adani

18th August, 2017

BSE Limited
P J Towers,
Dalal Street,
Mumbai – 400001

Scrip Code: 533096

Sub: Annual Report - Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations. 2015

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing a copy of Annual Report of the Company for the financial year 2016-17.

Kindly take the same on your record.

Thanking You.

Yours faithfully,
For Adani Power Limited

Adani Power Ltd

Deepak Pandya
Company Secretary

Encl: a.a.

Adani Power Ltd
Achalraj
Opp. Mayor Bunglow, Law Garden,
Ahmedabad – 380 006
Gujarat, India
CIN: L40100GJ1996PLC030533

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Fax +91 79 2555 7177
info@adani.com
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Registered Office: Shikhar, Nr. Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat, India

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ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (*Consolidated*)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 [*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	23,202.78	Not Determinable
	2.	Total Expenditure	25,386.26	
	3.	Net Profit/(Loss)	(6,174.10)	
	4.	Other Comprehensive Income	3.97	
	5.	Total Comprehensive Income	(6,170.13)	
	6.	Earnings Per Share	(17.82)	
	7.	Total Assets	71,511.05	
	8.	Total Liabilities	68,511.49	
	9.	Net Worth	2,999.56	
	10.	Any other financial item(s) (as felt appropriate by the management)		
II.	**Audit Qualification (each audit qualification separately):**			

Details of Audit Qualification:

3. We draw attention to :

a. Note 5(b) to the Statement regarding the basis on which a subsidiary, Adani Power Maharashtra Limited ("APML"), has continued to recognize total revenue of ₹ 2,583.23 crores on account of relief under Force Majeure events and change in law events up to March 31, 2017 (₹ 242.67 crores and ₹ 1,103.53 crores recognized during current year and previous year respectively) which is pending adjudication by the relevant regulators, as more fully described in the said Note.

   Since the matter relating to relief under Force Majeure Events / Change in Law events and additional relief are sub judice, the appropriateness or otherwise, of the continued recognition of such revenue for and up to the period ended March 31, 2017 and other consequential effects on the Statement can only be determined on final outcome of the litigations.

b. Note 5(c) to the Statement regarding the basis on which a subsidiary, Adani Power Rajasthan Limited ("APRL"), has recognized total revenue of ₹ 1,980.92 crores on account of Change in Law events up to March 31, 2017 (₹ 726.48 crores and ₹ 948.52 crores recognized during current year and previous year respectively) which is pending adjudication by the relevant regulators, as more fully described in the said note.

Since the matter relating to relief under Change in Law is sub judice, the appropriateness or otherwise, of the continued recognition of such revenue for and up to the period ended March 31, 2017 and other consequential effects on the Statement can only be determined on final outcome of the litigations.

c. Note 8 to the Statement regarding ongoing balance reconciliation exercise with customers of a subsidiary, Udupi Power Corporation Limited, with respect to trade receivables amounting to ₹ 137.11 crores (₹ 456.03 as at 31st March, 2016). Based on assessment by the management, the said amount will be fully recovered upon conclusion of the ongoing reconciliation exercise.

Since the balances are under reconciliation / approval process, and in absence of balance confirmation, adjustments, if any, to the carrying amounts of trade receivables can be determined only upon conclusion of the aforementioned exercise / approval by the customers.

4. Except for the possible effects of the matters described in paragraph 3 above, in our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the separate financial statements and other financial information of the subsidiaries referred to in paragraph 6 below, and read along with emphasis of matter in paragraph 5 below, the Statement:

a. includes the results.

b. is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and

c. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss, total comprehensive loss and other financial information of the Group for the year ended March 31, 2017.

b. **Type of Audit Qualification** : Qualified Opinion

c. **Frequency of qualification**: Item 3(a), 3(b) and 3(c) above is qualified since FY 2015-16.

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not Applicable

	e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**
	(i) **Management's estimation on the impact of audit qualification:** Not Applicable
	(ii) **If management is unable to estimate the impact, reasons for the same:** Note 5 to the consolidated financial results for item 3(a) and 3(b) above and Note 8 to the consolidated financial results for item 3(c) above are self-explanatory.
	(iii) **Auditors' Comments on (i) or (ii) above:** Audit qualifications are self-explanatory
III	**Signatories:**

	Whole-time Director	Vneet S Jaain Vneet S Jaain
	CFO	Vinod Bhandawat
	Audit Committee Chairman	C P Jain
	Statutory Auditor	For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No. 117365W) Kartikeya Raval Kartikeya Raval (Partner) (Membership No. 106189) Ahmedabad
	Place: Ahmedabad	
	Date: 27.05.2017	

Adani Power Ltd
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adani

Thinking Big Doing Better

Adani Power Limited
Annual Report 2016-17




At 10,440 MW, Adani Power Limited owns and operates India's largest thermal power capacity in the private sector.

Some of the Company's large and modern power plant assets include the 4,620 MW power plant in Mundra, which is the largest single-location private coal-based power plant in the world, the 3,300 MW Tiroda power plant, the 1,320 MW Kawai power plant and the 1,200 MW Udupi power plant.

With an economic growth that is primed to be among the fastest in the world, India's growing requirement for power is unquestionable. With the aspiration to 'Think Big, Do Better', Adani Power has a well-articulated growth plan to increase power capacity to 20,000 MW by 2020 and contribute to the country's growth and progress.

Adani Power is a part of the USD 12 billion Adani Group, which has interests in resources, logistics and energy.

One vision, one brand

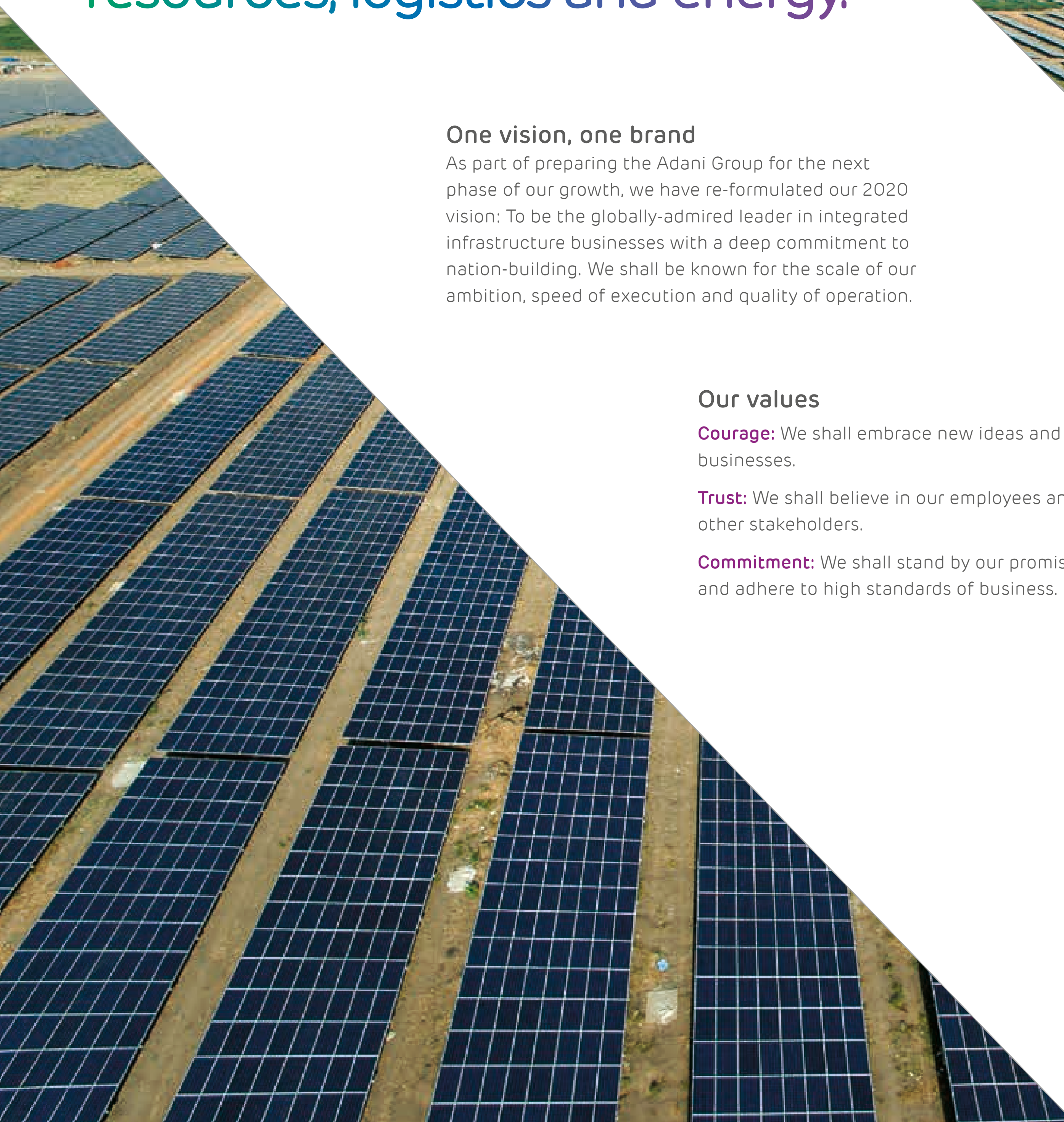
As part of preparing the Adani Group for the next phase of our growth, we have re-formulated our 2020 vision: To be the globally-admired leader in integrated infrastructure businesses with a deep commitment to nation-building. We shall be known for the scale of our ambition, speed of execution and quality of operation.

Our values

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 standards of business.



Our culture

Passion: Performance with enthusiasm and energy

Results: Consistently achieving goals

Integration: Working across functions and businesses to create synergies

Dedication: Working with commitment in the pursuit of our aims

Entrepreneurship: Seizing new opportunities with initiative and ownership

About the Adani Group

The Adani Group is one of India's leading business houses with revenues of over USD 10 billion. Founded in 1988, the Group has grown to become a global integrated infrastructure player with businesses in key industry verticals:

Resources Logistics Energy

The Group has also made significant strides in the agri-infrastructure business by setting up grain storage silos and cold storage facilities. It is also a market leader in edible oils through the Fortune brand.

Resources

The resources business deals with obtaining coal from mines and trading. In the future, this business will also include oil and gas production.

The Group is developing and operating mines in India, Indonesia and Australia. It is also importing and trading coal from many other countries. Currently, we are the largest coal importers in India. Our extractive capacity has increased threefold to 5 MMT in 2015 and we aim to extract 200 MMT per annum by 2020, making Adani one of the largest mining groups in the world.

Logistics

The logistics business comprises a large network of ports, special economic zones (SEZ) and multi-modal logistics – railways and ships.

The Group owns and operates seven ports and terminals in India – Mundra Port, Dahej Port, Kandla Terminal and Hazira Port in Gujarat, Dhamra Port in Odisha, Mormugao Terminal in Goa and Vizag Terminal in Andhra Pradesh. Mundra Port, which is the largest port in India, benefits from a deep draft, state-of-the-art infrastructure and SEZ status. It crossed the 169 MMT-mark of cargo handling in FY 2016-17. The Group is also developing a terminal at Ennore in Tamil Nadu and a mega transhipment terminal at Vizhinjam, Kerala.

Energy

The energy business involves power generation, transmission and gas distribution.

Adani is the largest thermal power producer in India's private sector with an installed capacity of 10,480 MW including a 40 MW solar plant at Bitta, Gujarat. Four of our power projects are spread across Gujarat, Maharashtra, Karnataka and Rajasthan. We also provide a range of reliable and environment-friendly energy solutions in the form of CNG and PNG.

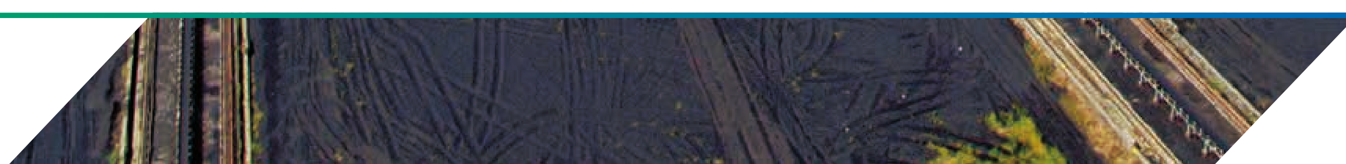
At 10,440 MW, Adani Power owns and operates India's largest thermal power capacity in the private sector.

Origin

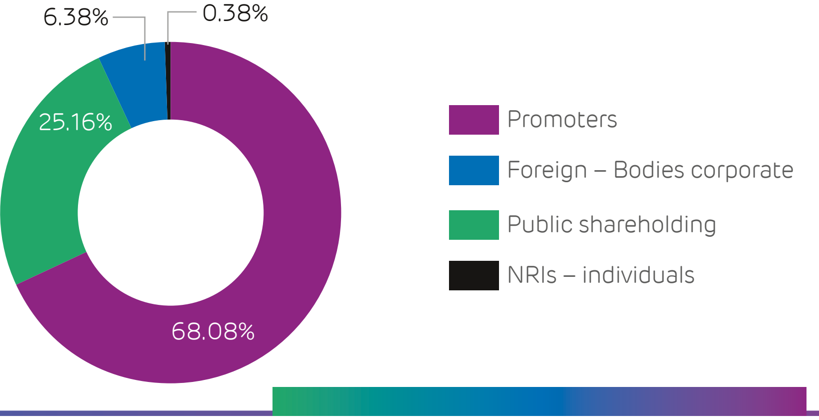
Adani Power was listed through an IPO in 2009. The first unit of 330 MW at Mundra was commissioned on 4th August, 2009. We also commissioned India's first supercritical 660 MW unit at Mundra on 4th March, 2011. Units 5 and 6 at Mundra are the world's first supercritical technology-based thermal power project to be registered as a 'Clean Development Mechanism (CDM) Project' with the United Nations Framework Convention on Climate Change (UNFCCC). Moreover, the Mundra power plant is the largest single-location coal-based thermal power plant in India and one of the top five in the world.

