in FY 2020-21

n. Unsecured term loan from others of ₹ 0.67 Crores (Previous year ₹ Nil) is repayable over a period of 29 Months from FY 2018-19 to FY 2020-21.

3. The amount disclosed in security details in note 1 above and repayment schedule in note 2 above are gross amount excluding adjustments towards upfront fees.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

20 Other Non-current Financial Liabilities

	As at 31st March, 2018	As at 31st March, 2017
Retention money payables	51.04	51.04
Derivatives not designated as hedges (Refer note (ii) below)	31.08	16.03
Total	**82.12**	**67.07**

Notes :

i. The fair value of Other Non-current Financial Liabilities is not materially different from the carrying value presented except for Derivatives not designated as hedges

ii. Includes Options of ₹ 11.97 Crores (Previous year ₹ 13.67 Crores) and Call spread of ₹ 19.11 Crores (Previous year ₹ 2.36 Crores).

21 Non-current Provisions

	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits (Refer note 48)		
Provision for Gratuity	27.74	15.01
Provision for Leave Encashment	18.33	17.37
Total	**46.07**	**32.38**

22 Deferred Tax Liabilities (Net)

(a) Deferred Tax Liabilities (Net)

		As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Liabilities			
Property, Plant and Equipment		5,882.11	7,788.99
Gross Deferred Tax Liabilities	**Total (A)**	**5,882.11**	**7,788.99**
Deferred tax assets			
Provision for employee benefits		19.55	14.48
Others		-	14.77
On unabsorbed depreciation		5,649.73	7,534.89
Gross Deferred Tax Assets	**Total (B)**	**5,669.28**	**7,564.14**
Net Deferred Tax Liabilities	**Total (A-B)**	**212.83**	**224.85**

The Company has recognised Deferred Tax Assets on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

22 Deferred Tax Liabilities (Net) (Contd..)

(b) Movement in Deferred Tax Liabilities (Net) for the year ended 31st March, 2018.

	Opening Balance as at 1st April, 2017	Recognised in profit and Loss	Recognised in other comprehensive income	Closing balance as at 31st March, 2018
Tax effect of items constituting Deferred Tax Liabilities :				
Property, Plant and Equipment	7,788.99	(1,906.88)	-	5,882.11
	7,788.99	**(1,906.88)**	**-**	**5,882.11**
Tax effect of items constituting Deferred Tax Assets :				
Employee Benefits	14.48	5.07	-	19.55
Other Items	14.77	(14.77)	-	-
Unabsorbed depreciation	7,534.89	(1,885.16)	-	5,649.73
	7,564.14	**(1,894.86)**	**-**	**5,669.28**
Deferred Tax Liabilities (Net)	**224.85**	**(12.02)**	**-**	**212.83**

(c) Movement in Deferred Tax Liabilities (Net) for the year ended 31st March, 2017.

	Opening Balance as at 1st April, 2016	Recognised in profit and Loss	Recognised in other comprehensive income	Closing balance as at 31st March, 2017
Tax effect of items constituting Deferred Tax Liabilities :				
Property, Plant and Equipment	7,208.01	580.98		7,788.99
	7,208.01	**580.98**	**-**	**7,788.99**
Tax effect of items constituting Deferred Tax Assets :				
Employee Benefits	-	14.48	-	14.48
Other Items	26.09	(11.32)	-	14.77
Unabsorbed depreciation	6,858.50	676.39	-	7,534.89
	6,884.59	**679.55**	**-**	**7,564.14**
Deferred Tax Liabilities (Net)	**323.42**	**(98.57)**	**-**	**224.85**

22.1 Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no Deferred Tax Assets have been recognised are attributable to the following :

	As at 31st March, 2018	As at 31st March, 2017
Unused tax losses (revenue in nature) and unabsorbed depreciation*	16,969.54	8,694.28
Total	**16,969.54**	**8,694.28**

*Out of above unrecognised tax losses of ₹ 6,852.85 Crores will expire from AY 2021-22 to AY 2026-27 and MAT credit of one of its subsidiary of ₹ 47.58 Crores will expire from AY 2028-29 to AY 2033-34

No Deferred Tax Asset has been recognised on the above unutilised tax losses and tax credits as there is no evidence that sufficient taxable profit will be available in the future against which they can be utilised by the Group.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

23 Other Non-current Liabilities

	As at 31st March, 2018	As at 31st March, 2017
Deferred Government Grant (Refer note 4.1 (ii))	5,700.06	5,875.08
Total	**5,700.06**	**5,875.08**

24 Current Borrowings

	As at 31st March, 2018	As at 31st March, 2017
Secured Borrowings - at amortised cost		
Term Loan		
From Financial institutions	-	250.00
Trade Credits		
From Banks	3,542.99	3,919.09
Cash Credit From Banks	2,835.55	2,941.34
	6,378.54	**7,110.43**
Unsecured Borrowings - at amortised cost		
8.50% Non Convertible Debentures	-	270.00
Loans From Financial Institutions	272.43	632.50
Loans From Related Parties (Refer note 53)	6,741.82	2,829.64
Loans From Others	1,167.55	1,737.43
	8,181.80	**5,469.57**
Total	**14,560.34**	**12,580.00**

Notes:

i. Trade Credit for working capital from banks of ₹ 3,542.99 Crores (Previous year - ₹ 3,919.09 Crores) are secured / to be secured by first mortgage and charge on respective immovable and movable assets of the respective entities.

ii. Loans from Financial Institutions aggregating to ₹ Nil (Previous year - ₹ 250.00 Crores) are secured / to be secured by second charge on all immovable and movable assets of the Company on paripassu basis & First Charge by way of pledge of 49% paid up equity shares of Udupi Power Corporation Limited, Adani Power Rajasthan Limited and Adani Power Maharashtra Limited.

iii. Cash Credit from banks ₹ 2,835.55 Crores (Previous year - ₹ 2,941.34 Crores) are secured / to be secured by first mortgage and charge on respective immovable and movable assets of the respective entities.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

25 Trade Payables

	As at 31st March, 2018	As at 31st March, 2017
Acceptances	1,914.29	3,061.99
Other than acceptances	5,712.08	4,337.76
Total	**7,626.37**	**7,399.75**

Notes:

i) There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (including interest on outstanding dues) which are outstanding as at the Balance Sheet date. The above information 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.

ii) Trade payables mainly include amount payable to coal suppliers and operation and maintenance vendors in whose case credit period allowed is less than 12 months. Company usually opens usance letter of credit in favour of the coal suppliers. Interest is charged by such suppliers for amount unpaid beyond the credit period. Since the average credit period is less than 12 months, the trade payable amount has been classified as current.

iii) The fair value of trade payables is not materially different from the carrying value presented.

26 Other Current Financial Liabilities

	As at 31st March, 2018	As at 31st March, 2017
Current maturities of Non-current borrowings (Refer note 19)	3,714.62	3,253.76
Interest accrued	1,091.19	542.77
Payable on purchase of Property , Plant and Equipment (including retention money)	223.30	333.88
Book Overdraft	207.76	-
Derivatives not designated as hedges (Refer note (i) below)	20.61	420.29
Derivative Payables	20.13	4.43
Total	**5,277.61**	**4,555.13**

Notes :

i. Includes Options of ₹ 10.24 Crores (Previous year ₹ 227.00 Crores) and Forwards of ₹ 10.37 Crores (Previous year ₹ 193.29 Crores).

ii. The fair value of Other Current Financial Liabilities is not materially different from the carrying value presented except for Derivatives not designated as hedges.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

27 Other Current Liabilities

	As at 31st March, 2018	As at 31st March, 2017
Statutory liabilities	123.44	94.37
Advance from Customers	130.26	709.27
Deferred Government Grant (Refer note 4.1 (ii))	307.59	299.84
Others*	2.38	4.62
Total	**563.67**	**1,108.10**

(* Includes security deposits)

28 Current Provisions

	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee benefits (Refer note 48)		
Provision for Gratuity	2.66	1.14
Provision for Leave Encashment	7.16	8.57
Total	**9.82**	**9.71**

29 Current tax Liabilities (Net)

	As at 31st March, 2018	As at 31st March, 2017
Income-tax payable (Net of advance tax ₹ 6.91 Crores (Previous year ₹ 4.01 Crores))	-	8.81
Total	**-**	**8.81**

30 Revenue from Operations

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue from Power Supply (Refer note (i), (ii), (iii) below and 35(i),(iii))	20,208.31	22,252.93
Revenue from Coal Sale	63.51	18.49
Other Operating Revenue		
Sale of Fly Ash and Others	32.46	44.25
Government Grant Income (Refer note 4.1(ii))	306.76	299.84
Total	**20,611.04**	**22,615.51**

Notes:

(i) Pursuant to the order of the Hon'ble Supreme Court dated 11th April, 2017, the Central Electricity Regulatory Commission ("CERC") was directed to determine the relief under clause 13 of Power Purchase Agreement ("PPA"). Based on the petition filed by Adani Power Limited ("APL") pertaining to 4,620 MW Thermal Power Plant, at Mundra which was transferred to Adani Power (Mundra) Limited ("APMuL") by virtue of NCLT order as referred in note 50 below, the CERC vide its interim order dated 28th September, 2017, directed that pending the issue of final order, Haryana Utilities shall pay 75% of the relief claimed by APMuL, subject to adjustment based on final order. Based on the above order, APMuL has recognised ₹ 683.35 Crores (Including ₹ 639.67 Crores for the period up to 31st March, 2017) on account of Change in Law during the year ended 31st March, 2018.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Further, revenue from operation includes income of ₹ 615.43 Crores for the period up to 31st March 2017, (Excluding ₹ 639.67 Crores disclosed above) which has been recognized by APMuL based on various disputed Change in Laws claims approved during the year by various regulatory authorities such as CERC / APTEL.

(ii) Adani Power Maharashtra Limited ("APML") has under a long term Power Purchase Agreement ("the PPA") with Maharashtra State Electricity Distribution Company Limited ("MSEDCL"), committed 1,320 MW capacity from Phase I & II of the Power Plants of APML at Tiroda, Maharashtra for 25 years, with one of the sources of coal from Lohara Coal Block. Terms of Reference ("TOR") for Lohara Coal Block were withdrawn on 25th November, 2009 by the Ministry of Environment and Forest ("MOEF"). Subsequently, the MOEF in January 2010 confirmed that Lohara Block will not be considered for environment clearance. Thereafter, APML sent a notice for termination of the PPA to MSEDCL on 16th February, 2011 and also requested MSEDCL on 11th April, 2012 to return the performance guarantee submitted at the time of bidding.

Revenue from Power Supply includes relief on account of Change in Law / Force Majeure of ₹ (23.83) Crores for the year ended 31st March, 2018 (₹ 110.30 Crores for the year ended 31st March, 2017) and ₹ 1,258.54 Crores recorded upto 31st March, 2018 recognised based on the order dated 5th May, 2014 of Maharashtra Electricity Regulatory Commission ("MERC") to compensate APML for losses suffered due to non-allotment of Lohara coal block / non-availability of coal linkages.

In response to appeals filed by Maharashtra State Electricity Distribution Company Limited ("MSEDCL") against the aforesaid order, Appellate Tribunal for Electricity ("APTEL") vide its order dated 11th May, 2016 had set aside the MERC order except to the extent that whether the inaccessibility and subsequent de-allocation of the Lohara coal block constitute a Force Majeure event or not will be decided by the regular bench of APTEL, which is pending before the bench as at date.

Further to above, MERC in its order dated 19th April, 2018 has allowed APML compensation for Change in Law events under clause 13 of the PPA in lieu of the Lohara Coal Block. Based on this order, APML has recognised the claim in the books as per methodology given in the order, as against relief accounted for as Change in Law based on earlier order of MERC dated 5th May, 2014.

As per the assessment by the Management, it would not be unreasonable to expect ultimate collection of an equivalent amount of relief as referred above which is predicated on the legal advice that APML has a good arguable case on merits.

(iii) Adani Power Rajasthan Limited ("APRL"), under long term Power Purchase Agreements ("the PPAs"), has committed 1200 MW capacity with Rajasthan Discoms with a substantially fixed tariff for twenty five years.

APRL had made an application to the Rajasthan Electricity Regulatory Commission ("RERC") for evolving a mechanism for regulating and revising the power tariff on account of frustration and/or occurrence of "Force Majeure" and/or "Change in Law" events under the PPAs with Rajasthan Discoms , due to change in circumstances for the allotment of domestic coal by the Government of India and the enactment of new coal pricing regulations by Indonesian Government.

RERC vide its order dated 30th May 2014 rejected the consideration of "Force Majeure" and "Change in Law" events under the PPAs and constituted a committee to recommend Compensatory Tariff ("CT") in line with the CERC order dated 21st February, 2014 in a similar matter of Adani Power (Mundra) Limited ("APMuL").

In case of APMuL, APTEL vide its order dated 7th April, 2016 set aside the CERC order dated 21 February, 2014, where it decided that the promulgation of Indonesian regulations as also the non-availability / short supply of domestic coal constitute a Force Majeure event as per the terms and conditions of the PPAs. APTEL has directed the CERC to assess the extent of impact of Force Majeure event on the project and give such relief as may be available under the respective PPAs.

In response to appeals filed by the Rajasthan Discoms against RERC order dated 30th May, 2014, APTEL vide its order dated 11th May, 2016 had set aside the order of RERC, except to the extent that whether the non-availability / short supply of domestic coal as also the change in Indonesian coal regulations constitute a Force Majeure event or not, and remanded the matter to RERC. In light of the Hon'ble Supreme Court order dated 11th April, 2017 in the case of APMuL, that the

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

change in New Coal Distribution policy ("NCDP") and Tariff Policy constitute Change in Law event, APRL has filed an affidavit with RERC to grant relief due to non-availability/shortage of domestic coal, as a Change in Law event

Revenue from Power Supply includes relief / compensation of ₹ 565.42 Crores for the year ended 31st March, 2018 (₹ 726.48 Crores for the year ended 31st March, 2017) and ₹ 2,546.33 Crores recorded upto 31st March, 2018 recognised by APRL based on an order by RERC dated 30th May, 2014.

As per the assessment by the Management, it would not be unreasonable to expect ultimate collection of an equivalent amount of relief as referred above, which is predicated based on the principles set forth by the Hon'ble Supreme Court and CERC and MERC orders in the similar matters in the case of APMuL and APML.

(iv) MERC vide its order dated 7th March, 2018, has given a favourable order for 2500 MW against APML's petition for change in law claims on account of shortage of coal supply under the new NCDP policy for the capacity tied up under PPAs for the generation capacity of 1180 MW having FSA (Unit 1 and 2) and for capacity tied up under PPA for 1320 MW (Unit 4 and 5) having MOU. Claim against the said order, is accounted for by APML based on the Management's best estimates.

(v) Revenue from Operations on account of Force Majeure / Change in Law events in terms of Power Purchase Agreements with various State Power Distribution Utilities is accounted for by the Group based on best management estimates including orders / reports of Regulatory Authorities in some cases, which may be subject to adjustments on account of final orders of the respective Regulatory Authorities.

31 Other Income

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest income (Refer note (i) below)	393.56	235.48
Income from Mutual Funds	7.28	2.19
Sale of Scrap	13.97	13.14
Foreign Exchange Fluctuation Gain (Net)	-	56.52
Profit on Sale of Investment	29.18	-
Miscellaneous Income (Refer note (ii) below)	38.40	111.63
Total	**482.39**	**418.96**

Notes :

i) Interest income comprises of :

a) Interest income of ₹ 392.75 Crores (Previous year ₹ 233.85 Crores) on financial assets carried at amortised cost, which includes interest on fixed deposits with banks ₹ 54.35 Crores (Previous Year ₹ 36.66 Crores) and interest on others ₹ 338.40 Crores (Previous Year ₹ 197.19 Crores); and

b) Interest income of ₹ 0.81 Crores (Previous Year ₹ 1.63 Crores) on tax refunds.

ii) Miscellaneous income includes ₹ 1.45 Crores (Previous Year ₹ 76.23 Crores) towards provision no longer required written back.

32 Employee Benefits Expense

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, Wages and Allowances	329.14	327.61
Contribution to Provident and Other Funds (Refer note 48)	10.45	17.33
Staff Welfare Expenses	14.15	15.95
Total	**353.74**	**360.89**

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

33 Finance costs

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) Interest Expenses on :		
Loans and Debentures	4,736.48	4,728.51
Trade Credits and Others	535.74	516.60
	5,272.22	**5,245.11**
(b) Other borrowing costs :		
Loss on Derivative Contracts	111.67	501.40
Bank Charges and Other Borrowing Costs	132.19	155.22
	243.86	**656.62**
(c) Net loss on foreign currency transactions and translation (to the extent considered as finance cost)	54.15	-
	54.15	**-**
Total	**5,570.23**	**5,901.73**

34 Other Expenses

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Transmission Expenses (Refer note (i) below)	736.92	553.98
Consumption of Stores and Spares	148.41	189.83
Repairs and Maintenance		
Plant and Equipment	305.06	262.59
Others	26.90	19.69
Operating Lease Rent	25.31	18.25
Rates and Taxes	8.37	67.51
Legal and Professional Expenses	122.69	139.75
Directors' Sitting Fees	0.16	0.12
Payment to Auditors	1.86	1.60
Communication Expenses	6.76	7.23
Travelling and Conveyance Expenses	27.88	35.45
Insurance Expenses	53.53	51.90
Office Expenses	4.21	3.81
Bad debt written off	1.43	0.07
Electricity Expenses	3.30	6.88
Foreign Exchange Fluctuation Loss (Net)	115.22	-
Miscellaneous Expenses	79.35	61.57
Loss on Sale / Retirement of Property, Plant and Equipment (Net)	35.05	8.39
Donations	0.39	0.65
Corporate Social Responsibility Expenses (Refer note 49)	5.65	14.41
Total	**1,708.45**	**1,443.68**

Note:

(i) Adani Power (Mundra) Ltd has accounted for expense of ₹ 230.16 Crores during the year towards power Transmission charges as per CERC (Sharing of Inter-State transmission Charges and Losses) Regulation 2010 relating to earlier years. These transactions are being recorded in the books of APMuL in terms of Scheme of Arrangement ("Scheme") between the Company and APMuL, as approved by NCLT as referred in note 50.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

35 Exceptional Items

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Reversal of Compensatory Tariff (Refer note (i) below)	-	3,619.49
Write off Advance (Refer note (ii) below)	-	288.45
Reversal of Sale of Power (Refer note (iii) below)	-	168.75
Total	**-**	**4,076.69**

Notes :

i) During the previous year, pursuant to the Central Electricity Regulatory Commission ("CERC") order dated 21st February, 2014, Adani Power Limited ("APL") had recognized revenue in the nature of Compensatory Tariff ("CT") of ₹ 3,938.65 Crores upto 31st December, 2016 in respect of a long term Power Purchase Agreement ("PPA") (Bid 2) of 1000 MW entered into with Gujarat Urja Vikas Nigam Limited ("GUVNL") and other long term PPAs of 1424 MW entered into with Haryana Utilities. In addition, APL had also recognized CT of ₹ 426.19 Crores upto 31st December, 2016 in respect of another long term PPA (Bid 1) of 1000 MW entered into with GUVNL.

The said order was challenged in Appellate Tribunal for Electricity ("APTEL"). APTEL vide its order dated 7th April, 2016, had set aside the aforementioned CERC order and had held that the promulgation of Indonesian regulation constitutes Force Majeure event which was contested in the Hon'ble Supreme Court. The Hon'ble Supreme Court, vide its order dated 11th April, 2017 had set aside the aforementioned APTEL order and had ruled that the said event was neither Force Majeure nor Change in Law as per the terms of PPA and hence, does not entitle the Company to CT. Consequently, during the previous year APL had derecognised its claim on account of CT of ₹ 4,364.84 Crores recognized up to 31st December, 2016, out of which, of ₹ 3,619.49 Crores (recognised upto 31st March, 2016) was shown as an exceptional item and ₹ 745.35 Crores (recognised from 1st April, 2016 to 31st December, 2016) had been adjusted from the revenue from operations.

Further, the aforesaid order of Hon'ble Supreme Court also held that the non-availability of domestic coal due to change in policy or Change in Law, in force in India, constitutes Change in Law as per the terms of PPA. Hon. Supreme Court directed the CERC to determine the relief under clause 13 of PPA. APL has filed a petition with CERC to ascertain the relief that may be available to it.

ii) During the previous year, APL had given advances to Brakel Kinnaur Power Private Limited ("Brakel") of ₹ 288.45 Crores which were, in turn, deposited by Brakel with Government of Himachal Pradesh ("the GoHP") in relation to 960 MW hydro power plant project ("the project"). The said advances had been written off due to delay in initiation of underlying project.

iii) During the previous year Udupi Power Corporation Limited ("UPCL") had reversed Revenue from power supply amounting to ₹ 168.75 Crores pursuant to CERC order dated 24th March, 2017 in the matter of revision of tariff for the period from Commercial Operation Date (SCOD) till 31st March, 2014, and after considering the impact thereof on the financial years 2014-15 and 2015-16.

36 Income Tax

The major components of income tax expense are:

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Income Tax Expense :		
Current Tax:		
Current Income Tax Charge	6.91	12.41
Adjustments in respect of prior years	(0.03)	0.09
Total (A)	**6.88**	**12.50**
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(12.03)	(98.57)
Total (B)	**(12.03)**	**(98.57)**
Total (A+B)	**(5.15)**	**(86.07)**

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

36 Income Tax (Contd..)

The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended 31st March, 2018 (₹ in Crores)	For the year ended 31st March, 2017 (₹ in Crores)
Loss before tax as per Statement of Profit and Loss	**(2,095.33)**	**(6,260.17)**
Income tax using the company's domestic tax rate @ 34.608%	**(725.15)**	**(2,166.52)**
Tax Effect of :		
i) Deferred Tax asset not created on temporary differences / unabsorbed depreciation or carried forward losses	740.83	2,142.53
ii) Brought forward losses utilised during the year	(27.98)	(8.20)
iii) Provisions disallowed	-	(65.51)
iv) Minimum Alternate Tax (MAT)	6.91	12.41
v) Income-taxes related to prior years	(0.03)	0.09
vi) Others	0.27	(0.87)
Income tax recognised in Statement of Profit and Loss at effective rate Total	**(5.15)**	**(86.07)**

37 Details of Subsidiaries:

The consolidated financial statements comprise the financial statements of the parent company, Adani Power Limited (referred to as "the Company") and the following subsidiaries (together as " the Group").

Name of the subsidiaries	Country of incorporation	Effective ownership in subsidiary as at	
		31st March, 2018	31st March, 2017
Adani Power Maharashtra Limited ("APML")	India	100%	100%
Adani Power Rajasthan Limited ("APRL")	India	100%	100%
Udupi Power Corporation Limited ("UPCL")	India	100%	100%
Adani Power Resources Limited	India	100%	100%
Adani Power (Mundra) Limited (formerly known as Adani Power (Karnataka) Limited ("APMuL")	India	100%	100%
Adani Power (Jharkhand) Limited	India	100%	100%

Note:

During the year, the Company had acquired 49% equity shares of Korba West Power Company Limited which were sold before the year end. (Also refer note 42)

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

38 Contingent liabilities and commitments:

(a) Contingent liabilities :

	As at 31st March, 2018	As at 31st March, 2017
1. Undertaking issued by the Group to Gujarat Urja Vikas Nigam Limited (GUVNL) to repay the amount received from GUVNL towards sales made prior to Scheduled Commercial Operation Date if Hon'ble Supreme Court gives decision in favour of the GUVNL.	135.20	135.20
2. Claims against the Group not acknowledged as debts in respect of:		
a. Income Tax (Refer note (i) below)	57.14	54.70
b. Service Tax (Refer note (ii) below)	5.12	5.12
c. Custom Duty (Refer note (iii) below)	264.70	264.70
d. State Sales Tax (Refer note (iv) below	9.32	-
e. Others (Refer note (v) below)	174.84	169.02
Total	**646.32**	**628.74**

Notes:

i) Matters relating to Income Tax from AY 2008-09 to 2012-13 are being contested at various levels of Tax authorities.

ii) Matter relating to Service Tax for FY 2008-09 is being contested at CESTAT.

iii) Matters relating to custom duty on raw consumables and raw materials used for generation of electricity supplied from SEZ to DTA. The Company has submitted reply to the Show Cause Notice issued by the Development Commissioner Mundra during the period FY 2009 -10 to FY 2014-15.

iv) Matters relating to Vat and Entry Tax for FY 2010-11 to FY 2012-13 are being contested at various level of Indirect Tax authorities.

v) a) Matter relating to Central Sales Tax for FY 2010-11 is being contested at Appellate authority.

b) Matter related to Arbitration for which UPCL has filed arbitration suit under Arbitration Act 1996.

vi) Management is not expecting any future cash outflow with respect to above litigations

3. During the year, Adani Power (Mundra) Limited ("APMuL") has received a show cause notice from the Development Commissioner, Mundra for the period FY 2009-10 to FY 2014-15 in relation to custom duty on raw materials used for generation of electricity supplied from SEZ to DTA, which amounts to ₹ 963.94 Crores. Further, the management is of the view that such duties on raw material are eligible to be made good to APMuL under the PPA with Discoms or are refundable from the Authorities, APMuL has contested the said show cause notice.