Assets and capacities

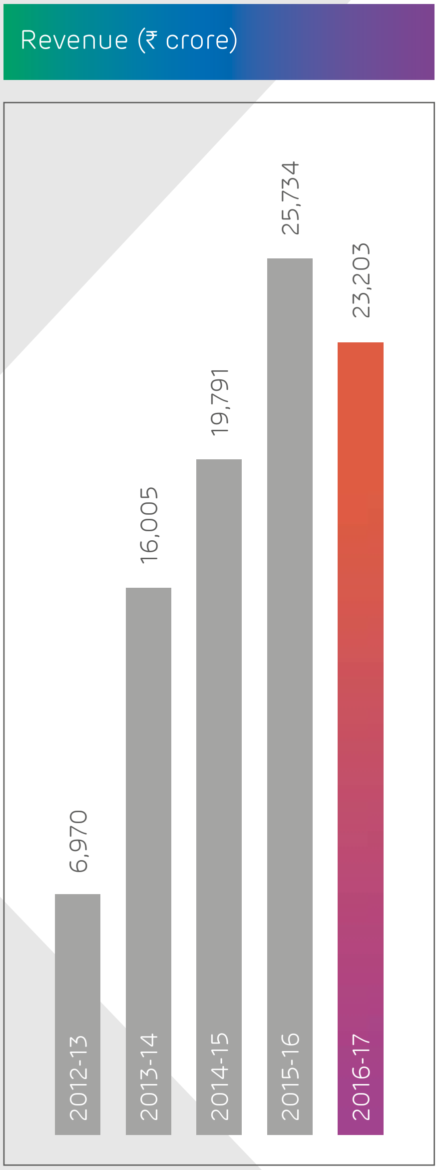
	Asset	Location	Specifications
	4,620 MW	Mundra, Gujarat	4x330 MW and 5x660 MW
	3,300 MW	Tiroda, Maharashtra	5x660 MW
	1,320 MW	Kawai, Rajasthan	2x660 MW
	1,200 MW	Udupi, Karnataka	2x600 MW

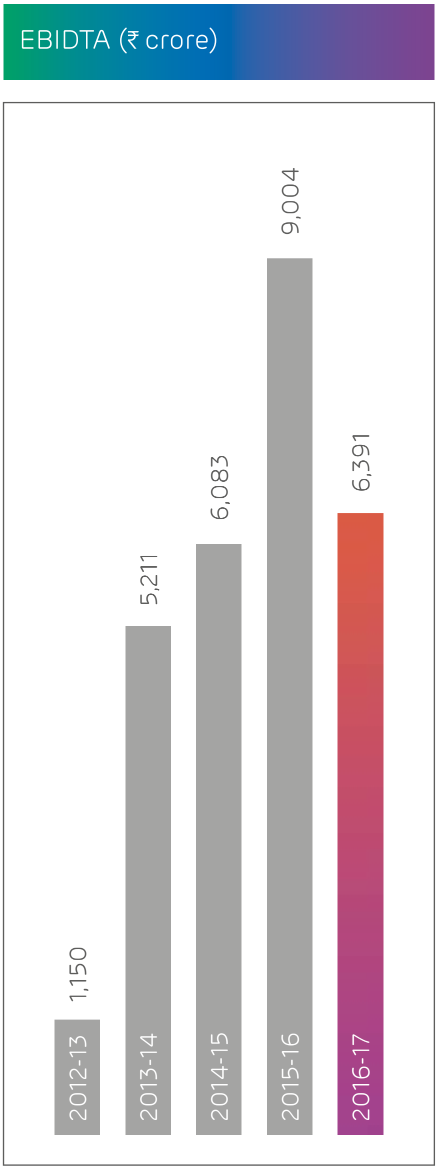


Shareholding, as on 31st March 2017

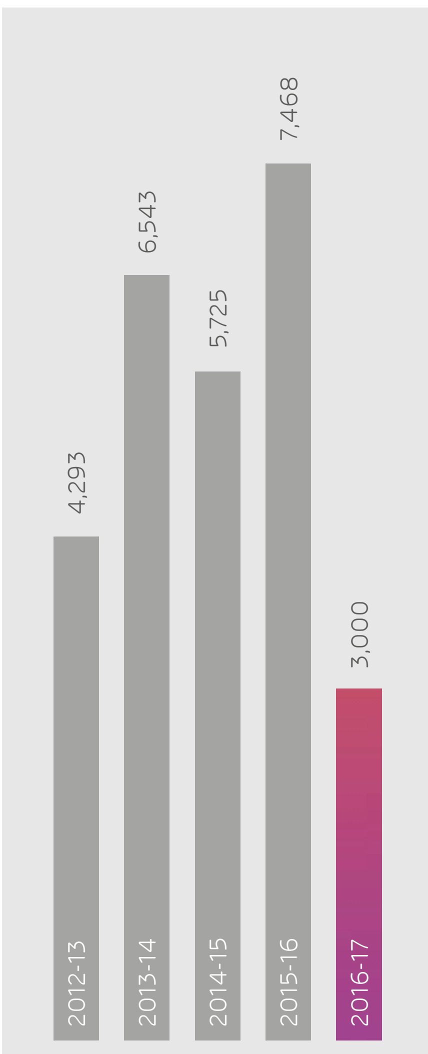


Financial performance (Consolidated)



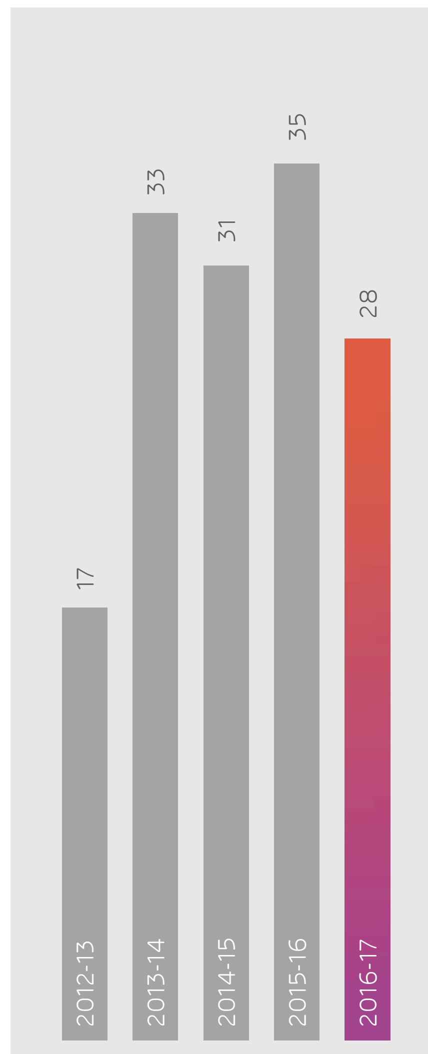


Net worth (₹ crore)



Net fixed assets (₹ crore)

EBIDTA margin (%)



Note: Figures for FY 2015-16 and 2016-17 are based on IndAS

We strongly believe that the visionary reforms undertaken by the government, coupled with robust economic growth and renewed focus on the manufacturing sector as well as the Power for all goal, will drive consumption growth over the next few years.

Dear Shareholders,

The private sector has contributed greatly to building India's power generation and transmission capability over the last decade, thus energising the nation's economic growth engine, and providing access to reliable power supply to a large number of hitherto underserved citizens. The nation is today largely free of the crippling problems of power shortages and unreliable supply, which plagued economic growth in the past.

Thermal power generation capacity, which stood at 82.4 GW in FY 2006-07, has grown rapidly during the last decade, to 218.3 GW. Of this, 99 GW has been added during the 12th Five Year Plan, outstripping the Plan target of 88 GW installations. Investments made by the private sector have played a key role in this capacity expansion, aided by enabling legislation. From a mere 9.6 GW, which was 12% of the total thermal power capacity in FY 2005-06, the private sector accounted for 84.2 GW or 39% of the total thermal power capacity at the end of FY 2016-17.

On the other hand, despite the commendable growth in generation and transmission capacity, the growth in consumption of electricity has fallen short of projections. This has led to a situation nearing oversupply in the electricity market in the near term. Along with this, there have been persistent challenges in terms of fuel shortages, non-availability of long-term PPAs, and policy uncertainties that have impacted private sector investments, and created a stress on the banking system.

It is imperative that the government as well as regulatory bodies take concrete steps towards resolving these challenges, by improving coal supply, signing fresh PPAs, and expeditiously addressing petitions.

The Central Government has already initiated several reforms in this direction, such as addressing the deteriorating financial health of DISCOMs through the UDAY scheme, alleviating the shortage in supply of domestic coal by setting a target of doubling domestic production to one billion tons by 2020, and announcing the new linkage policy for power called Scheme to Harness and Allocate Koyla (Coal) transparently in India, or SHAKTI. An earnest and time-bound implementation of these reforms by States is called for, along with due support from the regulatory system.

We strongly believe that the visionary reforms undertaken by the government, coupled with robust economic growth and renewed focus on the manufacturing sector as well as the Power for All goals, will drive consumption growth over the next few years.

Our Performance

As the largest private sector power producer, we maintained our emphasis on operational efficiency and cost control, while working relentlessly to solve persistent challenges. During FY 2016-17, we continued to see the impact of the overcapacity situation in the form of reduced demand for short-term contracts, low merchant prices and reduced offtake by some long-term customers. However, with a major portion of our capacity tied under long-term PPAs, and our ability to maintain high availability of our plants, we have been able to withstand the vagaries of the market.

During FY 2016-17, your Company sold 60.2 billion units on a consolidated basis, and recorded total revenues of ₹23,203 crores. Of this, the Standalone business accounted for sales of 27.6 billion units and ₹11,753 crores of revenues. Among subsidiaries, the Tiroda plant sold 17.3 billion units, the Kawai plant sold 7.9 billion units, and the Udupi plant sold 7.4 billion units.

A key challenge that we have faced, especially at the Mundra plant, is the unavailability of fuel cost pass through for imported coal. This has resulted into an under-recovery of costs at the plant. Consequent to the Supreme Court's order regarding Compensatory Tariffs, we have engaged in discussions with various stakeholders to identify remedial measures for sustainable operations of the Mundra power plant.

The Company sold 60.2 billion units on a consolidated basis, and recorded total revenues of ₹23,203 crores. Of this, the Standalone business accounted for sales of 27.6 billion units and ₹11,753 crores of revenues.

Business Outlook

The recently-announced SHAKTI policy will allow power plants to source domestic coal reliably. We believe that the performance of our domestic coal-based power plants at Kawai and Tiroda plants will improve further with an assured supply of fuel. We will continue to focus on resource management as well as efficient operations of our capacities. We are committed to overcome the present challenges, and shall work diligently towards this end.

In the coming years, we foresee a consolidation in the power generation sector, even while new opportunities open up with economic growth. We are poised to pursue new opportunities of profitable growth, and will strive to identify the right assets for investment under organic and inorganic routes.

Our momentous journey over the years has been made possible by highly committed and capable teams, and an empowering and co-operative work culture. We have invested continuously in building our organisation, identifying leadership capabilities in various fields, and improving skill sets and versatility by offering targeted training programs to our employees. The commitment and resourcefulness of our people is reflected in the fast-paced growth we have achieved by overcoming all challenges, and reaching new milestones continuously.

Your Company has been ranked as among the top 100 workplaces in India in FY 2015-16. We aim to live up to high standards of employee expectations, and improve our standing even further. We have a young work force, with an average age of 33 years, which gives us an opportunity to spot and nurture talent, and to cultivate leaders for our next phase of growth. At the same time, ensuring health and safety of our workforce in a fast paced environment is a key priority area. Your Company has engaged DuPont as a partner to support our 'Zero Harm' objective. We have also embarked on a safety culture transformation journey to achieve excellence in all aspects of safety.

As important as all of these achievements is our commitment to the environment, and to the communities around us. Your Company recognises the relationship between ecosystems, biodiversity, and business sustainability. We continue to concentrate our efforts in environmental conservation and minimising the impact of our activities, as well as working towards ensuring a bright future for the communities.

Climate change concerns are pushing for innovation and upgradation of technology world over. We are also evaluating efficient 800MW and 1,000 MW ultra-supercritical technology units for our future expansion plans, in order to help mitigate climate change concerns. Further, your Company has also implemented Sustainability Reporting with publication of annual Sustainability Reports covering our social and environmental performance and using it to build bridges with various stakeholder communities.

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 – Adani Power Limited

Corporate Social Responsibility

Overview

Adani Power's corporate social responsibility (CSR) activities are central to its goal of nation-building. The company's CSR activities are conducted through Adani Foundation, encouraging specialization, knowledge accretion and best practices. The activities of the foundation are also in line with Sustainable Development Goals and Millennium Development Goals of United Nations, extending beyond territorial boundaries, and directed towards the advancement of humankind.

The Adani Foundation relentlessly works in empowering communities, enhancing life quality 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 will optimize community and individual growth in a sustainable manner.

Adani's activities cover four core areas, covering virtually all aspects in community transformation:

- Education
- Community Health
- Sustainable Livelihood
- Rural Infrastructure Development

Currently operational in 12 States, Adani Foundation touches the lives of 4,00,000-plus families in 1,470 Indian villages and towns. The foundation's footprint covers a range of operational locations like Mundra, Ahmedabad, Dhamra, Dahej, Hazira, Tiroda, Udupi, Surguja, Kawai, Vizhinjam, Shimla, Godda and Chhindwara. Adani's human-centric initiatives prioritize sustainability, effectiveness and transparency.

Focus area: Education

Adani Foundation observes a three-pronged approach towards education:

- Adani Vidya Mandir, directed towards meritorious children of economically challenged backgrounds.
- Subsidized schools, providing quality education at marginal costs.
- Government-aided schools, extending support to enhancing infrastructure and learning.

Adani Vidya Mandir: Adani Vidya Mandir is operational in Ahmedabad, Bhadreshwar (Gujarat) and Surguja (Chhattisgarh). The first Adani Vidya Mandir was commissioned in 2008 in Ahmedabad, with the objective of providing economically deprived children with free quality education. 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 structures and community values. The present strength of Adani Vidya Mandir, Ahmedabad, is 1,800 students.

The direct impact of AVM initiative is on parents, siblings and students. 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 with ample career growth opportunities. The behavioral skills of most of the children are substantially improved and there is a gradual improvement in subjects like math and science. Children of neighbours are inspired by AVM students and want to be like them in terms of personality, behavior and spoken English. A long-term impact is seen in students who have graduated from AVM.

In the last academic year, the Adani Vidya Mandir in Bhadreshwar, comprised 394 students, out of which 134 students belonged to the fishing communities. Since most of the students were first-generations school-goers, there was a need to sensitize parents on the importance of education and ensure community participation. Besides curricular, co-curricular and extra-curricular activities, the school provided additional coaching for the students taking the Board examinations.

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. Some 461 students were enrolled in the school in 2016-17.

Subsidized schools: Adani Foundation provides subsidised quality education to around 3,000 students through Adani Public School in Mundra (Gujarat), Adani Vidyalaya in Tiroda (Maharashtra) and Kawai (Rajasthan), Navchetan Vidyalaya in Junagam (Gujarat) and Adani DAV Public School in Dhamra (Odisha).

Adani Public School in Mundra provides English-based education, affiliated to the CBSE board. The school was awarded the prestigious International School Award by British Council. The Foundation also set up a subsidised school in the Dhamra port hinterland (Odisha). Adani DAV Public School, Dhamra, caters to 290 students out of which 80% students are from local villages.

Government-aided schools: Adani Foundation supports 543 government schools in the company's region of operation.

Under the 'Joyful Learning' initiative, more than 2,500 children across 111 government primary schools in villages in and around Mundra were provided with 'Enrolment Kits'. To enhance learning, 'Educational kits' were provided to 6,200 students of 67 government schools in Udupi.

Adani Foundation adopted 47 government schools in Kawai with the objective to enhance quality education through interactive activities. Essay competitions, slogan and quiz competitions, coaching classes for Jawahar Navodiya and 5S training for teachers and students were organized. Infrastructure development, including the construction of playgrounds and toilets, was also carried out.

'Pragna' is an activity-based learning program initiated in government schools to enhance student retention and holistic learning. Extending support to Pragna, the Foundation provided 27 schools across Dahej and Hazira, Gujarat, with material assistance. 52 government nurseries across 15 villages in Hazira were impacted. 44 e-learning kits were distributed in government schools at Tiroda, Maharashtra.

Disha, a career guidance programme was initiated in order to support meritorious students of standards 10 and 12 to pursue higher studies through scholarship, coaching for entrance exam and career guidance workshops.

Project UDAAN: Udaan is a learning-based initiative focusing on creating exposure for the youth of educational institutes across Gujarat. Under this project, a two-day exposure tour is organized, wherein students are given the opportunity to visit the Adani Port, Adani Power and Adani Wilmar facilities. The aim of the project is to aid students in gaining valuable insights into the working of large businesses, which could inspire them to dream big and explore diverse career opportunities including entrepreneurship. The project was inspired by Mr. Gautam Adani, Chairman of the Adani Group, whose visits to Kandla port as a child inspired him to build a world-class port. The project impacted more than 1,91,000 students from 2,392 schools and colleges. In 2016-17, 44,240 students from 470 institutions visited the Adani establishments in Mundra, Hazira, Tirora, Kawai, Dhamra and Udupi.

Focus area: Community Health

Adani Foundation's objective is to provide 'affordable and accessible healthcare to all'. In line with this vision, the Foundation has commissioned mobile healthcare units, rural clinics, health camps, health cards, and various other programmes.

GAIMS: The Foundation entered into a public-private partnership with the Gujarat government to commission the Gujarat Adani Institute of Medical Science in 2009. The Bhuj College provides MBBS courses to more than 750 students.

Project SuPoshan: The Foundation addresses malnutrition and anemia across women and children through this initiative. Project SuPoshan works with pregnant women, lactating mothers, children of 0-5 years, adolescent girls and women of reproductive age. SuPoshan has been implemented at 10 operational sites covering 232 villages and five municipal wards.