(b) Commitments :

	As at 31st March, 2018	As at 31st March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	479.92	682.85
Estimated amount payable towards coal block allocated to the Group (Refer note 40)		
Upfront Fees	13.60	13.60
Total	**493.52**	**696.45**

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

39 Trade receivables of UPCL includes ₹ 110.11 Crores (Previous year - ₹ 137.11 Crores) relating to earlier years which are under advanced stage of reconciliation with the customers. The management is confident of recovery of the receivables based on its assessment which considers subsequent direction by the nodal agency to the customers to release part payment against the said receivables. (Refer note 11)

40 The Group had successfully secured a coal block at Jitpur in the state of Jharkhand and executed the coal mine development and production agreement with the Government of India in FY 2014-2015. The Group has already initiated the process for development of the said mine.

41 (a) APMuL has determined the recoverable amount of the Power Plant under Ind AS 36, Impairment of Assets on the basis of its value in use by estimating the future cash flows over the estimated useful life of the power plant. Further, the cash flow projections are based on the estimates relating to tariff, operational performance of the Plant, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management.

On a careful evaluation of the aforesaid factors, the Management of APMuL has concluded that the recoverable amount of the Power Plant is higher than its carrying amount as at 31st March, 2018. However, if these estimates and assumptions change in future, there could be corresponding impact on the recoverable amounts of Plant.

(b) APML and APRL have determined the recoverable amounts of the Power Plants under Ind AS 36, Impairment of Assets on the basis of their Value in Use by estimating the future cash inflows over the estimated useful lives of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, availability of domestic coal under fuel supply agreement / coal linkage as per the directives of Competent Authority, life extension plans, market prices of coal and other fuels, exchange variation, inflation, terminal value etc. which are considered reasonable by the Management.

On a careful evaluation of the aforesaid factors, the Management of APML and APRL have concluded that the recoverable amounts of the Power Plants are higher than their carrying amounts as at 31st March, 2018. However, if these estimates and assumptions change in future, there could be corresponding impact on the recoverable amounts of the Plants.

(c) UPCL has determined the recoverable amount of the Power Plant under Ind AS 36, Impairment of Assets on the basis of its Value in Use by estimating the future cash inflows over the estimated useful life of the Power Plant. Further, the cash flow projections are based on estimates and assumptions relating to operational performance of the Plant, life extension plans, market prices of coal and other fuels, exchange variation, inflation, terminal value etc. which are considered reasonable by the Management.

On a careful evaluation of the aforesaid factors, the Management of UPCL has concluded that the recoverable amount of the Power Plant is higher than its carrying amount as at 31st March, 2018. However, if these estimates and assumptions change in future, there could be corresponding impact on the recoverable amount of Plant.

42 Further to the execution of the share purchase agreement ("SPA") on 4th March, 2015 with the owners of Korba West Power Company Limited (KWPCL), having operating capacity of 600 MW Thermal Power Project at Korba, Adani Power Limited ("APL") had paid total amount of ₹ 775 Crores by 17th March, 2015, to the owners of KWPCL towards 100% acquisition of shares and including ₹ 107.90 Crores towards loan in KWPCL and has further advanced ₹ 1,628.32 Crores to KWPCL as inter corporate deposit till 31st March, 2018 (including ₹ 140.46 Crores advanced during FY 2017-18 & interest accrued thereon). The process of closure of the acquisition of KWPCL as per SPA, got delayed pending resolution of disputes in terms of the SPA, suspension of plant operations due to failure of generator leading to differences with original equipment supplier and finally, pending restructuring of loans by the lenders. Based on understanding reached with stakeholders and the KWPCL lenders, the Company acquired 49% of the equity shares of KWPCL on 22nd December, 2017 whereby KWPCL became Company's associate entity.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Further to the above, the Company entered into a separate SPA to sell / dispose-off, the acquired 49% equity shares to a third party on 18th January, 2018, for a consideration of ₹ 263.69 Crores and the shares have been transferred to the said party before 31st March, 2018. In terms of SPA, APL is expected to realise the consideration at the earliest.

Accordingly, considering the same as investment in associate in line with Ind AS 28 "Investments in Associates and Joint Ventures", the above financial statements include the share of loss of KWPCL for the period 22nd December, 2017 to 18th January, 2018.

Based on restructuring plan proposed and approved by the lead banker of KWPCL, dated 15th March, 2018, which has been approved by few of the other lenders and is under approval of the remaining lenders, APL expects to acquire 51% of shares of KWPCL in the near future. It also expects that KWPCL plant will be operational in next few months after repair of the generator defect. Further, APL Management is of the view that on signing of restructuring plan with the lenders and commencement of operation of the plant, it will be able to realise the value of its investments and advances over the expected useful life of the thermal power project.

43 The Group has taken various derivatives to hedge its risks associated with foreign currency fluctuations. The outstanding position of derivative instruments is as under :

Nature	Purpose	As at 31st March, 2018		As at 31st March, 2017	
		Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
Forward covers	Hedging of Trade Credits, Acceptances, Creditors and future coal contracts	1,730.59	USD 265.52	3,442.15	USD 530.79
	Hedging of ECB and interest	356.56	USD 54.70	262.20	USD 40.43
Options	Hedging of ECB and interest	3,925.93	USD 602.37	4,590.70	USD 707.89
	Hedging of Trade Credits, Acceptances, Creditors and future coal contracts	5,006.22	USD 768.13	4,696.83	USD 724.26
		11,019.30		**12,991.88**	

The Group has taken various derivatives to hedge its risks associated with interest rate. The outstanding position of derivative instruments is as under :

Nature	Purpose	As at 31st March, 2018		As at 31st March, 2017	
		Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
Interest rate swaps	Hedging of interest rate on ECB	1,972.01	USD 302.57	2,280.58	USD 351.67
		1,972.01		**2,280.58**	

The details of foreign currency exposures not hedged by derivative instruments are as under :

	As at 31st March, 2018		As at 31st March, 2017	
	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
1. Import Creditors and Acceptances	786.38	USD 120.65	1,626.38	USD 250.79*
	0.01	EUR 0.00	0.04	EUR 0.01
	0.64	SEK 0.81	0.59	SEK 0.81
	0.04	CHF 0.01	-	-

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

	As at 31st March, 2018		As at 31st March, 2017	
	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
2. Trade credits from banks	222.24	USD 34.10	56.41	USD 8.70
3. Foreign currency borrowings	2,869.78	USD 440.32	3,684.84	USD 568.21
4. Interest accrued but not due	6.14	USD 0.94	4.01	USD 0.62
5. Receivables	(0.24)	EUR (0.03)	-	-
	3,884.99		**5,372.27**	

* During the previous year, the Company had hedged USD 271.74 million of exposure in the form of firm commitments pertaining to future coal imports, however for the purpose of determining unhedged foreign currency exposure of "Import Creditors and Acceptances", forward contracts aggregating to USD 254.23 million have been set off against outstanding amounting to USD 310.45 million towards import creditors and acceptances, as the management of the Company considers that the impact of such exposure on Consolidated Statement of Profit and Loss due to movement in foreign exchange rates will be effectively offset by such financial hedges.

44 (i) **Financial Risk Management Objective and Policies :**

The Group'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 Group. The Management ensures appropriate risk governance framework for the Group through appropriate policies and procedures and the risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

In the ordinary course of business, the Group is exposed to Market risk, Credit risk and Liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and commodity risk.

a) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon notional principal amount.

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuation at the end of the reporting period. The said analysis has been carried out on the amount of floating rate long term liabilities outstanding at the end of the reporting period. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points on the exposure on long term borrowings ₹ 31,157.27 Crores as on 31st March, 2018 and ₹ 36,079.67 Crores as on 31st March, 2017 respectively and if all other variables were held constant, the Group's profit or loss for the year would increase or decrease as follows:

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Impact on Profit or Loss for the year	155.79	169.00

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group manages its foreign currency risk by hedging transactions that are expected to realise in future. The Group manages its foreign currency risk by entering into currency swap for converting INR loan into other foreign currency for taking advantage of lower cost of borrowing in stable currency environment. The Group also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings or trade payables.

Every one percentage point depreciation / appreciation in the exchange rate between the Indian rupee and U.S. dollar on the exposure of \$ 131.27 million as on 31st March, 2018 and \$ 222.62 million as on 31st March, 2017 would have affected the Group's profit or loss for the year as follows :

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Impact on Profit or Loss for the year	8.56	14.44

c) Commodity price risk

The Group is affected by the price volatility of certain commodities which is moderated by optimising the procurement under fuel supply agreement. Its operating activities require the on-going purchase or continuous supply of coal. Therefore the Group monitors its purchases closely to optimise the price.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group is having majority of receivables from State Electricity Boards which are Government undertakings and hence they are secured from credit losses in the future. In addition, as per the terms of the agreement, the receivables are secured by standby letter of credits in favour of the Group.

Liquidity risk

The Group 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 Group'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 internal accruals, proceeds from issue of bonds as well as adequately adjusting the working capital cycle.

As at year end, the Company and its subsidiaries do not have outstanding dues to be reported in the financial statements except in case of the subsidiary, "APMuL". In case of APMuL, it has certain dues outstanding for 1-2 days at year end, towards external commercial borrowings of ₹2.11 Crores owing to year-end holidays and working capital over drawl of ₹668.34 Crores due for the months of February / March 2018, due to various reasons including change in working capital cycle (in terms of regulatory order) which was reduced during the period of the loan.

Maturity profile of financial liabilities :

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

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

As at 31st March, 2018	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	18,274.96	15,130.29	19,429.56	52,834.81
Trade Payables	7,626.37	-	-	7,626.37
Derivative Instruments	20.61	31.08	-	51.69
Other Financial Liabilities	1,542.38	51.04	-	1,593.42

As at 31st March, 2017	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	15,833.76	17,216.61	19,434.00	52,484.37
Trade Payables	7,254.24	-	-	7,254.24
Derivative Instruments	420.29	16.03	-	436.32
Other Financial Liabilities	1,026.59	51.04	-	1,077.63

(ii) Capital management :

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

The Group 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 and other long term borrowings. The Group's policy is to use short-term and long-term borrowings to meet anticipated funding requirements. The Group monitors capital on the basis of the net debt to equity ratio.