The project appointed 194 Sanginis (village health volunteers), building their capacity for household surveys, anthropometric measurements, and identification of Severely Acute Malnourishment (SAM) and Moderate Acute Malnutrition (MAM). Sanginis were also trained to conduct focus group discussions and family counselling sessions.

In 2016-17, 1,12,000 families were sensitized, including 9,000 families who were not a part of panchayat records. More than 5061 focus group discussions and 5,049 family counselling sessions were conducted covering 51,800 women and adolescent girls. Some 148 children were referred to government Child Malnutrition Treatment Centers, of which 120 are now in a healthy state. SuPoshan initiated HB screening of women and adolescent girls using the non-invasive apparatus. Since October 2016, 8,933 women and 8,948 adolescent girls have been screened.

G.K. General Hospital: The teaching hospital under GAIMS, G.K General Hospital is a 750-bed multi-specialty hospital and the largest operating hospital in the Bhuj region. The Foundation, through the G.K. General Hospital and the Adani Hospital at Mundra, provides health services to around 2,00,000 patients each year, completely free of cost.

Mobile healthcare units: Adani Foundation's 13 Mobile Health Care Units (MHCUs) address more than 19,000 patients per month, and more than 2,32,823 patients per year across 9 sites (Mundra, Sainj, Tiroda, Surguja, Dahej, Dhamra, Godda, Udupi and Kawai).

At Mundra and Bitta, the Foundation operates two MHCUs, reducing transit time, hardships and expenses for patients in the region. In 2016-17, 46,868 patients from 37 villages and six fisher-folk settlements were treated. In Tiroda, basic healthcare services were provided across 17 villages (22 locations) near Adani Power Maharashtra Limited, providing 44,847 free treatments. In the year under review, 12 rural clinics set up by the Foundation (11 in Mundra and one in Shimla) provided approximately 73,903 free treatments to local patients. The Dahej MHCU treated 20,597 patients in 2016-17.

Health camps: Adani Foundation's health camps comprise of primary healthcare facilities and financial assistance for neurological, heart, kidney,stroke, paralysis and cancer related ailments. The Foundation conducted 58 plus camps providing facilities in gynaecology, cataract detection, HIV detection and general health programs. Around 22,428 patients are treated annually through Adani Foundation's Health Camps.

Health cards: The Foundation provides Health Cards to senior citizens, which allow them to avail cashless medical services at empanelled hospitals. The project, Vadil Swasthya Yojana, covered 7,487 senior citizens from 66 villages in Mundra and proximate talukas. 9,367 OPD services were availed by cardholders.

Rural clinics: Adani Foundation treats around 73,903 patients each year at its rural clinics. At Mundra, there are 12 rural clinics in 11 villages; in Sainj, there is one full-fledged rural clinic; in Surguja, the dispensary comprises doctors, physiotherapists, lab technicians and pharmacists coupled with treatment facilities.

How Ishwar Dutt was cured

Ishwar Dutt suffered from chronic dermatitis. Dermatitis is an ailment which is common amongst the farmers coming into contact with cow-dung and mud. Ishwar could not afford medication and hospital treatment. A few years ago, Ishwar was introduced to Adani Foundation's Mobile Health Care Unit.

"Thanks to Adani Foundation's Mobile Health Care Units, I received medical facilities within my village, free medicines and timely professional advice. Today, I am cured!" he says.

Focus area: Sustainable Livelihood Development

Adani Foundation's sustainable livelihood program empowers marginalized communities with livelihood opportunities. The Foundation builds social capital, promotes self-help groups, preserves traditional art and organizes skill development programs. The Foundation has empowered numerous peasants and their families through economic independence.

Adani Skill Development Centre: Adani Skill Development Centre (ASDC) is a not-for-profit organization under the Adani Group Companies. The youngest under the Adani Group, the objective of the organization is to create enabling environments in which youth and women can enhance their employability.

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 one initiative, SAKSHAM mobilized candidates across Gujarat who had prior training in plumbing from government ITIs. These candidates were further trained by ASDC as gas technicians. This specialized training in PNG connections was carried out to support the expansion of Adani Gas Ltd.'s city-based gas grid network. The program, entirely supported by Adani Gas Ltd., provided candidates with on-the-job work experience, and a stipend. 23 skilled technicians were successfully placed at Adani Gas Ltd on the completion of the training course. The initiative is being expanded to 8 different locations in India with support from Adani Gas Ltd. and Indian Oil Adani Gas Pvt. Ltd.

In another initiative, Adani Power Maharashtra Limited and Adani Foundation facilitated the establishment of Adani Skill Development Centre at Tiroda. The centre, inaugurated in December 2016, provides training in two key roles: electrician and welding. The centre owns state-of-the-art training facilities including Augmented Reality Training Simulators for welding. SAKSHAM, at Tiroda, supported 335 youth in 2017-18 through its Placement Linked Training Program, with the support of the Tribal Development Department of the Government of Maharashtra, and a Private Placement Consulting Firm.

SAKSHAM has also worked for the empowerment of women. Training in operating sewing machines was provided to women of Surguja (Chhattisgarh), Kawai (Rajasthan), Dhamra (Odisha) and Godda (Jharkhand). In Surguja, 350 candidates were trained in sewing machine operation and fitter trade. After completion of the training program, the women were placed in jobs. 100% of all fitter trade students were placed. The students trained in operating sewing machines were given orders for stitching school uniforms for Adani Vidya Mandir, Bhadreshwar, Gujarat.

In Vizhinjam, Kerala, after a thorough analysis of the skill sets of the local youth, a pedagogic approach was adopted in imparting three skilling programs to the youth, namely, employability skills, construction skills and livelihood or entrepreneurship skills. The Hon'ble Minister of Ports, Shri Ramachandran Kadannappalli, formally launched the Skill Development Program at Vizhinjam on 23rd November, 2016. Some 708 candidates have been impacted since the inception of the program.

The State Urban Development Authority, Government of Madhya

Pradesh, under its National Urban Livelihood Mission, selected to partner Adani Skill Development Centre to provide Placement-Linked Training Programs in the electrician trade to 400 local youths.

Adani Skill Development Centre 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 19th December, 2016. ASDC also signed an MoU with the Government of Gujarat on 12th January 2017 during Vibrant Gujarat 8th 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 will be set by 2017 in Ahmedabad, Mundra, Surat, Tiroda, Surguja, Vizhinjam, Indore and Bhopal.

In 2016-17, Adani Skill Development Centre provided training to a total of 2,986 youths. Some 1,000 candidates were mobilized for skill training in, the First Quarter of 2017-18.

Fisher-folk communities: The Foundation introduced mangrove nursery development and plantation programmes to generate alternative income sources for fisher-folk during the non-fishing season. The community members were trained in mangrove nursery development and plantation and moss cleaning, among others. The programme generated 3,316 person-days of work. This programme also ensured environmental sustainability. The Foundation distributed fishing nets, ropes, buoys, ice-boxes, crates, weighing scales, anchors and solar lights, among others, to facilitate livelihoods. The Foundation supported 42 Pagadiya fishermen through painting, which ensured 5,068 person-days of employment. The Foundation actively worked with Mundra fisher-folk through community engagement activities. A cricket tournament (Adani Premier League) was organised; 44 teams of 12 villages and 528 fisherfolks participated.

Women empowerment: The Foundation transformed women from rural areas in Mundra into entrepreneurs through vocational training. Around 90 women were trained in preparing washing powder, phenyl, utensil cleaning liquids and hand wash among other household necessities. The women started Saheli Mahila Gruh Udyog shop in Shantivan Colony (Mundra), reporting a surplus. Till date the group has annual turnover of ₹3.70 lacs. The Foundation commissioned women's self-help groups in Mundra, Hazira, Surguja and Dhamra. In Hazira, Project Upahaar helped women launch canteen services. In Dhamra, the SHGs manufactured agarbattis, paddy crafts and papad. In Surguja, Project Unnayan helped SHG women start apparel making enterprises.

Farmer support and animal husbandry: The Foundation collaborated with the Krishi Vigyan Kendra, taking 30 farmers from five Mundra villages on a tour to enhance agriculture technology awareness like; organic farming and biogas bottling plant. Some 2000 farmers from 42 Tiroda region villages implemented System of Rice Intensification across 4155 acres. The Foundation trained them in low-water, labour-intensive and organic methods. The Foundation supported farmers with five kilograms of paddy (Siri NP - 405) seeds and 50 kilograms of vermi-compost while promoting organic paddy cultivation. In Tiroda, SRI helped these farmers reduce cultivation costs.

How Sushilatai's destiny changed

Sushilatai, 48, from Kawalewada village in Tiroda was severely affected by a shortfall of rain. Their only means of survival during summer was selling milk, which was meager to support a family of seven.

When Sushilatai heard about Adani Foundation and strong environmental activities, she sought its help for a better future. She substituted her daily chores with vermi-composting. She learned the process and started making dantmanjan (tooth paste) with cow dung ash. One dant manjan made out of cow dung ash is enough for complete oral care. Word spread. Her business flourished under the wings of Adani Foundation and today, she is a successful entrepreneur. Her dantamanjan and vermi-compost are highly popular.

"With Adani Foundation's support, I started a second vermi-compost unit. This has improved my financial status and boosted my self-confidence," she says.

Focus area: Rural Infrastructure Development

The Foundation empowers rural communities in developing infrastructure and resources, increasing livelihoods and providing sanitation access. Recognizing the government as the key player in the provision of basic infrastructure facilities, the Foundation endeavours to bridge implementation gaps and facilitate greater responsiveness to basic requirements.

Fisher-folk community: Under the Fisherman Housing Programme, shelters were constructed for fisher-folk residing near the coastline. Some 110 shelters were refurbished and handed over to fisher-folk families at Juna Bandar. 230 individual toilets constructed for fisherman vasahats/ settlements.

Water resourcefulness: Water quality and access are major rural challenges. The Foundation initiated the construction of check-dams and ponds in addition to stream-deepening in Mundra and Tiroda. This year, 39 ponds were deepened, 21 streams were cleaned and 21 farm ponds work was carried out in 43 villages of Tiroda helping recharge the ground water. The initiative increased the capacity of water storage to 2.44 lacs cubic meters. Water level was increased in 924 wells and 387 bore wells. 3,012 acres land (1,224 farmers) will be irrigated. Similarly, pond deepening in Dhrub & Mota Bhadiya village and earthen bund was constructed across the river at Baroi and Bhujpur of Mundra area. A model talab was deepened and constructed at village Antana in Kawai which increased water capacity 54 TCM.

Potable water: The Foundation commissioned reverse osmosis plants in schools and villages. In Belapur, 2,500 people were provided access to clean water at a purification rate of 1,000l/hr. An underground reservoir in Lakhigam Village was constructed to facilitate water supply.

Education infrastructure: The Foundation constructed assembly halls, computer labs and spaces for mid-day meals in Adani Vidya Mandirs and 26 schools. At Dhamra, Adani Foundation decided to develop a new school building to facilitate Adani DAV Public School with proper and adequate infrastructure. A school building measuring 3,501 square metre at an estimated cost of ₹17.28 crores is nearing completion.

At Salhi, Adani Foundation, supported by AEL, constructed a new school building for Adani Vidya Mandir measuring 3,783 square metre at an estimated cost of ₹11.50 crores.

Health infrastructure: The Foundation helped increase hygiene-related awareness among rural communities. People were sensitized about the ill-effects of open defecation; villagers were motivated to achieve 'Nirmal Gam' - a spotless village. The Foundation worked with more than 26 villages in arranging 100% household toilet coverage, constructed 454 household and school toilets benefiting 2,403 people.

SPECIAL PROJECT
Project Swachhagraha:
Swachhagraha (inspired by Gandhiji's Satyagraha Movement and the government's Swachh Bharat Abhiyan) promotes a 'culture of cleanliness' among the youth. This initiative, in collaboration with our knowledge and implementation partner for the project Centre for Environment Education (CEE), has expanded into six cities across Gujarat (Ahmedabad, Surat, Vadodara, Rajkot, Bhuj and Anand) and three towns (Mundra, Jasdan and Vidyanagar).

During the last year, the campaign became operational in more than 650 schools, creating 13,500 active Swachhagrahis and over 1,350 Preraks in Gujarat. The awareness program reached 3,25,000 students; the community outreach touched more than 1,50,000 individuals. More than 70 schools across 15 states are now implementing Swachhagraha.

Innovative campaigns that helped popularize this initiative comprised 'Selfie with Safaike Sitare', Swachhagraha pledge campaign at Fun Street, street plays by 81 schools, online campaign 'Gandagi se Azadi' and 'Swachhagraha Ke Reporters'. Swachhagraha reached over 8 lac users on social media. A 70-day Swachhagraha campaign over Radio Mirchi, Ahmedabad, reached more than 30 lacs listeners. Swachhagraha also featured on the UNESCO Green Initiative website. Swachhagraha plans to go national in 2017-18, expanding operations across 11 more States.

21ST ANNUAL REPORT 2016–17

Company Information

Board of Directors
Mr. Gautam S. Adani, Chairman
Mr. Rajesh S. Adani, Managing Director
Mr. Vneet S Jaain, Whole–time Director
Mr. C. P. Jain
Ms. Nandita Vohra
Mr. Raminder Singh Gujral

Chief Financial Officer
Mr. Vinod Bhandawat

Company Secretary
Mr. Deepak Pandya

Auditors
M/s. Deloitte Haskins & Sells
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 : 040–23001153
Email:einward.ris@karvy.com

Contents

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 21st Annual Report along with the audited financial Statements of your Company for the financial year ended 31st March, 2017.

1. Financial Performance

The Financial highlight is depicted below:

(₹ in crores)

Particulars	Consolidated Results		Standalone Results	
	2016-17	2015-16	2016-17	2015-16
Revenue from operations	22,783.82	25,532.17	11,017.97	12,875.27
Other Income	418.96	201.58	735.22	522.73
Total revenue	**23,202.78**	**25,733.75**	**11,753.19**	**13,398.00**
Operating and Administrative expenses	16,812.17	16,730.04	9,760.54	9,348.95
Operating Profit before Interest, Depreciation and Tax	**6,390.61**	**9,003.71**	**1,992.65**	**4,049.05**
Depreciation and Amortization expenses	2,672.36	2,665.82	1,120.72	1,137.26
Profit before finance costs and exceptional items	**3,718.25**	**6,337.89**	**871.93**	**2,911.79**
Finance Costs	5,901.73	5,963.17	3,101.56	2,951.19
Exceptional Item	4,076.69	–	3,907.94	–
Profit /(Loss) before tax	**(6,260.17)**	**374.72**	**(6,137.57)**	**(39.40)**
Tax expenses	(86.07)	(176.08)	(83.23)	(135.94)
Net Profit / (Loss)	**(6,174.10)**	**550.80**	**(6,054.34)**	**96.54**
Other Comprehensive Income	3.97	30.97	1.63	20.36
Total Comprehensive (Loss) / income for the year	**(6,170.13)**	**581.77**	**(6,052.71)**	**116.90**
Surplus brought forward from previous year	–	–	–	–
Balance available for appropriation	**(6,170.13)**	**581.77**	**(6,052.71)**	**116.90**
Balance carried to Balance Sheet	**(6,170.13)**	**581.77**	**(6,052.71)**	**116.90**

2. Indian Accounting Standards (Ind AS)

Your Company has adopted Indian Accounting Standards ("Ind AS") with effect from 1st April 2016 with the transition date of 1st April 2015. Accordingly, the Financial Statements for the year ended 31st March 2017 have been prepared in accordance with Ind AS on the historical cost basis except for certain financial instruments that are measured at fair values. The Financial Statements for the year ended 31st March 2016 have been restated to comply with Ind AS to make them comparable.

Your Company has adopted Ind AS pursuant to the notification issued by the Ministry of Corporate Affairs (MCA) and duly prescribed under section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from 1st April 2016. The MCA notification also mandates Ind AS applicability to subsidiary Companies and hence the Company along with its subsidiaries have prepared and reported financial statements under Ind AS including consolidated Financial Statements of the Group.

A description of the transition to Ind-AS and its impact on Company's and Group's net profit and equity has been provided in the respective financial statements.

3. Performance Highlights

Consolidated:

The key aspects of your Company's consolidated performance during the financial year 2016–17 are as follows:

a) Revenue

The consolidated total revenue of your Company for FY 2016–17 stood at ₹23,202.78 crores as against ₹25,733.75 crores for FY 2015–16 showing a decrease of 10%. The revenue is lower in FY 2016–17 mainly due to non-recognition of Compensatory Tariff (CT) for Mundra plant, pursuant to the judgement by the Hon'ble Supreme Court in the matter and also due to reduction in quantum of power sold.

Your Company has sold 60.19 billion units of electricity during FY 2016–17 as against 64.62 billion units in FY 2015–16 from all the plants with decrease in Plant Load Factor (PLF) from 76% in the previous year to 70% in FY 2016–17.

b) Operating and Administrative Expenses

The consolidated operating and administrative expenses of ₹16,812.17 crores during FY 2016–17 which has increased marginally by 0.49% from ₹16,730.04 crores in FY 2015–16. It mainly consists 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 increased to 72% in FY 2016–17 from 65% in FY 2015–16, largely due to increase in fuel cost and non-recognition of CT.

c) Depreciation and Amortization Expenses

The consolidated depreciation and amortization Expenses of ₹2672.36 crores during FY 2016–17 which has increased by 0.26% from ₹2665.82 crores in FY 2015–16.

d) Finance Costs

The consolidated finance costs of ₹5,901.73 crores during FY 2016–17 which has decreased by 1% from ₹5963.17 crores in FY 2015–16.

e) Exceptional Item

Exceptional item for the year includes reversal of CT of ₹3,619.49 crores and other receivable of ₹457.20 crores

f) Total Comprehensive (Loss) / Income for the year

Consolidated total comprehensive loss for the year was ₹6170.13 crores as compared to total comprehensive profit of ₹581.77 crores in FY 2015–16. This is mainly due to CT reversal of earlier periods and non-recognition of CT for the current year.

Standalone:

The key aspects of your Company's standalone performance during the financial year 2016–17 are as follows:

a) Revenue

The total revenue of your Company for FY 2016–17 was ₹11,753.19 crores as against ₹13,398.00 crores for FY 2015–16 showing a decrease of 12% on account of lower sale of units of 27.56 billion units from 30.29 billion units and due to non-recognition of Compensatory Tariff (CT) for Mundra plant, pursuant to the judgement by the Hon'ble Supreme Court in the matter.

b) Operating and Administrative Expenses

The operating and administrative expenses of ₹9,760.54 crores during FY 2016–17 which has increased by 4.41% from ₹9,348.95 crores in FY 2015–16. The percentage of operating and administrative expenses to revenue has increased to 83% in FY 2016–17 from 70% in FY 2015–16, largely due to increase in imported coal prices and transmission and other expenses.

c) Depreciation and Amortization Expenses

The depreciation and amortization expenses of ₹1,120.72 crores during FY 2016–17 has decreased by 1% from ₹1,137.26 crores in FY 2015–16.

d) Finance Costs

The finance costs of ₹3,101.56 crores during FY 2016–17 which has increased by 5% from ₹2,951.19 crores in FY 2015–16.

e) Exceptional Item

Exceptional item for the year includes reversal of CT of ₹3,619.49 crores and other receivable of ₹457.20 crores.

f) Total Comprehensive (Loss) / Income for the year

Total comprehensive loss for the year was ₹6052.71 crores as compared to total comprehensive profit of ₹116.90 crores in FY 2015–16. This is mainly due to CT reversal of earlier periods and non-recognition of CT for the current year.

The detailed financial and operational performance of your Company has been comprehensively discussed in the Management Discussion and Analysis Report, which forms part of this Report.

4. Dividend

In view of the loss incurred during the financial year 2016–'17, your Directors do not recommended for any dividend on Equity Shares for the year under review.

5. 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:

The Hon'ble Supreme Court in the ongoing matter of Compensatory Tariff, vide its order dated 11th April, 2017 has set aside the order of APTEL and ruled that the promulgation of Indonesian regulation is neither Force Majeure nor Change in Law as per the terms of PPA and hence, does not entitle Company to CT. Further, the order also held that the non-availability of domestic coal due to Change in Policy or Change in Law, in force in India, constitute Change in Law as per the terms of PPA. The Hon'ble 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.

6. Preferential Allotments

Allotment of Equity Shares on Preferential basis upon conversion of Warrants:

"During the financial year 2016-'17, the Company has issued and allotted 523,000,000 Warrants at a price of ₹32.54 (including premium of ₹22.54 per Warrant) per Warrant to promoter group entities convertible into equivalent number of Equity Shares on preferential basis in accordance with and in terms of the provisions of Sections 39, 42 and 62(1)(c) of the Companies Act, 2013 read with rules framed thereunder, Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time and other applicable laws. All these Warrants were converted into equivalent number of Equity Shares during the year under review.

7. 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.

8. Subsidiary Companies and Its Financial Performance

Your Company has total 6 direct and indirect subsidiaries as on 31st March, 2017. 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 Maharashtra Limited (APML):** Adani Power's Tiroda Power Plant has a total installed capacity of 3,300 MW. PLF for the year was 61%. The Tiroda plant contributed ₹6,494.77 crores towards the total consolidated revenue, ₹2,410.87 crores towards the consolidated EBIDTA. APML had ₹217.24 crores comprehensive loss during the year.
- **Adani Power Rajasthan Limited (APRL):** Adani Power's Kawai Power Plant has a total installed capacity of 1,320 MW. PLF for the year was 72%. The Kawai plant contributed ₹4,012.65 crores towards the total consolidated revenue, ₹1,277.99 crores towards the consolidated EBIDTA and ₹14.83 crores comprehensive profit during the year.
- **Udupi Power Corporation Limited (UPCL):** Adani Power's Udupi Power Plant has a total installed capacity of 1,200 MW. PLF for the year was 75%. The Udupi plant contributed ₹3,328.44 crores towards the total consolidated revenue, ₹1,181.15 crores towards the consolidated EBIDTA and ₹45.26 crores comprehensive profit during the year.

9. 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 had 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.

10. Directors and Key Managerial Personnel

During the year under review, there has been no change in the Board of Directors and Key Managerial Personnel of the Company.

Directors retire by rotation

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mr. Gautam S. Adani (DIN: 00006273) 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 re–appointment of above Director for your approval.

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 which may affect their status as Independent Director during the year.

The Independent Directors met on 27th May, 2017, 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.

11. Directors' Responsibility Statement

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

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, 2017 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 system to ensure compliance with the provisions of all applicable laws was in place and were adequate and operating effectively.

12. Board Evaluation

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.

13. Policy on Directors' Appointment and Remuneration

The Nomination and Remuneration Committee of the Company based on the needs of the Company and enhancing the competencies of the Board is selecting a candidate for appointment to the Board. The current policy is to have a balanced mix of executive and non–executive independent directors to maintain the independence of the Board and separate its function of Governance and Management. The Board of Directors at present comprises of 6 Directors, of which 4 are non–executive including 1 women director. The number of Independent Directors is 3, which is one half of the total number of Directors.

As required under Section 178(3) of the Companies Act, 2013, the policy of the Company on Directors' appointment, including criteria for determining qualifications, independence of a Director, positive attributes and other matters, is governed by the Nomination and Remuneration Policy. The remuneration paid to the Directors is in accordance with the Remuneration Policy of the Company.

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 is available on the website of the Company at http://www.adanipower.com/investors/investor-download.

14. 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 Organisation.

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 through 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.

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

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

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

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

viii. 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.

15. 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 institutionalized strives 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 are 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 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.

16. Business Responsibility Report

The Business Responsibility Report for the year ended 31st March, 2017 as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed which forms part of this Report.

17. 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 Related Party Transactions are placed before the Audit Committee for review and approval of the Committee on a quarterly basis. Also the Company has obtained prior omnibus approval for Related Party Transactions occurred during the year for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at arm's length.

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. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

During the year under review, your Company has entered into transactions with related parties which are material as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the details of said transactions are provided in the Notice of the Annual General Meeting.

18. Auditors & Auditors' Report

Statutory Auditors:

As per the provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells, Chartered Accountants, has been appointed as Statutory Auditors for a period of three years in the 18th Annual General Meeting (AGM) of the Company held on 09.08.2014, until the conclusion of the 21st Annual General Meeting of the Company. Accordingly, the Statutory Auditors of the Company, M/s. Deloitte Haskins & Sells, Chartered Accountants, holds office till the conclusion of the ensuing Annual General Meeting of the Company.

After evaluation of the Country's leading Auditing Firms, the Board of Directors has identified and recommended the appointment of M/s. S R B C & Co. LLP (324982E/E300003), Chartered Accountants, as the Statutory Auditors of the Company for a term of 5 years (subject to ratification by members at every Annual General Meeting if required under the prevailing law at that time), to hold office from the conclusion of the 21st Annual General Meeting until the conclusion of the 26th Annual General Meeting of the Company. S R B C & Co. LLP is a part of the S. R. Batliboi & affiliates network of audit firms established in 1914 and registered with the Institute of Chartered Accountants of India. All the constituent firms of S.R. Batliboi are member firms in India of Ernst & Young Global Limited (E&Y).

M/s. S R B C & Co. LLP, Chartered Accountants, have expressed their willingness to be appointed as Statutory Auditors of the Company. They have further confirmed that the said appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for appointment. Accordingly, their appointment as Statutory Auditors of the Company from the conclusion of the 21st Annual General Meeting until the conclusion of the 26th Annual General Meeting of the Company, is placed for your approval.

Explanation to Auditors' Comment:

The Auditors' Qualification has been appropriately dealt with in Note No. 32 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, 2018. The Cost Audit Report for the year 2015-16 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, the Company had appointed Mr. Chirag Shah, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for FY 2016–17 is annexed, which forms part of this report as Annexure – B. There were no qualifications, reservation or adverse remarks given by Secretarial Auditor of the Company in the Secretarial Audit Report of the Company.

19. Awards and Recognitions

During FY 2016–17, your Company has obtained:

- ISO 50001 Certification for Energy management System by TuV, Nord Germany;
- JUSE 5S Certification for Work Place management System by JUSE, which is first ever in the group;
- QCFI: Quality Leadership Award (Private Sector) – 2016 given on the recommendations from QCFI representatives and the data of the respective organization, and the contribution of Chief Executives from various Private Sector Organizations practicing Quality Concepts at 30th National Convention on Quality Concepts;
- 5S case study in Competition at National Conclave on 5S Quality Circle Forum of India.(Highest Level of Recognition)

20. 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 forms part of this AR along with the required Certificate from a Practising Company Secretary regarding compliance of the condition of the Corporate Governance as stipulated under the said regulations.

21. Management Discussion and Analysis

A detailed report on the management discussion and analysis report forms part of this, provided as a separate section in the Annual Report.

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

Our CSR Philosophy:

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

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

The S & 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, Chhattisgarh and Odisha. We are aligning our philosophy with Sustainable Development Goals in order to ensure that the lives of the marginalised 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.

23. Disclosures

A.Number of Board Meetings:

The Board of Directors met 5 (five) 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 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 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

E. Particulars of Loans, Guarantees or Investments:

The provisions of Section 186 of the Companies Act, 2013, with respect to a loan, guarantee or security is not applicable to the Company as the Company is engaged in the business of 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:
It is described in the section on "Material changes and commitments" herein above.

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 – D.

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 – C.

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, your Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

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.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman
(DIN: 00006273)

Place : Ahmedabad
Date : 27th May, 2017

ANNEXURE – A TO THE DIRECTORS' REPORT

Form No. MGT–9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31st march, 2017.

[Pursuant to Section 92(3) of the Companies Act 2013, and Rule 12(1) of the Companies (Management and Administration) 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	84.25%
Wholesale Trade Service – Coal Trading	46610	15.75%

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)

Sr No	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
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)

*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 the Companies Act, 2013.

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

IV. Share Holding Pattern:

(Equity Share Capital break-up as percentage of total equity as on 31st March, 2017)

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	1677497	–	1677497	0.05	–	–	–	–	–0.05
b)	Central Government	–	–	–	–	–	–	–	–	–
c)	State Government(s)	–	–	–	–	–	–	–	–	–
d)	Bodies Corporate	377180885	–	377180885	11.31	–	–	–	–	–11.31
e)	Banks/FI	–	–	–	–	–	–	–	–	–
f)	Any Others	–	–	–	–	–	–	–	–	–
	Family Trust:	–	–	–	–	–	–	–	–	–
	Gautam Shantilal Adani & Pritiben Gautambhai Adani (On behalf of Gautam S. Adani Family Trust)	16432820	–	16432820	0.49	16432820	–	16432820	0.43	–0.06
	Gautam Shantilal Adani & Rajeshbhai Shantilal Adani (On behalf of S. B. Adani Family Trust)	1405179633	–	1405179633	42.15	1405179633	–	1405179633	36.43	–5.72
	LLP:	–	–	–	–	–	–	–	–	–

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	
	Parsa Kente Rail Infra LLP	–	–	–	–	377180885	–	377180885	9.78	9.78
	Sub Total (A) (1)	1800470835	–	1800470835	54.00	1798793338	–	1798793338	46.64	-7.36
2	**Foreign**									
a)	NRIs-Individuals	226457026	–	226457026	6.79	–	–	–	–	-6.79
b)	Other-Individuals	–	–	–	–	–	–	–	–	–
c)	Bodies Corporate	77737201	–	77737201	2.33	827194227	–	827194227	21.45	19.12
d)	Bank/FI	–	–	–	–	–	–	–	–	–
e)	Any Other	–	–	–	–	–	–	–	–	–
Sub Total (A) (2)		**304194227**	**–**	**304194227**	**9.12**	**827194227**	**–**	**827194227**	**21.45**	**12.33**
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		**2104665062**	**–**	**2104665062**	**63.12**	**2625987565**	**–**	**2625987565**	**68.08**	**4.96**
B.	**Public Shareholding**									
1	**Institutions**									
a)	Mutual Funds/ UTI	15151798	–	15151798	0.45	31844859	–	31844859	0.83	0.38
b)	Banks/FI	70335194	–	70335194	2.11	71315198	–	71315198	1.85	-0.26
C)	Central Govt.	–	–	–	–	–	–	–	–	
d)	State Govt.	–	–	–	–	–	–	–	–	–
e)	Venture Capital Funds	–	–	–	–	–	–	–	–	–
f)	Insurance Companies	–	–	–	–	–	–	–	–	–
g)	FII	366410194	–	366410194	10.99	20058504	–	20058504	0.52	-10.47
h)	Foreign Venture Capital Funds	–	–	–	–	–				
i)	Any Other	–	–	–	–	–	–	–	–	–
	Foreign Portfolio Investor (Corporate)	188660252	–	188660252	5.66	585694173	–	585694173	15.19	9.53
Sub Total (B) (1)		**640557438**	**–**	**640557438**	**19.21**	**708912734**	**–**	**708912734**	**18.39**	**-0.82**
2	**Non-Institutions**									
a)	Bodies Corporate	–	–	–	–	–	–	–	–	–
i	Indian	44845660	7438	44853098	1.35	61920627	7438	61928065	1.61	0.26
ii	Overseas	319263782	–	319263782	9.58	245934496	–	245934496	6.38	-3.20
b)	Individuals									
i	Individual									
	shareholders holding nominal share capital up to ₹ 2 lakh	160952937	709356	161662293	4.85	146320486	686111	147006597	3.81	-1.04