45 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 31st March, 2018 is as follows :

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	61.62	61.62
Bank balances other than cash and cash equivalents	-	-	794.99	794.99
Investments	-	-	0.01	0.01
Trade Receivables	-	-	6,069.81	6,069.81
Loans	-	-	1,393.61	1,393.61
Derivative Instruments	-	95.29	-	95.29
Other Financial assets	-	-	5,449.08	5,449.08
Total	**-**	**95.29**	**13,769.12**	**13,864.41**
Financial Liabilities				
Borrowings	-	-	52,834.81	52,834.81
Trade Payables	-	-	7,626.37	7,626.37
Derivative Instruments	-	51.69	-	51.69
Other Financial Liabilities	-	-	1,593.42	1,593.42
Total	**-**	**51.69**	**62,054.60**	**62,106.29**

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

b) The carrying value of financial instruments by categories as of 31st March, 2017 is as follows :

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	81.01	81.01
Bank balances other than cash and cash equivalents	-	-	523.16	523.16
Investments	-	164.32	0.01	164.33
Trade Receivables	-	-	7,704.34	7,704.34
Loans	-	-	1,251.50	1,251.50
Derivative Instruments	-	19.80	-	19.80
Other Financial assets	-	-	2,496.49	2,496.49
Total	**-**	**184.12**	**12,056.51**	**12,240.63**
Financial Liabilities				
Borrowings	-	-	52,484.37	52,484.37
Trade Payables	-	-	7,399.75	7,399.75
Derivative Instruments	-	436.32	-	436.32
Other Financial Liabilities	-	-	932.11	932.11
Total	**-**	**436.32**	**60,816.23**	**61,252.55**

46 Fair Value hierarchy :

Particulars	As at 31st March, 2018			
	Level 1	Level 2	Level 3	Total
Assets				
Derivative instruments	-	95.29	-	95.29
Total	**-**	**95.29**	**-**	**95.29**
Liabilities				
Derivative Instruments		51.69	-	51.69
Total	**-**	**51.69**	**-**	**51.69**

Particulars	As at 31st March, 2017			
	Level 1	Level 2	Level 3	Total
Assets				
Investment	-	164.32	-	164.32
Derivative Instruments	-	19.80	-	19.80
Total	**-**	**184.12**	**-**	**184.12**
Liabilities				
Derivative instruments	-	436.32	-	436.32
Total	**-**	**436.32**	**-**	**436.32**

The fair values of the financial assets and financial liabilities included in the level 2 category above has been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

47 Earnings per share

		For the year ended 31st March, 2018	For the year ended 31st March, 2017
Basic and Diluted EPS			
(Loss) attributable to equity shareholders	Amount (₹ in Crores)	(2,090.18)	(6,174.10)
Weighted average number of equity shares outstanding during the year	No.	3,856,938,941	3,464,159,997
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	(5.42)	(17.82)

48 (a) Defined Benefit Plan

The Group 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.

As per Ind AS - 19 "Employee Benefits", the disclosures are given below :

Particulars	As at 31st March, 2018	As at 31st March, 2017
i. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation		
Liability at the beginning of the Year	33.96	30.95
Acquisition liability		
Current Service Cost	6.10	6.57
Interest Cost	3.13	2.44
Liability Transferred in / out	0.60	
Acquisition adjustment	0.02	(1.20)
Benefits paid	(1.93)	(0.83)
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	(0.07)	0.50
change in financial assumptions	(4.16)	(4.80)
experience variance (i.e. Actual experience vs assumptions)	(0.92)	0.33
Present Value of Defined Benefits Obligation at the end of the Year	36.73	33.96
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan Assets		
Fair Value of Plan assets at the beginning of the Year	19.76	18.27
Investment Income	1.50	-
Expected return on plan assets	-	1.44
Employer's Contributions	1.32	0.53
Benefits paid	(1.95)	(0.48)
Return on plan assets, excluding amount recognised in net interest expense	(0.04)	-
Actuarial gain / (loss) on plan assets	(0.54)	-
Fair Value of Plan assets at the end of the Year	20.05	19.76
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	36.73	33.96
Fair Value of Plan assets at the end of the Year	20.05	19.76
Net Asset / (Liability) recognized in balance sheet as at the end of the year	(16.68)	(14.20)

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

Particulars	As at 31st March, 2018	As at 31st March, 2017
iv. Composition of Plan Assets		
Except APML, APRL and APMuL, all Plan Assets are administered by Life Insurance Corporation of India		
In case of APML, APRL and APMuL, Plan Assets are unfunded.		
v. Gratuity Cost for the Year		
Current service cost	6.10	6.57
Interest cost	3.13	2.44
Expected return on plan assets	(1.50)	(1.32)
Net Gratuity cost recognised in the statement of Profit and Loss	7.73	7.69
vi. Other Comprehensive Income		
Actuarial (gains) / losses		
change in demographic assumptions	(0.07)	0.50
change in financial assumptions	(4.16)	(4.80)
experience variance (i.e. Actual experience vs assumptions)	(0.92)	0.33
Return on plan assets, excluding amount recognised in net interest expense	0.81	-
Components of defined benefit costs recognised in other comprehensive income	**(4.34)**	**(3.97)**
vii. Actuarial Assumptions		
Discount Rate (per annum)	7.80%	7.60%
Expected annual Increase in Salary Cost	7.00%	8.00%
Attrition / Withdrawal rate (per annum)	5.24%	5.70%
Mortality Rates as given under Indian Assured Lives Mortality (2006-08) Ultimate Retirement Age 58 Years.		

viii. Sensitivity Analysis

Significant actuarial assumptions for the detemination of the defined benefit obligation are discountrate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at 31st March, 2018	As at 31st March, 2017
Defined Benefit Obligation (Base)	36.67	33.80

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	4.20	3.64	17.36	14.37
(% change compared to base due to sensitivity	8%	(7)%	10%	(9)%
Salary Growth Rate (- / + 1%)	3.63	4.20	14.37	17.34
(% change compared to base due to sensitivity)	(7)%	8%	(9)%	10%
Attrition Rate (- / + 50%)	3.88	3.91	15.99	15.56
(% change compared to base due to sensitivity)	(1)%	0%	2%	(1)%
Mortality Rate (- / + 10%)	3.90	3.90	15.75	15.75
(% change compared to base due to sensitivity)	0%	0%	0%	0%

Consolidated Notes to financial statements for the year ended 31st March, 2018

ix. Asset Liability Matching Strategies

Adani Power Limited ("APL") and Udupi Power Corporation Limited ("UPCL"), one of the subsidiaries, have purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, APL and UPCL is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

x. Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The APL and UPCL have purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Group carries out a funding valuation based on the latest employee data provided by these Companies. Any deficit in the assets arising as a result of such valuation is funded by these Companies.

b) Expected Contribution during the next annual reporting period

The APL's and UPCL's best estimate of Contribution during the next year is ₹ Nil and ₹ 3.27 Crores respectively.

c) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows) - 10 years

Expected cash flows over the next (valued on undiscounted basis):

	Amount
1 year	3.92
2 to 5 years	13.21
6 to 10 years	15.94
More than 10 years	56.98

xi. The Group has defined benefit plans for Gratuity to eligible employees. The contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2017-18.

The actuarial liability for compensated absences as at the year ended 31st March, 2018 is ₹25.35 Crores (Previous Year ₹ 25.85 Crores).

(b) Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised in Statement of Profit and Loss, for the year is as under :

Particulars	As at 31st March, 2018	As at 31st March, 2017
Employer's Contribution to Provident Fund	21.55	16.43
Employer's Contribution to Superannuation Fund	0.37	0.28

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

49 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Group. The Group has utilised the funds for activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Gross amount as per the limits of Section 135 of the Companies Act, 2013	0.49	0.97
i) Amount contributed		
Construction/acquisition of any assets	-	-
On purpose other than (a) above	5.65	14.41
Total amount contributed during the year	**5.65**	**14.41**
ii) Amount yet to be contributed	-	-

50 The National Company Law Tribunal ("NCLT") had sanctioned the Scheme of Arrangement for the demerger of Company's 4620 MW thermal power undertaking at Mundra into its subsidiary - Adani Power (Mundra) Limited, on 22nd December, 2017 with appointed date of 31st March, 2017, on a slump exchange basis. The said Scheme has been made effective on 22nd December, 2017 upon receipt of all the requisite regulatory approvals.

51 Adani Power Rajasthan Limited (APRL) and Adani Power Maharashtra Limited (APML) have been allowed additional coal linkage by Coal India limited under Scheme for Harvesting and Allocating Koyla (Coal) Transparently in India ("SHAKTI"). As at the year end, APRL has signed fuel supply agreement (FSA) for supply of coal under SHAKTI and APML is in the process of signing the same.

52 CERC issued notification dated 8th December, 2017 amending annual escalation rate of domestic coal applicable for the purpose of determination of tariff escalation as per Power Purchase Agreements in case of APML and APRL. These Companies have filed petition against the said notification with Hon. Delhi High Court and the matter is yet to be decided. Meanwhile, Hon. Delhi High Court issued a stay order against the above referred CERC notification vide its order dated 7th February, 2018. These Companies have based on the reasoning given in the stay order and also based on the management assessment believe that the said notification will be set aside and hence, it shall not have any financial impact.

53 Related party transactions

a. List of related parties and relationship

Description of relationship	Name of Related Parties
Controlling Entity (through direct and indirect control)	S. B. Adani Family Trust (SBAFT)
Entities on which one or more Key Management Personnel ("KMP") have a significant influence / controls	Adani Green Energy (Tamil Nadu) Limited
	Mundra International Airport Private Limited
	Adani Agri Logistics (MP) Limited
	Adani Agrifresh Limited
	Adani Bunkering Private Limited
	Adani Enterprises Limited
	Adani Foundation
	Adani Gas Limited
	Adani Global FZE, Dubai
	Adani Global Pte Limited
	Adani Green Energy (UP) Limited
	Adani Green Energy Limited
	Adani Hazira Port Private Limited
	Adani Hospitals Mundra Private Limited
	Adani Infrastructure And Developers Private Limited
	Adani Institute of Infrastructure Management
	Adani Kandla Bulk Terminal Private Limited
	Adani Logistics Limited
	Adani Mundra SEZ Infrastructure Private Limited

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

a. List of related parties and relationship (Contd..)

Description of relationship	Name of Related Parties
	Adani Pench Power Limited
	Adani Petronet (Dahej) Port Private Limited
	Adani Ports & Special Economic Zone Limited
	Adani Power Dahej Limited
	Adani Properties Private Limited
	Adani Renewable Energy Park Limited
	Adani Synenergy Limited
	Adani Township and Real Estate Company Private Limited
	Adani Transmission (India) Limited
	Adani Transmission Limited
	Adani Welspun Exploration Limited
	Adani Wilmar Limited
	Afro Asia Trade and Investments Limited
	Chhattisgarh - WR Transmission Limited
	Gujarat Adani Institute of Medical Sciences
	Kamuthi Solar Power Limited
	Karnavati Aviation Private Limited
	Kutchh Power Generation Limited
	Maharashtra Eastern Grid Power Transmission Company Limited
	MPSEZ Utilities Private Limited
	Mundra Solar PV Limited
	Mundra Solar Technopark Private Limited
	Parampujya Developers Private Limited
	Parampujya Solar Energy Private Limited
	Parsa Kante Rail Infra Private Limited
	Prayatna Developers Private Limited
	Raipur - Rajnandgaon - Warora Transmission Limited
	Shanti Builders
	The Dhamra Port Company Limited
	Adani Infra (India) Limited
	Wardha Solar (Maharashtra) Private Limited
	Adani Murmugao Port Terminal Private Limited
	Adani Wind Energy (Gujarat) Private Limited
	Adani Ennore Container Terminal Private Limited
	Adani Infrastructure Management Services Limited
	Adani Renewable Energy Park Rajasthan Limited
	Sipat Transmission Limited
Associate	Korba West Power Company Limited (from 22nd December, 2017 to 18th January, 2018)
Key Management Personnel	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Managing Director
	Mr. Vneet S Jaain, Whole-time Director
	Mr. Vinod Bhandawat. CFO (Up to 31st January 2018)
	Mr. Deepak Pandya, Company Secretory
	Mr. Chandra Prakash Jain (Ceased to be a Director w.e.f. 3rd February, 2018)
	Ms. Nandita Vohra
	Mr. Raminder Singh Gujral
	Mr. Rajat Kumar Singh, CFO (W.e.f.1st February, 2018)