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	
ii	Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	41210466	189677	41400143	1.24	41212951	189677	41402628	1.07	–0.17
c)	Others (specify)									
	Clearing Member	3897416	–	3897416	0.12	8312531	–	15779375	0.41	-0.07
	Non Resident Indian	15900768	–	15900768	0.48	15779375	–	15779375	0.41	–0.07
	Foreign Nationals	1335496	–	1335496	0.04	1335496	–	1335496	0.03	–0.01
	Directors/ Relatives	239510	–	239510	0.01	192448	–	192448	0.00	–0.01
	Trusts	40204	–	40204	0.00	27030	–	27030	0.00	0.00
	NBFCs Regi. With RBI	123731	–	123731	0.00	119976	–	119976	0.00	0.00
Sub Total (B) (2)		**587809970**	**906471**	**588716441**	**17.67**	**521155416**	**883226**	**522038642**	**13.53**	**–4.14**
Total Public Shareholding (B)= (B)(1)+(B)(2)		**1228367408**	**906471**	**1229273879**	**36.88**	**1230068150**	**883226**	**1230951376**	**31.92**	**–4.96**
C.	**Shares held by Custodians for GDRs & ADRs**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
GRAND TOTAL (A)+(B)+(C)		**3333032470**	**906471**	**3333938941**	**100.00**	**3856055715**	**883226**	**3856938941**	**100.00**	**-**

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	Bhavik Bharatbhai Shah	73805	0.00	0.00	0	0.00	0.00	0.00
2	Rakeshbhai Ramanlal Shah	1136732	0.03	0.00	0	0.00	0.00	–0.03
3	Pritiben Rakeshbhai Shah	364481	0.01	0.01	0	0.00	0.00	–0.01
4	Surekha Bhavikbhai Shah	68226	0.00	0.00	0	0.00	0.00	0.00
5	Vinod Sanghavi	34253	0.00	0.00	0	0.00	0.00	0.00
6	Gautambhai Shantilal Adani & Pritiben Gautambhai Adani (On behalf of Gautam S. Adani Family Trust)	16432820	0.49	0.00	16432820	0.43	0.00	–0.06

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	
7	Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (On behalf of S.b. Adani Family Trust)	1405179633	42.15	20.80	1405179633	36.43	21.53	-5.72
8	Adani Properties Private Limited	377180885	11.31	6.74	0	0.00	0.00	-11.31
9	Parsa Kente Rail Infra LLP*	0	0.00	0.00	377180885	9.78	0.00	9.78
10	Ventura Power Investments Private Limited	77737201	2.33	0.00	0	0.00	0.00	-2.33
11	Pan Asia Trade And Investment Private Limited	0	0.00	0.00	77737201	2.02	0.00	2.02
12	Adani Vinodbhai Shantilal	226457026	6.79	0.00	0	0.00	0.00	-6.79
13	Worldwide Emerging Market Holding Ltd.	0	0.00	0.00	265485675	6.88	0.00	6.88
14	Afro Asia Trade And Investments Ltd.	0	0.00	0.00	265485675	6.88	0.00	6.88
15	Universal Trade And Investments Ltd.	0	0.00	0.00	218485676	5.66	0.00	5.66
Total		**2104665062**	**63.13**	**27.55**	**2625987565**	**68.08**	**21.53**	**-**

*Parsa Kente Rail Infra Pvt. Ltd. converted into Parsa Kente Rail Infra LLP on 31st March, 2017.

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	2104665062	63.13	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
Reclassification of promoter shareholding under Regulation 31A of the SEBI (LODR Regulations, 2015.	(1677497)		2102987565	
Allotted upon conversion of convertible Warrants into equity shares allotted on Preferential issue	52,30,00,000		2625987565	68.08
At the end of the year	-	-	2625987565	68.08

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)		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
1	Opal Investment Private Limited	213236910	6.40	–	–	213236910	5.53
2	Elara India Opportunities Fund Limited	98335635	2.95	20631678	–	118967313	3.08
3	Emerging India Focus Funds	94074651	2.82	12114399	–	106189050	2.75
4	3i Power Investments A1 Limited#	73329272	2.20	–	73329272	0	0.00
5	Life Insurance Corporation Of India	68592096	2.06	–	–	68592096	1.78
6	Albula Investment Fund Ltd	64690698	1.94	9000000	–	73690698	1.91
7	Cresta Fund Limited	61916231	1.86	14052129	–	75968360	1.97
8	HSBC Bank (Mauritius) Limited#	34668561	1.04	–	34668561	0	0.00
9	Capital Trade And Investment Private Limited	24000000	0.72	–	–	24000000	0.62
10	Elara Capital Plc A/c Vespera Fund Limited	23540333	0.71	4324891	–	27865224	0.72
11	EM Resurgent Fund*	20129359	0.60	24393319	–	44522678	1.15
12	Macquarine Emerging Markets Asian Trading PTE. Ltd.*	1648673	0.05	15947007	–	17595680	0.46

*Not in the list of Top 10 shareholders as on 1st April, 2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31st March, 2017.

#Ceased to be in the Top 10 shareholders as on 31st March, 2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 1st April, 2016.

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	–	–	–	–	–	–
Mr. Rajesh S. Adani	–	–	–	–	–	–
Mr. Vneet S Jaain	73020	0.00	–	–	68520	0.00
Mr. C. P. Jain	–	–	–	–	–	–
Ms. Nandita Vohra	–	–	–	–	–	–
Mr. Raminder Singh Gujral	166490	0.00	–	–	123928	0.00
Mr. Vinod Bhandawat	–	–	–	–	–	–
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	15260.26	11752.14	–	27012.42
ii) Interest due but not paid	–	–	–	
iii) Interest accrued but not due	30.09	238.06	–	268.15
Total (i+ii+iii)	**15290.35**	**11990.22**	**–**	**27280.57**
Change in Indebtedness during the financial year				
Addition	14008.29	7841.36	–	21849.66
Reduction	12534.90	8838.47	–	21373.37
Net Change	**1473.40**	**(997.11)**	**–**	**476.29**
Indebtedness at the end of the financial year				
i) Principal Amount	16740.17	10533.80	–	27273.97
ii) Interest due but not paid	–	–	–	
iii) Interest accrued but not due	23.58	459.31	–	482.89
Total (i+ii+iii)	**16763.75**	**10993.11**	**–**	**27756.86**

VI. Remuneration of Directors and Key Managerial Personnel

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

₹ in crores

Sr. No.	Particulars of Remuneration	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

Particulars of Remuneration	Mr. Raminder Singh Gujral	Mr. C.P. Jain	Ms. Nandita Vohra	Mr. Gautam S Adani	Total
a) Fee for attending Board, committee meetings	2	3	1.4	0	6.4
b) Commission	0	0	0	0	0
c) Other, Please specify	0	0	0	0	0
Total	**2**	**3**	**1.4**	**0**	**6.4**

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
1	Gross Salary			
a)	Salary as per provisions contained in section 17(1) of the Income–tax Act, 1961	220.33	24.86	245.19
b)	Value of perquisites u/s 17(2) Income–tax Act, 1961	10.20	3.53	13.73
c)	Profits in lieu of salary under section 17(3) Income–tax Act, 1961	0	0	
2	Stock Option	0	0	
3	Sweat Equity	0	0	
4	Commission	0	0	
	as % of profit	0	0	
	Other, specify	0	0	
5	Other, Please specify	0	0	
	Employer Provident Fund	8.85	1.49	10.34
	Gratuity	3.02	0.50	3.52
	Others	0.30	0.30	.60
	TOTAL	**242.71**	**30.68**	**273.39**

VII. Penalties/Punishment/Compounding of Offences

Not Applicable during the Financial Year 2016–17.

ANNEXURE – B TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial 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, 2017, 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, 2017 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. The Company has issued 1,595 Rated, Unlisted, Redeemable, Non-Convertible Debentures of face value of ₹1,00,00,000 each aggregating to ₹1,595 crores issued on a private placement basis. The Company has also issued 3,300 Rated, Listed Redeemable, Non-Convertible Debentures of face value of ₹10,00,000 each aggregating to ₹330 crores on a private placement basis listed on the Wholesale Debt Market Segment of BSE Limited.

   Further, your Company has redeemed Non-Convertible Debentures during the year as per details given below:

   a. 270 Rated, Unlisted, Redeemable, Non-Convertible Debentures of face value of ₹1,00,00,000 aggregating to ₹270 crores;

   b. 490 Rated, Unlisted, Redeemable, Non-Convertible Debentures of face value of ₹10,00,000 aggregating to ₹49 crores;

   c. 500 Rated, Unlisted, Redeemable, Non-Convertible Debentures of face value of ₹74,97,400 aggregating to ₹374.87 crores;

   d. 500 Rated, Unlisted, Redeemable, Non-Convertible Debentures of face value of ₹75,32,820 aggregating to ₹376.64 crores;

2. During the financial year 2016-'17, the Company has issued and allotted 523,000,000 Warrants at a price of ₹32.54 (including premium of ₹22.54 per Warrant) per Warrant to promoter group entities convertible into equivalent number of Equity Shares on preferential basis in accordance with and in terms of the provisions of Sections 39, 42 and 62(1)(c) of the Companies Act, 2013 read with rules framed thereunder, Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time and other applicable laws.

   During the financial year 2016-'17, all the warrants have been converted into 523,000,000 Equity Shares (356,046,758 Equity Shares during the quarter ending 31st March, 2017) of ₹10 each (at premium of ₹22.54 per Equity Share).

Place: Ahmedabad
Date: 27th May, 2017

Chirag Shah
Proprietor

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

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

"ANNEXURE A"

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 to 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.

Place: Ahmedabad
Date: 27th May, 2017

Chirag Shah
Proprietor

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

ANNEXURE – C 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 2016-17 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2016-17:

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	0.44:1	N.A.
	Ms. Nandita Vohra^ (Non-Executive Independent Director) DIN: 02409519	0.21:1	N.A.
	Mr. Raminder Singh Gujral^ (Non-Executive Independent Director) DIN: 00740511	0.29:1	N.A.
3	**Key Managerial Personnel**		
	Mr. Vinod Bhandawat (Chief Financial Officer)	N.A.	Nil
	Mr. Deepak Pandya (Company Secretary)	N.A.	N.A.

^Reflects sitting fees

ii) The Percentage increase in the median remuneration of employees in the financial year: 11.40%

iii) The number of permanent employees on the rolls: 1220 as on 31st March, 2017.

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 the increase in the Managerial Remuneration.

Average annual Increase in the managerial remuneration for FY 2016-17 - Not Applicable.

iv) The average annual increase in the salaries of employees other than the managerial personnel for FY 2016-17 was 11.40% which is driven by achievement of annual corporate goals and overall business, financial and operational performance of the Company.

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

ANNEXURE – D 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:

- MOIS Installed in Mundra Unit 5 & 7 @ 85% oil saving achieved in 2016-17, SOC - 0.06 ml/KWh achieved for 2016-17 against 0.07 Last year.
- Energy Efficient Encon Fan Blades Total 26 nos. installed in 660@500 KWh of energy & 10 Nos installed in 330@200 KWh of energy.
- Unit 2, 5, 7 & 9 CEP one stage impeller removed in 2016-17 (4.3 Mus Energy Saved during the year)
- VFD installed in condensate transfer pump (CTP) 2 Nos in Ph-I & II approx @50 KWh saving achieved in both phases.
- Debris filter installed in Unit 3 @ 4.5 kcal/KWh heat rate improved
- High efficiency Brentwood make fills installed in Unit 6 @ 7.0 Kcal/Kwh heat rate improved.

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

i. 4 x 1.25 kW modules installed at ETP reservoir at PH-4 Mundra in 2016-17. This brings total capacity at Mundra to 20KW

ii. Floating Solar plant installed three number each of 5 KW (two nos on Narmada reservoir & one on ETP Plant, total 15 KW in 2015-16)

iii) Condenser vacuum improvement in Unit 6 & 9 by modification in vacuum extraction line.

iv) CW pumps, ACW pumps & CT fans optimization during winter for energy saving. (152mus).

v) Dosing of coal catalyst (Thermact) in 660 units 6 & 9 for mitigation of slagging & fouling

vi) HP Heater-3 replacement done in Unit 7 & 9

vii) Online Cooling tower fills & PHE chemical cleaning

viii) Chemical cleaning of condensers for hear rate improvement

B. Technology Absorption:

a) The efforts made towards technology absorption

- 3D Laser Scanning for Coal Stack pile volumetric measurement for Accurate Heat Loss Accounting & Control
- Brentwood fills installed at Unit-6 Cooling tower
- Online Auxiliary power consumption monitoring for HT and critical LT Motors initiated
- Online vibration monitoring of cooling tower fan motors initiated
- Use of UAVs like Drones for volume measurement, thermal temperature mapping of coal stack piles at ports & plant.
- Dehumidification units procured for preservation of TDBFPs

b) The benefits derived like product improvement, cost reduction, product development or import substitution

- Oil Consumption reduction (HFO elimination in Unit 6 & 9)
- Auxiliary power consumption monitoring & control
- Heat Rate improvement
- fine fly ash sale

c) 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

d) The expenditure incurred on Research and Development. The expenditure incurred on Research and Development is ₹ 32 Lacs.

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

Particulars	₹ in Crore
Foreign Exchange Earning	Nil
Foreign Exchange Outgo	6229.80

ANNEXURE TO THE DIRECTORS' REPORT

Annual Report on Sustainability and Corporate Social Responsibility (S&CSR) Activities for the Financial Year 2016-17 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 ₹164.97 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	**Rajesh S. Adani**
Chairman	Chairman – S&CSR Committee
(DIN: 00006273)	(DIN: 00006322)

MANAGEMENT DISCUSSION AND ANALYSIS

1. Economic Overview

1.1. World Economic Outlook

Global economic activity is picking up with a long-awaited cyclical recovery in investment, manufacturing, and trade. World growth rose from 3.1 percent in 2016 to 3.5 percent in 2017 and is expected to grow to 3.6 percent in 2018. Emerging markets and developing economies are expected to demonstrate a significant improvement in economic activity, as a strong growth expectation in commodity importing markets is expected gradually to relieve the macroeconomic strains felt by commodity exporting economies. The US is expected to lead the pickup in activities in developed economies on the back of improved investments, retail demand, and inventory adjustment.

Stronger activity, expectations of more robust global demand, reduced deflationary pressures, and optimistic financial markets are all upside developments. However, pressures of low productivity growth and high income inequality are increasing a call for inward looking and protectionist policies in advanced economies. Latin American and Middle East economies have a weaker growth outlook due to shifts in trading balances, oil production cuts, and local factors.

Policy uncertainties in many economies create a downside risk to medium term global economic growth. Apart from protectionism, financial tightening due to increasing weakness in the Chinese banking system, weak balance sheets, and geopolitical risks pose a structural impediment to a stronger recovery than what is expected currently over the medium term.

1.2. India Economic Outlook:

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). For FY 2017-18, the Reserve Bank of India (RBI) has projected a Gross Value Added (GVA) growth of 7.3% over the previous year. The factors driving this strong growth, despite the after-effects of demonetisation are:

- Reduction in banks' lending rates following a surge in cash deposits, which should aid a pick-up in discretionary consumer spending and investment demands of households, as well as investments by financially healthy corporates
- Robust Government spending, especially in infrastructure, that acts as a cushion to the impact of slowdown in other sectors
- Implementation of proposals of the Union Budget, such as the Goods and Services Tax (GST), the Insolvency and Bankruptcy Code, and the abolition of the Foreign Investments Promotion Board (FIPB) would help attract private sector investments by improving the business environment
- Strengthening external demand will play a more decisive role in supporting the domestic economy through the export sector

  Apart from the above, strong monsoons during the previous year along with supportive market policies have improved agriculture output, and helped drive down retail inflation, which will be conducive to rural and household demand growth.