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

53 Related party transactions (Contd.)

b. Transactions with related parties

Sr No.	Particulars	For the year ended 31st March, 2018			For the year ended 31st March, 2017	
		Entities on which one or more Key Management Personnel ("KMP") have a significant influence / controls	With Associate	Key Management Personnel	Entities on which one or more Key Management Personnel ("KMP") have a significant influence / controls	Key Management Personnel
1	Loan Taken	19,540.32	-	-	2,559.35	-
2	Loan Repaid Back	15,628.13	-	-	4,958.85	-
3	Interest Expense on Loan	248.35	-	-	480.78	-
4	Interest expenses	87.35	-	-	74.39	-
5	Loan Given	1.92	20.99	-	110.30	-
6	Loan Received Back	1.92	-	-	10.00	-
7	Interest Income	25.03	11.13	-	0.34	-
8	Sale of Goods	1,248.03	-	-	1,167.79	-
9	Purchase of Goods	6,621.83	-	-	9,069.47	-
10	Other Balances Transfer from Related Party	1.24	-	-	4.47	-
11	Other Balances Transfer to Related Party	2.40	-	-	1.66	-
12	Purchase of Fixed Asset	1.40	-	-	0.06	-
13	Rendering of Services	21.20	-	-	17.77	-
14	Receiving of Services	473.65	-	-	690.27	-
15	Advance Received against sale of Goods	-	-	-	705.83	-
16	Refund of Capital Advances	45.44	-	-	51.00	-
17	Deposit Repaid	-	-	-	200.00	-
18	Sale of Assets	0.68	-	-	-	-
19	Issue of share warrants (subsequently converted into equity shares during the year)	-	-	-	1,701.83	-
20	Compensation of Key Management Personnel					
a	Short-term benefits	-	-	3.03	-	5.10
b	Post-employment benefits	-	-	0.23	-	0.39
c	Director sitting fees	-	-	0.08	-	0.12

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

c. Balances With Related Parties :

Sr No.	Particulars	As at 31st March, 2018 Entities on which one or more Key Management Personnel ("KMP") have a significant influence / control	As at 31st March, 2017 Entities on which one or more Key Management Personnel ("KMP") have a significant influence / control
	Balances With Related Parties :		
1	Borrowings	6,741.83	2,829.64
	Receivables		
2	Trade Receivables	91.38	74.26
3	Security Deposit and Advances Given	15.55	104.20
4	Capital Advances	250.00	295.45
	Payables		
5	Trade and Other Payables	6,554.02	6,125.25
6	Security Deposit and Advances Received	41.32	706.16

54 Additional information as required by para 2 of the General Instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of the Entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of total	Amount
Adani Power Limited	1075%	9,512.37	1%	(13.14)	82%	3.54	1%	(9.60)
Subsidiaries (Indian)								
Adani Power (Mundra) Limited (Formerly known as Adani Power (Karnataka) Limited)	(744)%	(6,580.03)	80%	(1,692.72)	(32)%	(1.37)	80%	(1,694.09)
Adani Power Maharashtra Limited	(136)%	(1,208.11)	(3)%	58.98	24%	1.05	(3)%	60.03
Adani Power Rajasthan Limited	(115)%	(1,017.91)	22%	(468.02)	17%	0.73	22%	(467.29)
Udupi Power Corporation Limited	20%	178.26	(1)%	24.73	9%	0.39	(1)%	25.12
Adani Power Resources Limited	(0)%	(0.02)	0%	-	0%	-	0%	-
Adani Power (Jharkhand) Limited	(0)%	(0.02)	0%	(0.01)	0%	-	0%	(0.01)
Associate (Indian)								
Korba West Power Company Limited	-	-	1%	(29.18)	0%	-	1%	(29.18)
Tital	**100%**	**884.54**	**100%**	**(2,119.36)**	**100%**	**4.34**	**100%**	**(2,115.02)**

55 The Group's activities during the year revolve around power generation. Considering the nature of Group's business and operations, there is only one reportable segment (business and/or geographical) in accordance with the requirements of Ind AS - 108 – 'Operating Segments', prescribed under Companies (Indian Accounting Standards) Rules, 2015.

56 APMuL is incurring operational losses presently. Accordingly, the Management of APMuL has approached the various stakeholders to arrive at alternative solutions to minimize the operting losses. The discussion in the matter are still at an exploratory stage. Based on the assessment of the recoverability of the carrying amount of assets of the Mundra Power Plant, no further adjustment is considered necessary at this stage.

Consolidated Notes to financial statements for the year ended 31st March, 2018

All amounts are in ₹ Crores, unless otherwise stated

57 Recent accounting pronouncements

The Group applied for first time certain amendments to the Standards, which are effective for annual periods beginning on or after 1st April, 2017. The nature and impact of each amendment is described below:

Amendments to Ind AS 7 Statement of Cash flows : Disclosure initiative

The amendment requires entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Group has provided the information for both the current and comparative period.

Standard issued but not effective:

Ind As 115 revenue from contracts with customers

Ind AS 115 was notified on 28th March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This new standard requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Group expects to be entitled in exchange for those goods or services. Adoption of the new rules could affect the timing of revenue recognition for certain transactions of the Group. Ind AS 115 is effective for the Group in the first quarter of fiscal 2019 using either one of two methods: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1st April 2018) and providing certain additional disclosures as defined in Ind AS 115 (the modified retrospective method).

The Group continues to evaluate the available transition methods and its contractual arrangements. The ultimate impact on revenue resulting from the application of Ind AS 115 will be subject to assessments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business.

A reliable estimate of the quantitative impact of Ind AS 115 on the financial statements will only be possible once the implementation project has been completed.

58 Previous year figures have been regrouped and rearranged wherever necessary to conform to this year's classification.

In terms of our report attached

For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per RAJ AGRAWAL
PARTNER
Membership No. : 82028

Place : Ahmedabad
Date : 3rd May, 2018

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJAT KUMAR SINGH
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 3rd May, 2018

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

PART "A" : Subsidiaries

(₹ in Crores)

Sr. No.	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting Period	Reporting Currency	Share Capital	Reserves and surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Other Comprehensive Income	Total Other Comprehensive Income	Proposed Dividend	% of Shareholding*
1	Adani Power Maharashtra Ltd.	11.04.2007 (Date of Incorporation)	2017-18	INR	2,854.73	137.42	23,650.83	20,658.68	0.02	6,814.63	58.98	-	58.98	1.05	60.03	-	100%
2	Adani Power Rajasthan Ltd.	25.01.2008 (Date of Incorporation)	2017-18	INR	1,200.00	(1,017.91)	11,119.10	10,937.00	0.01	2,636.51	(468.01)	-	(468.01)	0.73	(467.28)	-	100%
3	Udupi Power Corporation Ltd.	20.04.2015 (Date of Acquisition)	2017-18	INR	1,934.20	(181.79)	6,911.29	5,158.88	-	2,828.87	31.61	6.88	24.73	0.39	25.12	-	100%
4	Adani Power (Mundra) Ltd.**	16.02.2015 (Date of Incorporation)	2017-18	INR	106.05	(6,580.03)	24,171.45	30,645.43	-	9,691.76	(1,692.72)	-	(1,692.72)	(1.37)	(1,694.09)	-	100%
5	Adani Power Resources Ltd.	04.12.2013 (Date of Incorporation)	2017-18	INR	0.05	(0.02)	0.03	-	-	-	-	-	-	-	-	-	100%
6	Adani Power (Jharkhand) Ltd.	18.12.2015 (Date of Incorporation)	2017-18	INR	0.05	(0.02)	367.99	367.96	-	-	(0.01)	-	(0.01)	-	(0.01)	-	100%

*Includes holding of subsidiaries

** Earlier known as Adani Power (Karnataka) Ltd.

Notes:

1. **Names of subsidiaries which are yet to commence operations:**

Sl. No.	Name of the Subsidiary
1	Adani Power Resources Ltd.
2	Adani Power (Jharkhand) Ltd.

2. **Names of subsidiaries which have been liquidated or sold during the year:** Not Aplicable

Note: The Company has no associate companies and joint ventures at the year end, therefore Part B relating to associate companies and joint ventures is not applicable.

Notice

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of Adani Power Limited will be held on Monday, 6th day of August, 2018 at 10:30 a.m. at J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the Financial Year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a director in place of Mr. Rajesh S. Adani (DIN: 00006322), who retires by rotation and being eligible offers himself for re-appointment.

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, as amended from time to time, and pursuant to recommendation of the Audit Committee and Board of Directors, Company hereby ratifies the appointment of M/s. S R B C & CO LLP, Chartered Accountants, Ahmedabad (FRN 324982E/E300003), as Statutory Auditors of the Company to hold the office from this (22nd AGM) till the conclusion of the next (23rd AGM) of the Company to be held in the calendar year 2019 at such remuneration (including fees for certification) and reimbursement of out of pocket expenses for the purpose of audit as may be mutually agreed between the Board of Directors of the Company and Statutory Auditors of the Company, on the recommendation of the Audit Committee."

   "RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

Special Business:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT in accordance with the provisions of Sections 196 and 203 of the Companies Act, 2013 ("Act"), read with Schedule V to the Act, and other applicable provisions, if any, of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other consents and approvals as may be necessary, consent of the members of the Company be and is hereby accorded for re-appointment of Mr. Rajesh S. Adani (DIN: 00006322) as a Managing Director of the Company for a period of three years with effect from 1st April, 2018, on such terms and conditions as the Board of Directors of the Company (the "Board") may deems fit."

   "RESOLVED FURTHER THAT Mr. Rajesh S. Adani shall not be paid any remuneration including sitting fees for attending the meeting of Board or Committees thereof, so long as he functions as a Managing Director of the Company."

   "RESOLVED FURTHER THAT any one of Mr. Gautam S. Adani, Chairman or Mr. Vneet S Jaain, Whole-time Director or Mr. Deepak Pandya, Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deems fit."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT in accordance with the provisions of Sections 196 and 203 of the Companies Act, 2013 ("Act"), read with Schedule V to the Act, and other applicable provisions, if any, of the Act, and the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other consents and approvals as may be necessary, consent of the members of the Company be and is hereby accorded for re-appointment of Mr. Vneet S Jaain (DIN: 00053906) as a Whole-time Director of the Company for a period of three years with effect from 14th May, 2018, on such terms and conditions as the Board of Directors of the Company (the "Board") may deems fit."

"RESOLVED FURTHER THAT Mr. Vneet S Jaain shall not be paid any remuneration including sitting fees for attending the meeting of Board or Committees thereof so long as he functions as a Whole-time Director of the Company."