On the other hand, some risks to the growth and inflation trajectory also persist, such as:

- Risk of fiscal slippage, accentuated by a spreading phenomenon of farm loan waivers,
- Global political and financial risks materialising into imported inflation,
- Inflationary impact of disbursement of allowances under the 7th Pay Commission,
- Rising input costs and wage pressures impacting profitability of firms, pulling down GVA growth, and
- Twin balance sheet problem of overleveraged corporate sector and stressed banking sector delaying the revival in private investment demand

2. Sector Overview

Global energy demand is set to grow by 48% by 2040. In total, some 7200 gigawatts (GW) of capacity needs to be built to keep pace with increasing electricity demand while also replacing existing power plants due to retire by 2040 (around 40% of the current fleet).

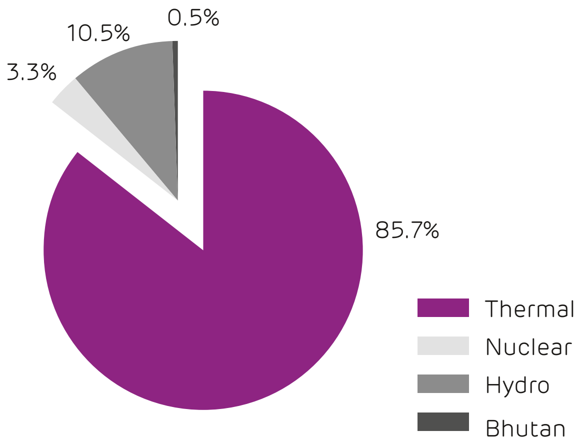
Globally, cumulative investment of USD 16.4 trillion is required from year 2014-2035 which comes to an average of USD 740 billion per year.

India is the 5th largest producer of electricity in the world. At an electricity-GDP elasticity ratio of 0.8, electricity will continue to remain a key input for India's economic growth. The power sector of India has grown from 1362 MW in 1947 to 327 GW in 2016-17 and is mainly dominated by coal based generation.

According to CEA's estimates, a total of 88.5 GW of generation capacity was expected to be added during 12th plan, which has been overshot already by March 17 with the addition of 99 GW.

India's generation capacity from Renewable Energy Sources (RES) as of March 2017 is 57 GW. MNRE has set another record in the wind power capacity addition by adding over 5,400 MW in 2016-17 against the target of 4000 MW. The Government has set a cumulative achievement target for RES of 175 GW to be achieved by FY 21-22.

The total power generation in the country during FY 16-17 was 1160 BUs (including Bhutan import) as against a generation target of 1178 BUs, which was an achievement of 98%. The contribution from the private sector was 370 BUs which was 101.36% against a target of 365 BUs.



In the past decades, India's power sector was always marked with high deficits and slow growth in capacities. However, in recent years, rapid growth in generation capacity and improved availability of coal has led to a reduction in India's energy and peak power deficit. Energy deficit in India decreased from an interim high of 11.1% in FY09 to 0.7% in FY17. Peak deficit decreased from an interim high of 16.6% in FY08 to 1.6% in FY17.

Despite of the above, nearly 25% of our population today is without access to electricity. Government of India / State Governments have resolved to electrify all census villages by 2018 and achieve universal electrification, with the aim of providing 24x7 Power to All by 2022.

The Draft National Electricity Plan released in December 2016 by CEA in December 2016 while factoring the various initiatives of GoI / State Governments like Power for All, Make In India, UDAY etc has projected electricity requirement as given below:

	Electricity requirement (TWh)	CAGR	Peak demand (GW)	CAGR
FY17	1,143		160	
FY22E	1,748	8.9%	245	8.9%
FY27E	2,336	6.0%	330	6.2%

Source: Central Electricity Authority

Further, there is immense untapped and latent demand of electricity in India, particularly in sectors like transport, domestic and agriculture.

• In April 2015, the GoI formulated a scheme for Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India, under the National Electric Mobility Mission Plan 2020, to encourage the progressive induction of reliable, affordable and efficient electric and hybrid vehicles.

• The Indian Railways' is undertaking a major electrification drive by electrifying 22,000 km rail track by 2021. Additionally, Government of India is keen to implement Metro Rail projects in all cities with a population of 1 million and above. This will lead to increase in demand of electricity for urban transportation.

• The large urban and rural middle class still has a low penetration of house hold appliances such as Air conditioners, Vacuum cleaners, water purifiers, ovens, inductions cooking appliances etc. As the per-capita disposable income grows, part of the household income will get channelized to procure such things, increasing per capita electricity consumption.

With increase in disposable income, reduction in interest rates and reduction in prices of electric and electronic equipment's the demand of domestic white goods will substantially increase, thus contributing to increase in per capita consumption. Niti Aayog in its draft National Energy Plan has envisaged the per capita electricity consumption to increase from 1,075 kWh in 2015-16 to 2911 kWh by 2,040.

With the GoI / State Governments striving hard to ensure 24x7 power supply and improving the financial health of Discoms coupled with the change in the shares of different electricity consuming sectors and other sectors (transportation & cooking) migrating to use of electricity, the grounds for growth in electricity demand are strong in FY 2017-18. As a result of which Discoms will start procuring more power resulting in improvement in PLFs and utilization of stranded capacities. At the same time, rapid progress in retirement of old and inefficient plants should create demand for fresh capacity addition in the medium term.

3. Discussion on Operations of the Company

3.1. Current Capacity

Your company is currently operating an aggregate of 10,480 MW generation capacity comprising of 4,620 MW at Mundra, Gujarat, 3,300 MW at Tiroda, Maharashtra, 1,320 MW at Kawai, Rajasthan, 1200 MW at Udupi, Karnataka and 40 MW (solar) at Kutch, Gujarat.

We were the first to implement and commission the 660 MW supercritical technology units in India and are currently operating the largest supercritical technology capacity in the country.

Your company is the largest private power producer in the country with thermal power generation capacity of 10440 MW.

During the year the Company sold on a consolidated basis around 60.2 Billion units.

3.2. Power Trading

Volumes of electricity transacted in short term bilateral market and power exchanges have increased considerably in last 2 years on account of new merchant capacities of around 15,000 MW having commissioned. Overall in FY 16-17, spot power market remained vibrant with over 40 BUs traded in power exchange, 17% over 34 BUs traded in FY 15-16.

Increased generation capacity and better availability of fuel have reduced power deficits. Better inter-regional grid connectivity has also helped reduce regional disparities in power generation vs. demand. As a consequence, average price realization of electricity transacted in power exchange declined by 12% in FY 16-17 (2.41/ kWh) vis-à-vis FY 15-16 (2.73/kWh).

Your company has strategically sold almost 85% of its net capacity under Long Term PPAs. Envisaging the short term market trends, your company has contracted around half of its available merchant capacity under Medium Term PPAs of 3-5 years. This has gone a long way in mitigating the risk of unsold capacity and falling realizations in short term markets.

Your company is actively pursuing cross-border opportunities for either supply of power from India or setting up of generation projects in neighboring countries.

Your company has been an active participant in the ongoing regulatory dialogue for creating a more robust short term market in India. Recognizing that going ahead, it is imperative for short term markets to play a larger and more important role, your company has been studying the role of short term markets in more vibrant energy markets. We have explored the available technologies and deliberated on the way forward. With this spirit, your company aims to be a key contributor in shaping the future of the short term market in India.

3.3. Coal Production Outlook

Coal India is the single largest producer of the dry fuel in the world, and the government has set a target of doubling its production to 1 billion tonnes by 2020 in order to improve the nation's energy security. During the FY 2016-17 CIL had produced 554 MT of coal against a target of 599 MT, resulting in 2.9% growth over FY 15-16. At the same time, coal offtake was 543 MT resulting in 1.6% growth over previous year.

For FY 2017-18, CIL's production target is 600 MT, implying a growth of 6%. It is also focusing on destocking, as inventory has increased from 58 MT in March 2016 to 69 MT in March 2017. It is also on track for completion of three railway lines, and is developing intermediate loading points to evacuate coal by road bridging by the time these projects are completed.

New SHAKTI (Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India) Policy was introduced recently on 17th May, 2017. The policy ensures that all projects with linkages are supplied coal as per their entitlement. This will ensure the rights of coal supplies for FSA holders and signing of FSA with LoA holders. Moreover, Allocation of linkages in future will be transparent and bidding based, barring some exceptions as per Tariff Policy. Future allocation/grant of linkages will be based on auction and/or tariff based bidding. It attempts to make optimal allocation of the vital natural resource across the power units.

Your company is continuously monitoring developments on these fronts and taking appropriate steps to align itself with the coal regulatory environment.

3.4. International Coal Prices trend and outlook

Much of FY 2016-17 was an exceptional year for coal prices. The period of decline that began in 2011 was interrupted by rapid growth, which saw a sudden spike in prices in the third quarter. January 2017 prices were nearly double of the 10-year low reached in January 2016.

This situation arose due to a number of factors, including China's decision to impose a cut on its own production, leading to greater imports. Prices were also impacted due to a strike by Coal Miners' Unions in India.

This market disruption has led to a number of Asian thermal coal buyers considering diversification of their sources, including imports from Columbia and Mozambique, and blending coal. Supplies from the US are also expected to increase.

Price volatility has led to also some medium sized Australian coal producers to become more cautious and rely more on longer term contracts than spot sales. The jump in metallurgical coal prices has benefited larger Australian producers, and thermal coal has become a commodity of lesser importance for the time being.

An easing of production restrictions in China contributed to a 12 percent drop in thermal coal prices in the last quarter of FY '17, the first decline in three quarters. Nevertheless, prices of thermal coal, which is used to produce electricity, remain elevated due to strong heating demand and low inventories at China's ports and utilities.

Thermal coal producers in Australia were spared significant damage from the Cyclone Debbie, which hit the region in late March 2017, while coking coal producers suffered the most. However after Cyclone Debbie, the impacted producers could look more for spot trades as they assess the damage from the event.

3.5. Supreme Court Order and the way forward

The long awaited announcement of 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:

- 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.
- 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.
- 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.
- 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. The Company has engaged with stakeholders for possible remedial measures for long term sustainability of the Mundra Plant.

4. Growth Plan:

Currently, Adani Power has installed capacity of 10,480 MW making it India's largest private power producer. Your company remains committed to expanding towards the goal of achieving a thermal power generation capacity of 20000 MW by 2020 to bridge the power deficit in the country with revised Tariff Policy and GoI's vision of 24*7 Power to all by 2019. Also with consolidation taking place in Indian Power sector, there exists an opportunity for capacity addition through M&A route. This is in line with our vision to be a leader in infrastructure development for nation building.

The company plans to expand its thermal business adding additional capacity of 1600MW at Godda in Jharkhand, and 1600MW Udupi in near future.

5. 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 college graduates, with an emphasis on technical and leadership skills. Your company also puts greater emphasis 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.

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.

6. Financial Performance

6.1 Consolidated:

Operating Revenue ₹ in crores

Particulars	FY 2016-17	FY 2015-16	Change	% Change
Revenue from Operation	22,739.57	25,498.16	(2,758.59)	(10.82)
Sale of Fly Ash	44.25	34.01	10.24	30.11
Total	**22,783.82**	**25,532.17**	**(2,748.35)**	**(10.76)**

• Decrease in Revenue from power supply is mainly on account of decrease in volume of power sale in current year (60.2 Billion Units) as compared to previous year (64.6 Billion Units) and reduction in average realisation from ₹3.95 per unit to ₹3.78 per unit. Also, reduction in revenue in F.Y. 2016-17 impacted due to non-recognition of C.T. in the year under consideration.

Fuel Cost ₹ in crores

Particulars	FY 2016-17	FY 2015-16	Change	% Change
Cost of Fuel	14,623.61	14,726.31	(102.70)	(0.69)
Total	**14,623.61**	**14,726.31**	**(102.70)**	**(0.69)**

• Decrease in cost of fuel is mainly on account of lower PLF in current year (70%) as compared to previous year (76%) 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 2016-17	FY 2015-16	Change	% Change
Salaries, Wages and Allowances	361.47	314.93	46.54	14.78
Contribution to provident and other Funds	24.27	31.69	(7.41)	(23.41)
Employee Welfare Expenses	15.95	12.13	3.82	31.49
Total	**401.69**	**358.75**	**42.94**	**11.97**

• Increase in salaries and wages is mainly on account of higher employee cost in subsidiary companies

• The reduction in the 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 report of the valuer

Finance Cost ₹ in crores

Particulars	FY 2016-17	FY 2015-16	Change	% Change
Interest Expenses	5,245.11	5,172.17	72.92	1.41
Other Borrowing Costs	656.62	790.98	(134.36)	(16.99)
Total	**5,901.73**	**5,963.17**	**(61.44)**	**(1.03)**

• Increase in Interest expenses is mainly on account of increase in borrowings. Other Borrowing Costs are lower mainly due to finance costs on refinancing incurred during previous year.

6.2 Standalone:

Operating Revenue ₹ in crores

Particulars	FY 2016-17	FY 2015-16	Change	% Change
Revenue from Power Supply	10,993.40	12,856.71	(1,863.31)	(14.49)
Sale of Fly Ash	24.57	18.56	6.01	32.38
Total	**11,017.97**	**12,875.27**	**(1,857.30)**	**(14.43)**

• Decrease in Revenue from power supply is mainly on account of decrease in volume of power sale in current year (27.56 Billion units) as compared to previous year (30.29 Billion units) and reduction in average realisation from ₹4.25 per unit to ₹4.00 per unit. Also, reduction in revenue in F.Y. 2016-17 impacted due to non-recognition of C.T. in the year under consideration.

Fuel Cost ₹ in crores

Particulars	FY 2016-17	FY 2015-16	Change	% Change
Cost of Fuel	7,190.72	6,818.45	372.27	5.46
Total	**7,190.72**	**6,818.45**	**372.27**	**5.46**

• Increase in cost of fuel is mainly on account of increase in imported coal prices in current year (Average ₹4617/Tonne) as compared to previous year (Average ₹3938/Tonne). Also it has been offset by lower coal consumption in current year.

Employee Benefits Expense ₹ in crores

Particulars	FY 2016-17	FY 2015-16	Change	% Change
Salaries, Wages and Allowances	162.62	166.99	(4.37)	(2.62)
Contribution to provident and other Funds	10.78	16.11	(5.33)	(33.08)
Employee Welfare Expenses	8.26	6.18	2.08	33.66
Total	**181.66**	**189.28**	**(7.62)**	**(4.03)**

• The reduction in the 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 report of the valuer.

Finance Cost ₹ in crores

Particulars	FY 2016-17	FY 2015-16	Change	% Change
Interest Expenses	2,737.28	2,601.22	136.06	5.23
Other Borrowing Costs	364.28	349.97	14.31	4.09
Total	3,101.56	2,951.19	150.37	5.09

• Increase in Finance expenses is mainly on account of increase in Debenture and Term loan interest and impact of Derivative and option Loss.

SUSTAINABLE DEVELOPMENT AND SUSTAINABILITY REPORTING

The company started the process of Sustainability Reporting during the year 2014-15 We believe that sustainability reporting is a systematic process of the management and communication of our economic, social and environmental performance that our stakeholders want to know from us.

The report provides detailed information on our business practices across economic, social and environmental perspectives 'In accordance - Comprehensive' with Global Reporting Initiative (GRI) G4 guidelines. Every year, the report content is guided by stakeholder inclusiveness, sustainability context, materiality and completeness. The report contains disclosures on identified material aspect of Electric Utilities Sector Disclosure (EUSD) and covers the performance for the Financial Year (FY).

Stakeholder Engagement

Engaging with stakeholders and responding to their expectations and concerns helps us create shared value that provides us with critical inputs on the sustainability impacts of our business. In our efforts to manage the impacts in power generation, we are propelled to innovate and provide efficient and reliable power. Stakeholders are prioritised based on how we impact them and how they affect our business.

Material issues are defined as those issues which are of the highest concern to the business and to the stakeholders. They are defined and assessed through the processes of risk management and stakeholder engagement. Materiality has been the cornerstone for defining the course of action, and therefore a structured approach and methodology was adopted for internal assessment of material issues in order to identify priorities.