"RESOLVED FURTHER THAT any one of Mr. Gautam S. Adani, Chairman or Mr. Vneet S Jaain, Whole-time Director or Mr. Deepak Pandya, Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deems fit."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions if any, of the Companies Act, 2013 ("Act") and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Scheduled IV to the Act, as amended from time to time, Mr. Mukesh Shah (DIN: 00084402), who was appointed as an Additional Director (Non-Executive Independent Director) pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, and who holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director (Non-Executive) of the Company to hold office for a period of 5 (five) consecutive years w.e.f. 31st March, 2018."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Memorandum of Association of the Company and subject to the necessary registration, approvals, consents, permissions and sanctions required, if any, by the jurisdictional Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, the consent of the Company be and is hereby accorded for alteration of the Main Object Clause of the Memorandum of Association of the Company by inserting the following new clause after existing sub-clause No. 5 of Clause III(A) therein:

6. To carry on the business of purchase, sale, supply, import, distribute, export, or transfer / exchange and to deal as trader, agent, broker, representative or otherwise deal in all forms of electricity and in other forms of energy from any source whatsoever, both conventional and non-conventional, and any other commodities, products, goods etc.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company, to accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Registrar of Companies or such other Authority arising from or incidental to the said amendment."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time, and other applicable SEBI regulations and guidelines, the provisions of the Memorandum and Articles of Association of the Company and subject to such other applicable laws, rules and regulations and guidelines, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee, which the Board may constitute to exercise its powers, including the powers conferred by this resolution) for making offer(s) or invitation(s) to subscribe redeemable secured/unsecured Non-Convertible Debentures (NCDs) but not limited to subordinated debentures, bonds, and/or other debt securities, etc., on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Special Resolution by the members, within the overall borrowing limits of the Company, as may be approved by the members from time to time."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to determine the terms of issue including the class of investors to whom NCDs are to be issued, time, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium/ discount, listing and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/ writings, as may be required in this regard."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Foreign Exchange Management Act, 1999, as amended or restated ("FEMA"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or restated (the "ICDR Regulations"), the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended or restated, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000, as amended or restated, and subject to all other applicable laws, statutes, rules, circulars, notifications, regulations and guidelines of the Government of India, the Securities and Exchange Board of India (the "SEBI"), the Reserve Bank of India (the "RBI"), the Department of Industrial Policy and Promotion (the "DIPP"), the relevant stock exchanges where the equity shares of the Company are listed (the "Stock Exchanges") and all other appropriate statutory and regulatory authorities, as may be applicable or relevant, whether in India or overseas (hereinafter collectively referred to as the "Appropriate Authorities"), the enabling provisions of the Memorandum and Articles of Association of the Company, as amended, and the listing agreements entered into by the Company with the Stock Exchanges and subject to requisite approvals, consents, permissions and sanctions, if any, of the Appropriate Authorities and subject to such conditions and modifications as may be prescribed by any of them in granting any such approvals, consents, permissions, and sanctions (hereinafter referred as the "Requisite Approvals") which may be agreed to by the Board of Directors of the Company (hereinafter referred as the "Board", which term shall be deemed to include any committee constituted or to be constituted by the Board to exercise its powers including the powers conferred by this resolution, or any person(s) authorised by the Board or its committee for such purposes), consent of the members of the Company be and is hereby accorded to the Board in its absolute discretion, to create, offer, issue and allot, from time to time in either one or more international offerings, in one or more foreign markets, in one or more tranches and/or in the course of one or more domestic offering(s) in India, such number of equity shares and/or any securities linked to, convertible into or exchangeable for equity shares including without limitation through Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/ or convertible preference shares and/or convertible debentures (compulsorily and/or optionally, fully and/ or partly) and/or commercial papers and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of non-convertible debentures and/or Foreign Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other permitted fully and/or partly paid securities/ instruments/ warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency, to such investors who are eligible to acquire such Securities in accordance with all applicable laws, rules, regulations, guidelines and approvals, through public issue(s), rights issue(s), preferential issue(s), private placement(s) and/or qualified institutional placement in terms of Chapter VIII of the SEBI (ICDR) Regulations or any combinations thereof, through any prospectus, offer document, offer letter, offer circular, placement document or otherwise, at such time or times and at such price or prices subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, at a discount or premium to market price or prices in such manner and on such terms and conditions including as regards security, rate of interest, etc., as may be deemed appropriate by the Board in its absolute discretion, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, for an aggregate amount, not exceeding ₹ 5,000 Crores (Rupees Five Thousand Crores Only) or foreign currency equivalent thereof, at such premium as may from time to time be decided by the Board and the Board shall have the discretion to determine the categories of eligible investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors and where necessary in consultation with advisor(s), lead manager(s), and underwriter(s) appointed by the Company."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue(s) of Securities may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, have all or any terms, or combination of terms, in accordance with domestic and/or international practice, including, but not limited to, conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever and all other such terms as are provided in offerings of such nature including terms for issue of additional equity shares or variation of the conversion price of the Securities during the duration of the Securities."

"RESOLVED FURTHER THAT in case of any offering of Securities, including without limitation any GDRs/ADRs/FCCBs/FCEBs/other securities convertible into equity shares, consent of the members be and is hereby given to the Board to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities referred to above in accordance with the terms of issue/offering in respect of such Securities and such equity shares shall rank pari passu with the existing equity shares of the Company in all respects, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and /or listing particulars."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to engage, appoint and to enter into and execute all such agreement(s)/ arrangement(s)/ Memorandum of Understanding(s)/ placement agreement(s)/ underwriting agreement(s)/ deposit agreement(s)/ trust deed(s)/ subscription agreement/ payment and conversion agency agreement/ any other agreements or documents with any consultants, lead manager(s), co-lead manager(s), manager(s), advisor(s), underwriter(s), guarantor(s), depository(ies), custodian(s), registrar(s), agent(s) for service of process, authorised representatives, legal advisors / counsels, trustee(s), banker(s), merchant banker(s) and all such advisor(s), professional(s), intermediaries and agencies as may be required or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees and such other expenses as it deems fit, listing of Securities in one or more Indian/ International Stock Exchanges, authorizing any director(s) or any officer(s) of the Company, severally, to sign for and on behalf of the Company offer document(s), arrangement(s), application(s), authority letter(s), or any other related paper(s)/document(s), give any undertaking(s), affidavit(s), certification(s), declaration(s) including without limitation the authority to amend or modify such document(s)."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, consent of the members of the Company be and is hereby accorded to the Board to do all such acts, deeds, matters and/or things, in its absolute discretion and including, but not limited to finalization and approval of the preliminary as well as final document(s), determining the form, terms, manner of issue, the number of the Securities to be allotted, timing of the issue(s)/ offering(s) including the investors to whom the Securities are to be allotted, issue price, face value, number of equity shares or other securities upon conversion or redemption or cancellation of the Securities, premium or discount on issue /conversion/ exchange of Securities, if any, rate of interest, period of conversion or redemption, listing on one or more stock exchanges in India and / or abroad and any other terms and conditions of the issue, including any amendments or modifications to the terms of the Securities and any agreement or document (including without limitation, any amendment or modification, after the issuance of the Securities), the execution of various transaction documents, creation of mortgage/charge in accordance with the provisions of the Act and any other applicable laws or regulations in respect of any Securities, either on a pari passu basis or otherwise, fixing of record date or book closure and related or incidental matters as the Board in its absolute discretion deems fit and to settle all questions, difficulties or doubts that may arise in relation to the issue, offer or allotment of the Securities, accept any modifications in the proposal as may be required by the Appropriate Authorities in such issues in India and/or abroad and subject to applicable law, for the utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent and that the members shall be deemed to have given their approval thereto for all such acts, deeds, matters and/or things, expressly by the authority of this resolution."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board is authorised on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange(s) as deemed appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the Securities, utilization of the issue proceeds and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Company and/or any agency or body authorised by the Company may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, issue certificates and/or depository receipts including global certificates representing the Securities with such features and attributes as are prevalent in international and/or domestic capital markets for instruments of such nature and to provide for the tradability or transferability thereof as per the international and/or domestic practices and regulations, and under the forms and practices prevalent in such international and/or domestic capital markets."

"RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body for the issue, upon conversion of the Securities, of equity shares of the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and/or domestic practices and regulations and under the forms and practices prevalent in international and/or domestic capital markets."

"RESOLVED FURTHER THAT the Securities may be redeemed and/or converted into and/or exchanged for the equity shares of the Company (or exchanged for equity shares of another company as permitted under applicable law), subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, in a manner as may be provided in the terms of their issue."

"RESOLVED FURTHER THAT in case of a Qualified Institutional Placement (QIP) pursuant to Chapter VIII of the SEBI (ICDR) Regulations, the allotment of eligible securities within the meaning of Chapter VIII of the SEBI (ICDR) Regulations shall only be made to Qualified Institutional Buyers (QIBs) within the meaning of Chapter VIII of the SEBI (ICDR) Regulations, such securities shall be fully paid-up and the allotment of such securities shall be completed within 12 months from the date of the resolution approving the proposed issue by the members of the Company or such other time as may be allowed by SEBI (ICDR) Regulations from time to time and that the securities be applied to the National Securities Depository Limited and/or Central Depository Services (India) Limited for admission of the eligible securities to be allotted as per Chapter VIII of the SEBI (ICDR) Regulations."

"RESOLVED FURTHER THAT the relevant date for the purpose of pricing of the Securities by way of QIP/GDRs/ADRs/FCCBs/FCEBs or by way of any other issue(s) shall be the date as specified under the applicable law or regulation or it shall be the date of the meeting in which the Board decides to open the issue."

"RESOLVED FURTHER THAT the Board and other designated officers of the Company be and are hereby severally authorised to make all filings including as regards the requisite listing application/ prospectus/ offer document/registration statement, or any draft(s) thereof, or any amendments or supplements thereof, and of any other relevant documents with the Stock Exchanges (in India or abroad), the RBI, the FIPB, the SEBI, the Registrar of Companies and such other authorities or institutions in India and/or abroad for this purpose and to do all such acts, deeds, matters and things as may be necessary or incidental to give effect to the resolutions above and the Common Seal of the Company be affixed, wherever necessary."

"**RESOLVED FURTHER THAT** such of these Securities as are not subscribed may be disposed off by the Board in its absolute discretion in such manner, as the Board may deem fit and as permissible by law."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of its powers conferred by this resolution on it, to any Committee of directors or the Managing Director or Directors or any other officer of the Company, in order to give effect to the above resolutions."

"**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of Solar Power Plant of the Company for the financial year ending 31st March, 2019, be paid the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By order of the Board

Place: Ahmedabad
Date: 3rd May, 2018

Deepak Pandya
Company Secretary

Regd. Office:
"Shikhar", Nr. Adani House,
Mithakhali Six Roads, Navrangpura,
Ahmedabad - 380 009 Gujarat, India.
CIN: L40100GJ1996PLC030533

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER.**

   A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The instrument appointing proxy should however be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.

3. Information regarding appointment/re-appointment of Directors and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of special businesses to be transacted are annexed hereto.

4. The Register of members and share transfer books of the Company will remain closed from Monday, 30th July, 2018 to Monday, 6th August, 2018 (both days inclusive) for the purpose of Annual General Meeting.

5. Shareholders seeking any information with regard to Financial Statements are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.

6. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between 11.00 a.m. and 1.00 p.m. prior to date of Annual General Meeting.

7. Members are requested to bring their copy of Annual Report at the meeting.

8. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case, shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

9. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders, who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.

10. The balance lying in the unclaimed / unpaid refund account of the Company in respect of the refund amount accrued consequent to the Initial Public Offer of the shares of the Company in August, 2009, has been transferred to the Investor Education and Protection Fund (IEPF) of the Central Government on 9th September, 2016. The Persons / Applicants to the above-referred IPO, who have not claimed their refund amount may approach the Company or its registrar & share transfer agent for obtaining payments thereof.

11. The route map showing directions to reach the venue of the twenty second AGM is annexed.

12. Process and manner for members opting for voting through Electronic means:

    i. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited ("remote e-voting").

    ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. 30th July, 2018, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

    iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 30th July, 2018, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.

    iv. The remote e-voting will commence on Thursday, 2nd August, 2018 at 9.00 a.m. and will end on Sunday, 5th August, 2018 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. 30th July, 2018, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

    v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

    vi. The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.

    vii. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. 30th July, 2018.

    viii. The Company has appointed CS Chirag Shah, Practising Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper at the AGM, in a fair and transparent manner.

    ix. The procedure and instructions for remote e-voting are, as follows:

        Step 1 : Open your web browser during the voting period and log on to the e-voting website: www.evotingindia.com.

        Step 2 : Now click on "Shareholders" to cast your votes.

Step 3 : Now, fill up the following details in the appropriate boxes:

User-ID:

a. For CDSL: 16 digits beneficiary ID

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c. Members holding shares in physical form should enter the Folio Number registered with the Company.

Step 4 : Next, enter the Image Verification as displayed and Click on Login. If you are holding shares in demat form and had logged on to then your existing password is to be used.

Step 5 : If you are a first time user follow the steps given below:

For members holding shares in demat form and physical form:

PAN	Enter your 10 digit alpha-numeric Permanent Account Number (PAN) issued by Income Tax Department. Members, who have not updated their PAN with the Company / Depository Participant, are requested to use the sequence number, which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format), as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in Step 3.

Step 6 : After entering these details appropriately, click on "SUBMIT" tab.

Step 7 : Members holding shares in physical form will then directly reach the Company selection screen. However, first time user holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that the Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

If Demat account holder has forgotten the changed password then Enter the user ID and the image verification code and click on Forgot Password and enter the details as prompted by the System.

Step 8 : For members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.

Step 9 : Click on EVSN of the Company.

Step 10 : On the voting page, you will see Resolution Description and against the same, the option "YES/NO" for voting. Select the relevant option as desired YES or NO and click to submit.

Step 11 : Click on the resolution file link if you wish to view the entire Notice.

Step 12 : After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

Step 13 : You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.

Step 14: Instructions for Non-Individual Members and Custodians:

- Non-Individual Members (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts; they would be able to cast their vote.
- A scan copy of the Board Resolution and Power of Attorney ("POA") which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

x. Shareholders can also cast their vote using CDSL's Mobile app M-voting available for android based mobiles. The M-voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.adanipower.com and on the website of CDSL i.e. www.cdslindia.com within three days of the passing of the Resolutions at the 22nd Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

xii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Contact Details:

Company	Adani Power Limited
Registered Office:	"Shikhar", Nr. Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad – 380009, Gujarat, India. CIN:L40100JG1996PLC030533 Email ID: investor.grievance@adani.com / investor.apl@adani.com
Registrar and Transfer Agent :	M/s. Karvy Computershare Private Limited Karvy Selenium Tower B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 Tel : 040-6716 1526; Fax : 040-23001153 Email:einward.ris@karvy.com
e-Voting Agency :	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com Phone : 1800225533
Scrutinizer :	CS Chirag Shah Practising Company Secretary E-mail ID: pcschirag@gmail.com

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

For Item No. 4

Mr. Rajesh S. Adani was appointed as a Managing Director of the Company w.e.f. 1st April, 2013 for a period of five years, without any remuneration. His term as a Managing Director of the Company expired on 31st March, 2018.

In accordance with the provisions of Section 196 and 203 of the Companies Act, 2013 ("Act"), read with Schedule V to the Act and other applicable provisions, if any, of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) the Board of Directors of the Company at its meeting held on 22nd March, 2018, upon the recommendation of Nomination and Remuneration Committee, reappointed Mr. Rajesh S. Adani as a Managing Director of the Company for a period of three years with effect from 1st April, 2018.

Considering his significant contribution in the management and development of various power projects of the Company, it is proposed to reappoint him for a further period of three years w.e.f. 1st April, 2018, without any remuneration, on the terms and conditions as the Board of Directors of the Company may deems fit.

Mr. Rajesh S. Adani shall be in charge of the overall operations and management of the Company.

He shall not draw any remuneration (including sitting fees) from the Company.

The disclosures, as prescribed under Regulation 36 of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), in respect of the proposed re-appointment of Mr. Rajesh S. Adani, are provided in the annexure to the Notice as attached herewith.

The above mentioned terms and conditions shall be deemed to be an abstract under Section 190 of the Companies Act, 2013.

The Board of Directors recommends the passing of the resolution, as set out at item no. 4 as a special resolution, by the members of the Company.

None of the Directors, except Mr. Rajesh S. Adani and Mr. Gautam S. Adani being relative of Mr. Rajesh S. Adani, is deemed to be concerned or interested in this resolution.

None of the other Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

For Item No. 5

Mr. Vneet S Jaain was appointed as an Executive Director of the Company w.e.f. 14th May, 2015 for a period of three years without any remuneration. Thereafter, his designation has been changed by re-designating him as Whole-time Director of the Company w.e.f. 22nd January, 2016. His present term as the Whole-time Director of the Company is expiring on 13th May, 2018.

In accordance with the provisions of Section 196 and 203 of the Companies Act, 2013 ("Act"), read with Schedule V to the Act and other applicable provisions, if any, of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the Board of Directors of the Company at its meeting held on 3rd May, 2018, upon the recommendation of Nomination and Remuneration Committee, reappointed him as Whole-time Director of the Company for a period of three years with effect from 14th May, 2018.

Considering his significant contribution in the management and development of various power projects of the Company, it is proposed to reappoint him for a further period of three years w.e.f. 14th May, 2018, without any remuneration, on the terms and conditions as the Board of Directors of the Company may deems fit.

Mr. Vneet S Jaain joined the power vertical of Adani Group in the year 2006. He is a Mechanical Engineer and has over 27 years of experience in power sector. He has been conferred with Power Men of the Year – Young Achievers in the power sector award in the year 2011. He has lead and facilitated installation of world's largest single location coal based power plant of 4620 MW at Mundra besides commissioning of India's largest solar power plant of 40 MW and installation of world's largest private HVDC transmission network.

He shall not draw any remuneration (including sitting fees) from the Company.

The disclosures, as prescribed under Regulation 36 of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), in respect of the proposed re-appointment of Mr. Vneet S Jaain, are provided in the annexure to the Notice as attached herewith.

The above mentioned terms and conditions shall be deemed to be an abstract under section 190 of the Companies Act, 2013.

The Board of Directors recommends the passing of the resolution, as set out at item no. 5 as a special resolution, by the members of the Company.

None of the Directors, except Mr. Vneet S Jaain as it relates to his appointment, is interested in this resolution.

None of the other Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

For Item No. 6

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company (the "Board") had appointed Mr. Mukesh Shah as an Additional Director (Non-Executive Independent Director) with effect from 31st March, 2018. According to the provisions of Section 161 of the Companies Act, 2013, Mr. Mukesh Shah holds office as a Director only up to the date of the ensuing Annual General Meeting to be held on 6th August, 2018.

The Company has received from Mr. Mukesh Shah (i) consent to act as Director, (ii) certificate that he is not disqualified from being appointed as a Director of the Company, and (iii) declaration of independence.

In the opinion of the Board, Mr. Shah possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as an Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that he is independent of the management.

As required under Section 160 of the Companies Act, 2013, a notice in writing has been received from a member signifying its intention to propose the appointment of Mr. Mukesh Shah as a Director of the Company.

In compliance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, the appointment of Mr. Mukesh Shah as an Independent Director of the Company is now being placed before the Members for their approval.

The terms and conditions for appointment of Mr. Mukesh Shah as an Independent Director of the Company shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The disclosures, as prescribed under Regulation 36 of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), in respect of the proposed appointment of Mr. Mukesh Shah, are provided in the annexure to the Notice as attached herewith.

The Board of Directors recommends the passing of the resolution, as set out at item no. 6 as an ordinary resolution, by the members of the Company.

Except Mr. Mukesh Shah, being an appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives is, in anyway, concerned or interested in the proposed resolution at item no. 6.

For Item No. 7

The Company is presently engaged in the business of generation and supply of and to generally deal in electricity. The Directors consider it advisable, by way of abundant caution, to alter the present Clause III (A) of the Company's Memorandum of Association to expressly empower the Company to carry on the activities mentioned at the altered clause. To this end, it is proposed to alter clause III (A) of the Company's Memorandum of Association, by inserting therein, after the present sub-clause (5) thereof, new sub-clause (6) set out in the text of the Special Resolution submitted with the Notice.

Having regard to the technical experience and financial resources of the Company, the Directors consider that the business activities set out in the Special Resolution are capable of being conveniently or advantageously combined with the business presently carried on by the Company, economically and efficiently. The Directors consider that the proposed alteration would be in the best interests of the Members. The Members are therefore requested to approve the proposed alteration to the Memorandum of Association.

Section 13 of the Companies Act, 2013 requires a Special Resolution for the alteration of the Main Object Clause of the Memorandum of Association of the Company.

A copy of the existing Memorandum and Articles of Association of the Company along with the proposed draft amendments are available for inspection at the Registered Office of the Company on all working days between 11:00 a.m. and 1:00 p.m. up to the date of declaration of results by the Chairman on Monday, 6th August, 2018.

The Board of Directors recommends the passing of the resolution, as set out at item no. 7 as a special resolution, by the members of the Company.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

For Item No. 8

As per the provisions of Section 42 of the Companies Act, 2013 ("Act") read with rules made thereunder, a Company offering or making an invitation to subscribe to redeemable secured/ unsecured Non-Convertible Debentures (NCDs) on a private placement basis is required to obtain the prior approval of the members by way of a Special Resolution. Such approval by a Special Resolution can be obtained once a year for all the offers and an invitation for such debt securities to be made during the year.

It is proposed to offer or invite subscriptions for redeemable secured/ unsecured non-convertible debentures including subordinated debentures, bonds, and/ or other debt securities, etc., on private placement basis, in one or more tranches, during the period of one year from the date of passing of the Special Resolution by the members, within the overall borrowing limits of the Company, as may be approved by the members from time to time, with authority to the Board to determine the terms and conditions, including the issue price of the debt securities, interest, repayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the Resolution as set out at Item No. 8 of the Notice.

Accordingly, the approval of the members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any, of the Act read with rules made thereunder.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

For Item No. 9

The Company proposes to have flexibility to infuse additional capital, to tap capital markets and to raise additional long term resources, if necessary in order to sustain growth in the business, for business expansion and to improve the financial leveraging strength of the Company. The proposed resolution seeks the enabling authorization of the members to the Board of Directors to raise funds to the extent of ₹ 5,000 crores (Rupees Five Thousand Crores Only) or its equivalent in any one or more currencies, in one or more tranches, in such form, on such terms, in such manner, at such price and at such time as may be considered appropriate by the Board (inclusive at such premium as may be determined) by way of issuance of equity shares of the Company ("Equity Shares") and/or any instruments or securities including Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares and/ or convertible debentures (compulsorily and/ or optionally, fully and/or partly) and/or non-convertible debentures (or other securities) with warrants, and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of Foreign Currency Convertible Bonds ("FCCBs") and/ or Foreign Currency Exchangeable Bonds ("FCEBs") and/ or any other permitted fully and/or partly paid securities/ instruments/ warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency by way of private placement or otherwise.

The Special Resolution also seeks to empower the Board of Directors to undertake a Qualified Institutional Placement (QIP) with Qualified Institutional Buyers (QIBs) as defined by SEBI under Issue of Capital and Disclosure Requirements Regulations, 2009. The Board of Directors may in their discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Further in case the Company decides to issue eligible securities within the meaning of Chapter VIII of the SEBI Regulations to Qualified Institutional Investors, it will be subject to the provisions of Chapter VIII of the SEBI Regulations as amended from time to time. The aforesaid securities can be issued at a price after taking into consideration the pricing formula prescribed in Chapter VIII of the SEBI (ICDR) Regulations. Allotment of securities issued pursuant to Chapter VIII of SEBI Regulations shall be completed within twelve months from the date of passing of the resolution under Section 42 and 62 of the Companies Act, 2013 ("Act"). This Special Resolution gives (a) adequate flexibility and discretion to the Board to finalize the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and experts or such other authority or authorities as need to be consulted including in relation to the pricing of the Issue which will be a free market pricing and may be at premium or discount to the market price in accordance with the normal practice and (b) powers to issue and market any securities issued including the power to issue such Securities in such tranche or tranches with/without voting rights or with differential voting rights.

The detailed terms and conditions for the issue of Securities will be determined in consultation with the advisors and such Authority/Authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The consent of the members is being sought pursuant to the provisions of Section 42, 62 and other applicable provisions of the Act and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Since the resolution involves issue of Equity Shares to persons other than existing members, special resolution in terms of Section 42 and 62 of the Act is proposed for your approval. The amount proposed to be raised by the Company shall not exceed ₹5,000 crores (Rupees Five Thousand Crores Only). The Equity shares, which would be allotted, shall rank in all respects pari passu with the existing Equity Shares of the Company, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and/or listing particulars.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

For Item No. 10

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Kiran J. Mehta & Co. Cost Accountants (Firm Reg. No. 000025) as the cost auditors of the Company to conduct the audit of the cost records of the Solar Power Plant of the Company for the financial year 2018-19, at a fee of ₹65,000/- plus applicable Taxes and reimbursement of out of pocket expenses, as remuneration for cost audit services for the FY 2018-19.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 10 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2019.