Strategy for Sustainability

While we are working on achieving our growth ambitions, we believe that caring for the environment and the society at large is intrinsically linked to the sustenance of our business. Our sustainability strategy is interwoven into our overall business strategy and our commitment to this journey drives our sustainability agenda.

Business Process Transformation

In our journey towards vision 2020, we are moving towards the standardisation of business processes to make them reliable and future ready. Our group has embarked on a journey of Business Process Transformation across six different businesses and services including Agile, Disha, Ignite, Synergy - IT, Synergy - F&A and Synergy - HR. At Adani Power, we have adopted Disha, Agile and Synergy - IT, F&A and HR processes.

Management Systems

To achieve the highest levels of quality and reliability, our plants have implemented internationally accepted best practices and documented them through standard operating procedures and certified management systems. We are in the process of integrating the quality, environment and OH&S management systems at our plants. At Mundra, we have also implemented the Energy Management System as per ISO 50001. At other locations, the energy management system is under implementation.

Quality Initiatives

In collaboration with the Quality Circle Forum of India (QCFI), we have implemented the 5S methodology to achieve greater organisational effectiveness. The five components of 'Seiri', 'Seiton', 'Seiso', 'Seiketsu' and 'Shitsuke' have been integrated into our operational practices.

Collaboration and Knowledge Sharing

Participation in industrial conferences and professional meets plays an important role not only in gaining new knowledge but also in sharing our own expertise and thereby, positively branding our Company.

Occupational Health and Safety

Good health and safety practices ensure effective performance of our workforce. We realise 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 ISO 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.

Safety Culture

Our priority is to encourage a culture of safety which will enable us to eliminate fatalities, minimise accidents. A robust culture of 'Safety First' is spread across our employees, contractors and others impacted by our operations. We ensure that each worker, whether permanent or contractual, undergoes relevant trainings on health and safety before entering the plant premises.

Identifying occupational health risks and sensitising our workforce is an integral part of our orientation programme and on-site trainings for both employees and contractors. The awareness sessions on health, safety, environmental issues, the Company's policies and applicable laws are imparted through in-house training, videos etc.

Environmental Management

(i) Water Availability:

Optimum water utilisation and reduction in its consumption has been one of our focus areas. This has led us to treat water management as one of the key environment management initiatives.

In the power generation process, raw water is required mainly for steam generation, cooling of condensers and cooling tower make up. Apart from these areas, ash handling and dust suppression also require water which is met out of recycled and reused water at our power plants.

Various initiatives are implemented for enhancing water efficiency by controlling spillages, increasing recycle and reuse of water and minimising discharge.

(ii) GHG Emissions:

Electricity generation in India is largely met by coal-based thermal power plants. We understand that use of fossil fuels is viewed as one of the contributors of climate change and increase in GHG emissions. Hence we have taken significant measures to reduce GHG emissions.

We were the first in the country to commission supercritical boilers. Till date, we have commissioned 7,920 MW (12 units of 660 MW each) power plants based on supercritical technology. These boilers save about 2% of fuel per unit of power generated and help in subsequent reduction in GHGs per unit. In the future, we are considering utilising ultra-supercritical units for upcoming thermal power projects to control specific GHG emission. Besides, the Adani Group is also entering into the business of solar power generation to mitigate climate change.

We have also adopted designs and practices to help us adapt to climate change. To adapt to increase in water temperature, all our thermal power plants are equipped with induced draft cooling tower with a re-circulation system. This will help in maintaining the desired temperature difference across the condenser and maintain the plant efficiency over time.

To combat any increases in air temperature, all our power plants which are located in tropical climatic zones are designed to perform under extreme temperature.

Changes in precipitation rates may affect water availability for cooling purposes. Our biggest facility is at Mundra which is based on sea water and will not be affected by scarcity of the water. The intake water channel is designed at (-) 6 metres from the chart datum (CD) to ensure water availability even at the lowest of the low tides. The other two plants located at Kawai and Tiroda, are based on surface water sources and in order to optimise the make-up water requirement, we have implemented numerous water conservation and recycling practices.

Extreme weather events such as stronger and frequent storms can adversely affect the supply of fuel and damage generation and grid infrastructure. To combat these aspects, we have designed and built all power plants and infrastructure to withstand cyclones of up to 198 kmph. At the same time, sufficient fuel stock is built at the plants to overcome any short term fuel supply stress. Various scenarios of emergency owing to extreme weather events have been envisaged and appropriate emergency preparedness plans have been charted out.

As Adani Power has only one power plant at a coastal location, the finished floor level of the plant has been raised to 10 metres above CD, whereas highest of high tide recorded is 5.4 metres above CD. This will help in combating any sea level rise as well as cyclonic surge.

For hinterland power plants, source sustainability study of surface water has been conducted based on primary data and secondary historical data of past 25 to 30 years published by the Indian Metrological Department. These studies have been conducted through expert agencies and institute of repute in the field to understand the water availability potential and assess the impacts on downstream ecology and water environment. Based on the findings of these studies, financial impact has been calculated considering the loss of power generation in case of non-availability of water in any year due to very less rainfall. To address this risk, we have created water storage capacity at Tiroda and Kawai Power Plants to reduce the pressure on surface water source and cater to the water requirement of operating plants in lean season in case of leas water availability in rivers due to less rainfall in any year.

(iii) Ash Management

Ash generated by combustion of coal is categorised in two parts – fly ash and bottom ash. Fly ash in the form of fine particles is collected in silos through Electrostatic Precipitators (ESP). Bottom ash is collected in wet form from the boilers and stored in ash ponds. Ash handling and conventional ways of disposal result in energy and water consumption.

At Adani Power, we do not consider the ash as waste but as a useful resource. We have installed state-of-the-art technologies and supporting infrastructure for ash handling. This has helped increase our fly ash supply to specialised agencies for utilisation of fine fly ash in cement manufacturing. We also export classified fine ash to Middle Eastern countries from Mundra Power Plant for utilisation as cement admixture, ready mix concrete and other allied purposes.

(iv) Biodiversity Conservation

At Adani Power, we firmly believe that biodiversity and its related ecosystems such as forests, grasslands, mangroves, and urban areas, provide different services to society, collectively known as Ecosystem Services. We recognise the relationship between Ecosystem Services and our business sustainability. The Company thus aims to minimise any negative impact on biodiversity and Ecosystem Services. We have taken efforts for positive impact on the environment and biodiversity around our operations.

Large scale plantation in and around our power plants and office locations have been taken up. We always focus on selection of local and diverse species for such plantations. In Mundra, mangrove plantation has been done in coastal areas. Environmental Impact assessment is carried out for prior approval of projects that includes assessment of impacts on flora and fauna. Site-specific wildlife conservation plans are prepared after scientific studies wherever applicable for environmental clearance and forest land diversions. Endangered flora and fauna within a 10 km radius of our project locations are studied in order to ensure that areas of biodiversity significance, protected region, or any IUCN red list species are not affected by Adani Power operations.

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 which percolates 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 two Executive Directors include the Managing Director and Whole-time Director. Of the four Non-Executive Directors, three 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, 2017.

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 other Committees##		Board Meetings		Attendance at last AGM held on 9th August, 2016
				Chairman	Member	Held during the tenure	Attended	
1	Mr. Gautam S. Adani (Chairman) (DIN 00006273)	Promoter & Non - Executive Director	4	-	-	5	5	Yes
2	Mr. Rajesh S. Adani (Managing Director) (DIN 00006322)	Promoter & Executive Director	7	3	4	5	5	Yes
3	Mr. Vneet S Jaain (Whole-time Director) (DIN 00053906)	Executive Director	6	-	-	5	4	Yes
4	Mr. C. P. Jain (DIN 00011964)	Independent & Non - Executive Director	9	2	6	5	5	Yes
5	Ms. Nandita Vohra (DIN: 02409519)	Independent & Non - Executive Director	-	1	-	5	4	Yes
6	Mr. Raminder Singh Gujral (DIN: 00740511)	Independent & Non - Executive Director	1	-	2	5	5	Yes

#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

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 five times on 6th April, 2016, 3rd May, 2016, 9th August, 2016, 24th October, 2016 and 20th January, 2017. 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. Gautam S. Adani, Director is retiring at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The brief resume and other information required to be disclosed under this section is provided in 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 requirement.

During the year under review Audit Committee Meetings were held four times on 3rd May, 2016, 8th August, 2016, 24th October, 2016 and 20th January, 2017. 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	4	4
Mr. C. P. Jain, Chairman	Independent & Non-Executive Director	4	4
Mr. Raminder Singh Gujral, Member	Independent & Non-Executive Director	4	4

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 act as Secretary of the Committee. The Chairman of the Committee was present at the last Annual General Meeting held on 9th August, 2016.

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 submission to 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 requirement.

During the year under review, Nomination & Remuneration Committee met on 6th April, 2016.

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

Name & Designation	Category	No. of Meetings	
		during the tenure	Attended
Mr. C. P. Jain, Chairman	Independent & Non-Executive Director	1	1
Mr. Gautam S. Adani, Member	Promoter & Non-Executive Director	0	0
Mr. Raminder Singh Gujral, Member	Independent & Non-Executive Director	1	1

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 & 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 & Remuneration Committee decides the remuneration structure for Executive Directors. On the recommendation of the Nomination & 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 2016-17 are as under:

(₹ In Lacs)

Name	Commission	Sitting Fees	Total
Mr. C. P. Jain	N.A.	3.00	3.00
Ms. Nandita Vohra	N.A.	1.40	1.40
Mr. Raminder Singh Gujral	N.A.	2.00	2.00

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

b. Executive Directors:

No remuneration is paid to Managing Director / Whole Time Director / Executive Director during the financial year 2016-17.

c. Details of shares of the Company held by Directors as on 31st March, 2017 are as under:

Name	No. of shares held
Mr. Vneet S Jaain	68,520
Mr. Raminder Singh Gujral	1,23,928

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

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 3rd May, 2016, 9th August, 2016, 24th October, 2016 and 20th January, 2017.

The composition of the Stakeholders' Relationship 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 Director	4	3
Mr. Rajesh S. Adani, Member	Promoter & Executive Director	4	4
Mr. C. P. Jain, Member	Independent & Non- Executive Director	4	4

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	Complaint received	Complaint resolved
Non receipt of refund order	4	4
Non receipt of dividend warrants	3	3
Non receipt of annual report	3	3
Non receipt / credit of shares	7	7
Total	**17**	**17**

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

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

i) Constitution & Composition if S & CSR Committee:

The Company has constituted a 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, no meeting of S & CSR Committee was held.

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 in 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 requirement. 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, 2017.

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. Vinod Bhandawat, Member	Chief Financial Officer	1	1
Mr. C P Jain, Member	Independent & Non-Executive Director	1	1

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 Maharashtra Limited comes under the purview of the Material Non- Listed Subsidiary as per criteria given in Regulation 16(1) (c) of Listing Regulation. The Company has nominated Mr. C P Jain, Independent Director of the Company as 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
2015-16	09.08.2016	J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad- 380 015	09.30 a.m.	3
2014-15	11.08.2015		10.30 a.m.	6
2013-14	09.08.2014		10.15 a.m.	6

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

Yes, the special resolutions u/s. 13 and 61 of the Companies Act, 2013 relating to alteration of Capital Clause of the Memorandum of Association of the Company and u/s. 62 (1) (c) the Companies Act, 2013 relating to Issue of Warrants to Promoter and Promoter Group of the Company on preferential basis were approved by members through postal ballot on 7th May, 2016.

CS Chirag Shah, scrutinizer, conducted the Postal Ballot voting process. The details of voting pattern are given herein below:

Resolution required: (Ordinary/ Special)	SPECIAL - Special Resolution for alteration of the Capital Clause of the Memorandum of Association
Whether promoter/ promoter group are interested in the agenda /resolution?	No

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	2104665062	2103129596	99.9270	2103129596	0	100.0000	0.0000
	Poll	Not Applicable						
	Postal Ballot (if applicable)	2104665062	0	0.0000	00	0	0.0000	0.0000
Public- Institutions	E-Voting	640563518	443217143	69.1918	443217143	0	100.0000	0.0000
	Poll	Not Applicable						
	Postal Ballot (if applicable)	640563518	0	0.0000	00	0	0.0000	0.0000
Public- Non Institutions	E-Voting	588710361	2641860	0.4549	2607096	34764	98.6841	1.3054
	Poll	Not Applicable						
	Postal Ballot (if applicable)	588710361	36549	0.0062	35964	196	98.3994	0.0054
Total		**3333938941**	**2549025148**	**76.4569**	**2548989799**	**34960**	**99.9986**	**0.0014**

Resolution required: (Ordinary/ Special)	SPECIAL - Special Resolution under Section 62(1)(c) of the Companies Act, 2013 for Issue of Warrants to Promoter and Promoter Group of the Company on preferential basis
Whether promoter/ promoter group are interested in the agenda /resolution?	No

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	2104665062	2103129596	99.9270	2103129596	0	100.0000	0.0000
	Poll	Not Applicable						
	Postal Ballot (if applicable)	2104665062	0	0.0000	00	0	0.0000	0.0000

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
Public- Institutions	E-Voting	640563518	443217143	69.1918	441147992	2069151	99.5331	0.4668
	Poll	Not Applicable						
	Postal Ballot (if applicable)	640563518	0	0.0000	00	0	0.0000	0.0000
Public- Non Institutions	E-Voting	588710361	2641860	0.4549	2605068	36792	98.6188	1.3847
	Poll	Not Applicable						
	Postal Ballot (if applicable)	588710361	36549	0.0062	35887	662	98.1887	0.0181
Total		**3333938941**	**2549025148**	**76.4569**	**2546918543**	**2106605**	**99.9174**	**0.0826**

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, 2017 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 Listing Regulation.

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

h) 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.

i) 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.

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

k) 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.

l) 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 Director seeking re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the 21st AGM to be held on 10th August, 2017.

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 presentation 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 21st Annual General Meeting:

Thursday, 10th August, 2017 at 09:30 a.m. at J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikaram 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, 2017	Mid 14th August, 2017
Quarter ending on 30th September, 2017	Mid 14th November, 2017
Quarter ending on 31st December, 2017	Mid 14th February, 2018
Annual Result of 2017-18	End May, 2018

e. Book closure date:

The Register of Members and Share Transfer Books of the Company will be closed from 3rd day, August, 2017 to 10th day, August, 2017 (both days inclusive) for the purpose of 21st 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, 2017 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, 2016	168	26561
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year	6	933
3	Number of shareholders to whom shares were transferred from the suspense account during the year	6	933
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year, i.e. 31st March, 2017	162	25628

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 year 2016-17 have been paid by the Company to BSE and NSE.