The Board of Directors recommends the above resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

By order of the Board

Place: Ahmedabad
Date: 3rd May, 2018

Deepak Pandya
Company Secretary

Regd. Office:
"Shikhar", Nr. Adani House,
Mithakhali Six Roads, Navrangpura,
Ahmedabad - 380 009 Gujarat, India.
CIN: L40100GJ1996PLC030533

Details of Director seeking Appointment / Re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he holds directorship as on 31.03.2018	Name of committees in which he/she holds membership/ chairmanship as on 31.03.2018
Mr. Rajesh S. Adani	53 years 7th Dec, 1964 (1)	B.Com.	Mr Rajesh Adani has been associated with Adani Group since its inception. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalized approach to the business and competitive spirit has helped towards the growth of the Group and its various businesses.	• Adani Enterprises Limited^^ • Adani Power Limited ^^ • Adani Transmission Limited^^ • Adani Ports and Special Economic Zone Limited^^ • Adani Wilmar Limited • Adani Gas Limited • Adani Welspun Exploration Limited • Adani Green Energy Limited • Adani Finserve Private Limited • Adani Institute for Education and Research [Section 8 Company]	• Adani Enterprises Limited^^ o Corporate Social Responsibility Committee (Chairman) o Risk Management Committee (Chairman) o Stakeholders' Relationship Committee (Member) • Adani Ports and Special Economic Zone Limited^^ o Audit Committee (Member) o Stakeholders' Relationship Committee (Chairman) o Nomination & Remuneration Committee (Member) o Sustainability & Corporate Social Responsibility Committee (Chairman) o Risk Management Committee (Chairman) • Adani Power Limited^^ o Audit Committee (Member) o Stakeholders' Relationship Committee (Member) o Sustainability and Corporate Social Responsibility Committee (Chairman) o Risk Management Committee (Chairman) • Adani Transmission Limited^^ o Corporate Social Responsibility & Sustainability (CSR&S) Committee (Chairman) o Audit Committee (Member) o Stakeholders' Relationship Committee (Member) o Risk Management Committee (Member) • Adani Gas Limited o Corporate Social Responsibility Committee (Member)

Details of Director seeking Appointment / Re-appointment (Contd...)

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he holds directorship as on 31.03.2018	Name of committees in which he/she holds membership/ chairmanship as on 31.03.2018
Mr. Vneet S Jaain (DIN: 00053906)	47 years 30th April, 1971 (65520)	B.E (Mechanical Engineering)	Vneet S. Jaain is one of the finest leaders in the Indian Business landscape with a diversified experience of more than 25 years in the Power Sector and Infrastructure. He has successfully implemented more than 9000 MW of power projects across the country for the Adani Group as on date in less than a decade. Under his leadership Adani Power has acquired 1200 MW thermal power plant of Lanco at Udupi, Karnataka taking the overall capacity to more than 10,000 MW in thermal power generation. He has also led various functions like Corporate Engineering Group, Quality Control, HR, Techno-Commercial and Business Development in the power vertical and has executed more than 8000 MW in Long Term Power Purchase Agreements with different State Utilities. As a Technocrat leader, he has achieved significant milestones like commissioning India's first supercritical 660MW unit within 36 months, executing India's longest and world's biggest privately owned HVDC transmission network and most recently, executing the world's largest solar power project at Kamuthi. His strength in project execution for thermal power, solar power and transmission businesses has catapulted the Adani Group to the pole position in Indian Energy Sector.	Adani Power Limited@ Adani Transmission (India) Limited Adani Synenergy Limited Adani Green Energy (Tamil nadu) Limited Adani Renewable Energy Park Limited Adani Cementation Limited Adani Infrastructure Management Services Limited	• Adani Power Limited^^ o Sustainability and Corporate Social Responsibility Committee (Member) o Risk Management Committee (Member)

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he holds directorship as on 31.03.2018	Name of committees in which he/she holds membership/ chairmanship as on 31.03.2018
Mr. Mukesh Shah (DIN: 00084402)	65 years 31st January, 1953 (2245)	M. Com. LL.B., FCA	Mr. Mukesh M. Shah, is a Founder of the firm Mukesh M. Shah & Co. as a Managing Partner, with more than 30 years' experience. He has commendable knowledge in diversified fields of Audit & Assurance, Tax & Regulatory matters, Transactions advisory services, Due Diligence, Corporate Restructuring including Mergers, De-mergers, Valuations, Acquisition and Sale, Project Finance, FEMA & Regulatory matters. He is Managing Trustee of leading educational institute running 5 colleges imparting education to more than 6,500 students in the city of Ahmedabad. He had been committee member of Chartered Accountants Association, Ahmedabad and ITAT Bar Association, Ahmedabad. He is on the Board of Directors of some companies as an independent director offering valuable guidance on the company's policies and good corporate governance.	Adani Power Limited^^ Indian Chronicle Ltd. Vinpack (India) Pvt. Ltd. Aajkal Investment Pvt. Ltd. Marvel Hitech Limited Metalex Commodities Private Limited Adani Infra (India) Limited	• Adani Power Limited o Audit Committee (Chairman) o Stakeholders' Relationship Committee (Member) o Risk Management Committee (Member)

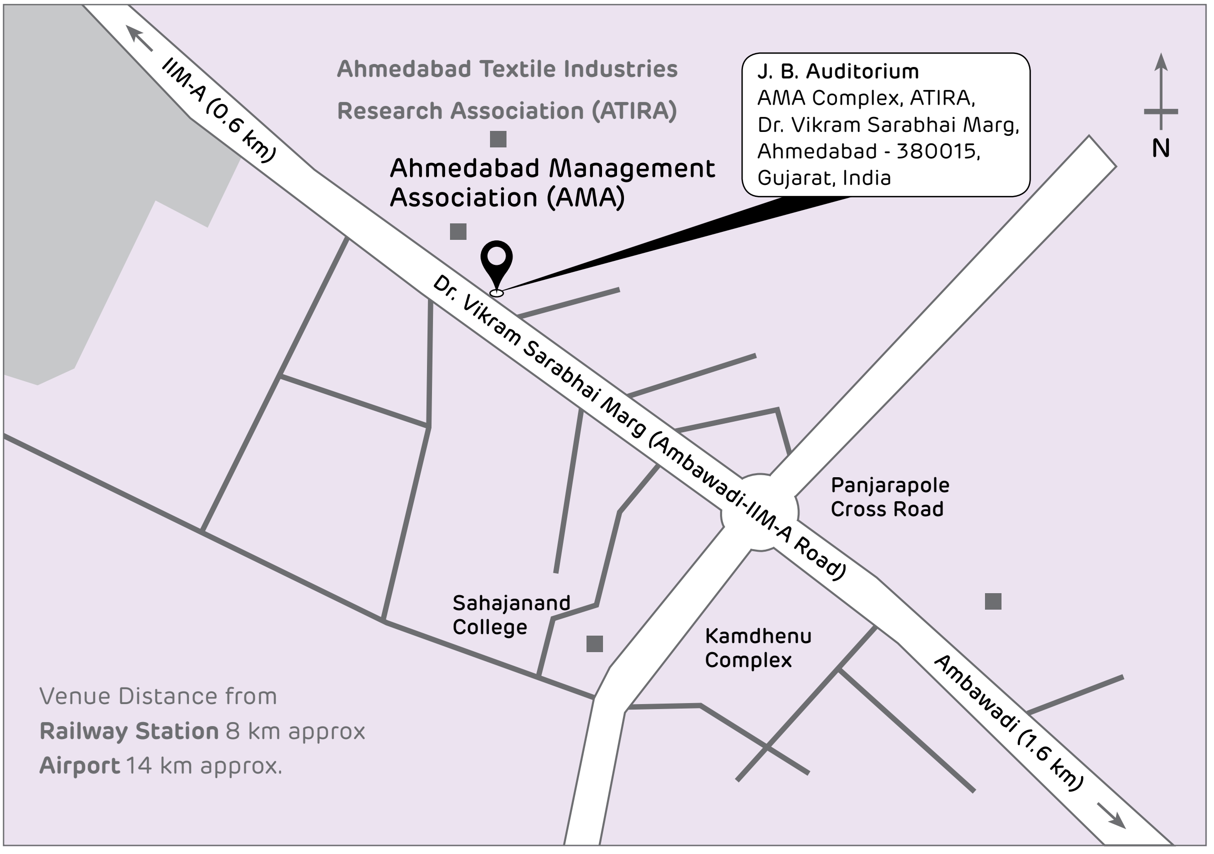
^^ Listed Company

For other details such as number of meetings at the board attended during the year, remuneration drawn and relationship with other directors and Key Managerial Personnel in respect of above directors, please refer to the Corporate Governance Report.

Route map to the venue of the AGM

Venue : J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015, Gujarat, India

Landmark: Opposite Indian Institute of Management, Ahmedabad



Adani Power Limited
Regd. Office: "Shikhar", Near Adani House,
Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India
CIN: L40100GJ1996PLC030533

Form No. MGT-11
Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	L40100GJ1996PLC030533
Name of the company	:	Adani Power Limited
Registered office	:	"Shikhar" Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad -380 009, Gujarat, India

Name of the member(s)	:
Registered Address	:
Email ID	:
Folio No/Client ID	:
DP ID	:

I/We, being the member (s) of .... shares of the above named company, hereby appoint:

1. Name : ______________________________
   Address : ______________________________
   E-mail ID : ______________________________
   Signature : ______________________________, or failing him

2. Name : ______________________________
   Address : ______________________________
   E-mail ID : ______________________________
   Signature : ______________________________, or failing him

3. Name : ______________________________
   Address : ______________________________
   E-mail ID : ______________________________
   Signature : ______________________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 22nd Annual General Meeting of the Company, to be held on Monday, 6th August, 2018 at 10:30 a.m. at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of audited financial statements (including consolidated financial statements) for the financial year ended 31st March, 2018 (Ordinary Resolution)
2. Re-appointment of Mr. Rajesh S. Adani (DIN: 00006322), as a Director of the Company who retires by rotation (Ordinary Resolution)
3. Appointment of M/s. S R B C & CO LLP, Statutory Auditors and to fix their remuneration for the financial year ended 31st March, 2019 (Ordinary Resolution)

Special Business:

4. Re-appointment of Mr. Rajesh S. Adani as Managing Director of the Company (Special Resolution)
5. Re-appointment of Mr. Vneet S Jaain as Whole-time Director of the Company (Special Resolution)
6. Appointment of Mr. Mukesh Shah as Independent Director (Ordinary Resolution)
7. Change (addition) in Object Clause of the Company (Special Resolution)
8. Approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement basis (Special Resolution)
9. Approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹5,000 Crores (Special Resolution)
10. Ratification of the Remuneration of the Cost Auditors (Ordinary Resolution)

Signed this .... day of .... 2018.

Signature of Shareholder: ....

Signature of Proxy holder(s): ....

Affix ₹1
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

Adani Power Limited
Regd. Office: "Shikhar", Near Adani House,
Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India
CIN: L40100GJ1996PLC030533

Attendance Slip

Full name of the member attending ....

Full name of the joint-holder ....
(To be filled in if first named Joint – holder does not attend meeting)

Name of Proxy ....
(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 22nd Annual General Meeting held at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 on Monday, 6th August, 2018 at 10:30 a.m.

Folio No .... DP ID No. * .... Client ID No.* ....

*Applicable for members holding shares in electronic form.

No. of Share(s) held ....

....
Member's / Proxy's Signature

Forward Looking Statement

We have exercised utmost care in the preparation of this report. It contains forecasts and/or information relating to forecasts. Forecasts are based on facts, expectations, and/or past figures. As with all forward looking statements, forecasts are connected with known and unknown uncertainties, which may mean the actual result deviate significantly from the forecast. Forecasts prepared by the third parties, or data or evaluations used by third parties and mentioned in this communication, may be inappropriate, incomplete, or falsified. We cannot assess whether information in this report has been taken from third parties, or these provide the basis of our own evaluations, such use is made known in this report. As a result of the above mentioned circumstances, we can provide no warranty regarding the correctness, completeness, and upto-date nature of information taken, and declared as being taken, from third parties, as well as for forward looking statements, irrespective of whether these derive from third parties or ourselves. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Adani Power Limited

Shikhar, Nr. Adani House,
Mithakhali Six Roads, Navrangpura,
Ahmedabad 380 009, Gujarat, India.

T: +91 79 2656 5555
F: +91 79 2656 5500
Email: investor.apl@adani.com
www.adanipower.com

Follow us on: /AdaniOnline