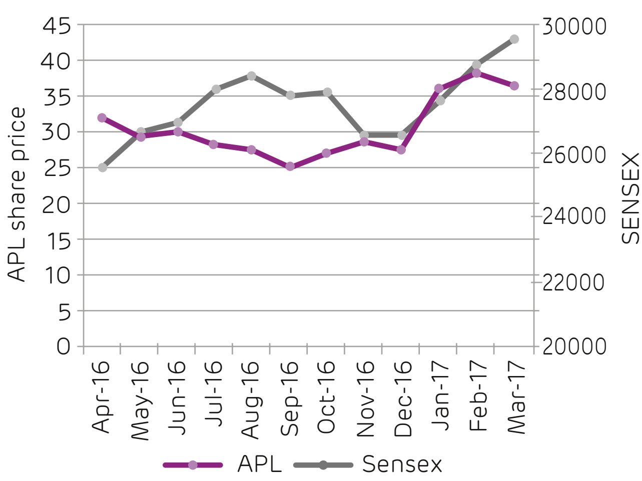
i. Market Price Data

Month	BSE			NSE			Total Volume of BSE & NSE
	High (Rs)	Low (Rs)	Volume	High (Rs)	Low (Rs)	Volume	
April, 2016	36.1	30.2	20398567	36.1	30.15	20,20,17,337	22,24,15,904
May, 2016	32.9	27.65	29535097	32.9	27.65	17,51,51,331	20,46,86,428
June , 2016	31.5	27.15	19202477	31.4	27	13,72,38,946	15,64,41,423
July, 2016	30.95	27.9	17559536	31	27.9	11,06,17,307	12,81,76,843
August, 2016	28.5	26.1	18437003	28.6	26.15	12,14,74,345	13,99,11,348
September, 2016	29.3	24.7	14822949	29.35	24.6	9,41,09,236	10,89,32,185

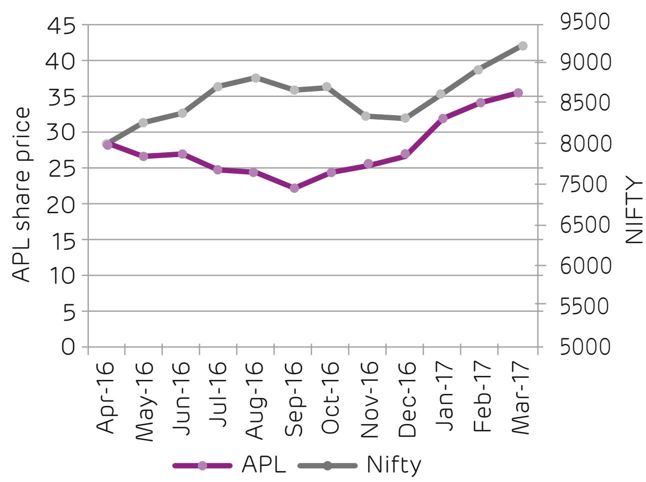
Month	BSE			NSE			Total Volume of BSE & NSE
	High (Rs)	Low (Rs)	Volume	High (Rs)	Low (Rs)	Volume	
October, 2016	28.25	25.05	20826996	28.2	25	28,72,31,972	30,80,58,968
November, 2016	28.8	23.35	20907569	28.9	23.15	15,45,41,154	17,54,48,723
December, 2016	33.95	27.4	28820614	34.05	27.3	23,67,63,997	26,55,84,611
January, 2017	38.95	29.2	33475202	39.05	29.1	26,90,96,406	30,25,71,608
February, 2017	39.35	34.35	18557873	39.3	34.25	14,59,19,940	16,44,77,813
March, 2017	41.3	36.35	23663061	41.3	36.3	20,11,48,977	22,48,12,038

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, 2017:

(a) Distribution of Shareholding as on 31st March, 2017:

No. of shares	No. of shares	% to shares	Total no. of accounts	% to total accounts
1 – 5000	46,864,904	1.32	287,187	84.28
5001 – 10000	21,565,293	0.61	26,359	7.74
10001 – 20000	21,014,645	0.59	13,678	4.01
20001 – 30000	11,739,510	0.33	4,556	1.34
30001 – 40000	7,933,066	0.22	2,190	0.64
40001 – 50000	8,751,036	0.25	1,837	0.54
50001 – 100000	19,714,398	0.56	2,664	0.78
100001 & above	3,405,168,049	96.12	2,278	0.67
TOTAL*	3,542,750,901	100.00	340,749	100.00

*As on 31st March, 2017, the paid up equity shares of the Company is 3,85,69,38,941. However, trading approval from BSE and NSE for 3,54,27,50,901 equity shares has been received.

As on the date of this report 3,76,15,27,024 equity shares trading approval from BSE and NSE has been received.

(b) Shareholding Pattern as on 31st March, 2017:

Category	No. of shares held		Total No. of Shares	% of Holding
	Physical	Electronic		
Promoter and Promoter Group	-	2625987565	2625987565	68.08
Mutual Funds	-	31844859	31844859	0.83
Banks/FI/Central Govt./State Govts/ Trusts & Insurance Companies	-	71342228	71342228	1.85
Foreign Institutional Investors/ Portfolio Investor	-	605752677	605752677	15.71
NRI	-	14599118	14599118	0.38
Foreign Nationals	-	1335496	1335496	0.03
Foreign Companies	-	245934496	245934496	6.38
Other Corporate Bodies	7438	61920627	61928065	1.61
Clearing Member	-	8312531	8312531	0.22
Directors / Relatives of Director	-	192448	192448	0.00
Indian Public / HUF	875788	188833670	189709458	4.92
Total	**883226**	**3856055715**	**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, 2017.

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):

1) IDBI Trusteeship Services Limited
   Asian Building Ground Floor, 17, R. Kamani Marg,
   Ballard Estate, Mumbai - 400 001

2) Axis Trustee Services Limited
2nd Floor E, Axis House,
Bombay Dyeing Mills Compound
Pandurang Budhkar Marg,
Worli, Mumbai – 400025

3) Vistra ITCL (India) Limited
IL&FS Financial Centre, Plot C-22, G Block,
Bandra-Kurla Complex, Bandra East,
Mumbai - 400051

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:
a. Adani Power Limited, Village: Tunda & Siracha, Taluka: Mundra, Dist: Kutchh, Gujarat – 370 435

b. Solar Project - Bitta, Gujarat

s. Address of 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. For 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.
+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 2016-17 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 in Note No. 32 of the Consolidated Financial Statements and is self-explanatory.

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, 2017, 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

Place: Ahmedabad
Date: 27th May, 2017

Rajesh. S. Adani
Managing Director

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, 2017 as stipulated regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Agreement.

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
Samdani Shah & Associates, Company Secretaries,
C.P. No. 3498

Place : Ahmedabad
Date : 27th May, 2017

CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We, Rajesh S. Adani, Managing Director & Chief Executive Officer and Vinod Bhandawat, 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, 2017 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, 2017 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 : 27th May, 2017

Rajesh S. Adani
Managing Director

Vinod Bhandawat
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, 2016 to 31st March, 2017
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
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:

   The Company's business activity is undertaken at Mundra Thermal Power Plant & Bitta Solar Project in Gujarat and Thermal Power Plant of its subsidiaries at Tiroda (Maharashtra), at Kawai (Rajasthan) and at 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) : ₹11,753.19 crores
3. Total comprehensive loss for the year : ₹(6052.71) 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 2016-17, Company has spent ₹14.41 crores through its subsidiaries 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, 2017.

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.

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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 / policies : 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):

Sr. No.	Questions	Business Ethics P1	Product Life Responsibility P2	Employee Well-being P3	Stakeholder Engagement P4	Human Rights P5	Environment P6	Policy Advocacy P7	Inclusive Growth P8	Customer Value 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/investors/investor-download								
7.	Does the company have in house structure to implement the policy / policies ?	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sr. No.	Questions	Business Ethics P1	Product Life Responsibility P2	Employee Well-being P3	Stakeholder Engagement P4	Human Rights P5	Environment P6	Policy Advocacy P7	Inclusive Growth P8	Customer Value P9
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 Sr. 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 fourth 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: 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 14001:2004 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 Adani Power Limited's 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 14001:2004 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 applicable.

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. Other key examples of the Company's sustainable procurement includes the use of synthetic oil instead of petroleum based oils and encouraging our suppliers to use environment friendly packaging material and adopt Environmental Management System in their operations.

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?

   The Company encourages procurement of goods and services from locally based and small producers and service providers. Efforts are made to create awareness on health, safety and hygienic workplace among the local vendors.

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 1220 employees as on 31st March, 2017.

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

   The Company has a total of 100 employees hired on contractual basis as on 31st March, 2017.

3. Please indicate the number of permanent women employees:

   The Company has 1 woman employee as on 31st March, 2017.

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

   The Company has no permanent employee with disabilities as on 31st March, 2017.

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:

   The Company, through the Adani Foundation, has undertaken several initiatives to engage with and ensure sustainable development of the marginalized groups in the local communities. We consider first generation learners, women, fisher folk having marginal income, landless families, elderly population, below poverty line families,, unemployed and undertrained youth, communities not having easy access to basic healthcare, newer technology & information etc. as marginalized groups. We have initiated and worked with village development committees, SHGs, PRIs for community engagement processes. Key initiatives for these groups include:

Education:

The Foundation believes that Education is like a seed which is to be sown so that as the seed grows, the quality of life improves, especially for the needy and the most vulnerable. The main objective behind the educational initiatives is to provide 'quality' education with a unique learning experience to young minds.

Adani Vidya Mandir (AVM), model of schools provides free of cost quality education to the deserving young minds coming from the weaker economic backgrounds. The Students are provided with free of cost transportation, uniform, textbooks, notebooks, breakfast, lunch and refreshments. Presently, AVM, Bhadreshwar is empowering 395 meritorious students with quality education; out of which 137 students are coming from fisher-folk communities. Apart from this, the Foundation has initiated and implemented several educational programmes, which have benefitted the students from government schools.

Project Udaan, an inspirational exposure tour, has benefitted more than 2 Lacs students. The tour is facilitated by Adani Group with an objective to inspire students to dream big which would lead to better achievement in life. The visits are aimed to facilitate young minds to get inspired so that they could become entrepreneurs, innovators and achievers of tomorrow. After successfully running this program in Mundra for more than 6 years, Project Udaan has recently been launched at Kawai in Rajastahan, Tiroda in Maharashtra and Udupi in Karnataka, where the students visit our respective business locations and get an insight on our operations. This helps give wings to their imagination and dreams.

Since education plays a vital role for the bright future of the country, Adani UPCL has extended its services in the field of education by targeting the schools located in and around its plant in Udupi District. To promote the education for the students who are from poor financial background Adani UPCL in collaboration with Adani Foundation, has provided quality education kits which included Slates, Note Books, Bags, Geometry Boxes, Umbrellas to the students studying in Government Kannada Medium Schools & other Government Aided Schools in Udupi District.

APRL, Kawai through Adani Foundation, adopted 47 government schools aiming to contribute towards developing their basic infrastructure. During the year, toilets & urinals were constructed at Upper Primary School, Mukundpura. Besides, under the PRAYATNA initiative, 111 students from 24 schools of the region have been provided with study kits and coaching class for Jawahar Navodaya Vidyalaya (JNV) Entrance Examination. Extra Classes were organized at labour colony for students of primary classes to help them in academics, sports, cultural and moral values and at the same time, nutritious food, uniform and winter wears were also provided to these children. Adani Foundation has also provided support to Zilla Panchayat Baran to develop Happy School Management Android App for proper management & monitoring of government schools and education department of the state. The Foundation team at Kawai organized 5S – Kaizen method training in the government schools for teachers and students. Around 300 participants were benefitted from the sessions.

Adani Foundation at Tiroda has started coaching classes on regular basis for students aspiring for admission in Jawahar Navodaya Vidyalayas. Adani Foundation has become a state level partner with the Education Department of Maharashtra Government for capacity building campaign. About 600 senior, middle and junior level Government officers/ teachers had undergone training under this programme. Adani Foundation has developed software and online and offline applications with support of Maharashtra Government for imparting audio-visual learning to Aanganwadi students. Government of Maharashtra is planning to replicate in other Aanganwadis of the state. Apart from that, E-Learning kits were provided with proper training to 44 Government Schools. In order to motivate and support high school students for their goal-setting and career counselling, a one-day workshop was organized in 4 high schools wherein more than 1100 students participated.

Community Health:

The major objective behind the health initiatives of the Foundation is to provide "affordable and accessible health care to all". To provide access to basic and quality Health Care even at the remotest of the villages, the Foundation has started Mobile Health Care Units (MHCU) & Rural Clinics in its functional areas.

The MHCUs (at Mundra, Tiroda, Kawai and Udupi sites) have provided 182,511 treatments and Rural Clinics have provided 40797 treatments free of cost this Financial Year. The Foundation has facilitated awareness campaigns, medical support, primary health care, medical camps and financial assistance benefitting more than 7000 patients. This also includes twice a week dialysis of 5 patients and regular physiotherapy to 18 differently abled persons.

Senior Citizen Health Card Scheme is a unique health based initiative of the Foundation. The scheme primarily focusses on the rural senior citizens with a quest to support them with necessary health care assistance for preventive and curative aspects. The Senior Citizen Health Card scheme currently is spread across 66 villages in Kutch District; with a total number of beneficiaries counting for more than 7487 senior citizens. Similarly at Udupi site 2070 families were provided with Aarogya Card- medical insurance.

An approach and philosophy to bridge the gap in existing facilities was put in practice by upgrading Tiroda Sub-District Hospital which caters to 114 villages. Our support has helped it win the prestigious Kayakalp Award as best Hospital in Maharashtra.

SuPoshan (Better Nutrition) a community based intervention for curbing Malnutrition and Anaemia is implemented at Mundra, Tiroda and Kawai sites. Community Health Volunteers- Sanginis are empowered with knowledge and skills to create awareness, identify cases of Severe Acute malnutrition, Moderate Acute Malnutrition cases, encourage people to use the available governmental services and also target behaviour change to tackle the issue. This initiative is very well received and gathering momentum.

As a part of Swachchh Bharat Abhiyan, Adani UPCL along with Adani Foundation provided 20 custom-made tilt-able dustbins in the prime locations of the Panchayats / Villages of Yellur, Mudarangadi, Belapu, Palimar, Tenka, Bada and Padubidri in Karnataka. The respective Gram Panchayats have taken up the responsibility for collection and disposal of wastes.

Sustainable Livelihood Development:

Livelihood is one of the major components that the Foundation has been working towards empowering the community members by augmenting livelihood opportunities with income generating initiatives and honing their skills by providing them with necessary trainings for enhancing employability and entrepreneurial abilities.

Adani Foundation through Adani Skill Development Centre (ASDC) is creating an environment where youth and women get to develop employable skills through training. In the year 2016-17, ASDC trained 2986 candidates out of which 578 were women. Many of the students trained in ASDC have been able to secure jobs in various organizations. The fisher-folks have been provided with employment during non-fishing months through trainings on mangrove plantations and avenues of painting works to generate alternate source of income. A total of 3315 man-days of employment, in mangrove plantation and painting works respectively, have been provided to the community members during the Financial Year. Apart from these, 2285 fishermen have benefitted through various welfare and support programmes of the Foundation.

Adani Foundation supported Self-Help Groups (SHGs) have benefitted a lot of women in rural areas. Apart from SHG, the Foundation is dedicated to provide the farmers with technological support in agriculture which involves practical trainings and exposure visits. Farmers were taken on various exposure trips to Krishi Vikas Kendra (KVK) and other agricultural institutions to learn various technologies used in agriculture. The Foundation assisted local farmers of Tiroda to adopt the SRI technique benefitting 1050 farmers. These farmers are also getting trained and exposure to formation of Farmers' Producer Company. Women of Tiroda sites are introduced to various income generation opportunities such as Cow based livelihood, Lakh bangle making, Mushroom Cultivation etc. 60 women at Kawai site are trained in sewing and garment making.

Rural Infrastructure Development:

Our Rural Infrastructure Development program helps us in building a strong community. Our infrastructure development is well designed, planned and built for the betterment of education, community health, agriculture and living standards of the communities.

The Foundation has carried out various village development activities including construction of individual household toilets, school infrastructure, electrification using renewable energy, and installation of safe drinking water facilities. Besides, a total of 140 shelters have been handed over to fisher-folk families at Juna Bandar. An 11 km long road was also constructed in Vadi Vistaar in Zarpara at Mundra site for the convenience of the villagers.

Jal Swavlamban Abhiyan has been launched in the state of Rajasthan. To contribute in the initiative, Adani Foundation intervened to adopt Antana Talaab and carried out the excavation work, stone pitching, ghat construction & some beautification work at talaab. The water conservation activity and work done at Antana talaab was highly appreciated by Hon. Chief Minister of Rajasthan during her visit and public address at the site. The initiative will benefit around 3500 peoples of the area.

There was huge need of proper infrastructure for health care at the government hospital in Baran District, Rajasthan. Hon. Chief Minister laid the foundation for Baran hospital OPD block & Nursing College. The project is completed. The initiative will benefit the entire population of Baran District. At Tiroda During the year, 2016-17, Adani Foundation has deepened 39 Ponds and created an extra storage of 151330 cum. Also 21 streams have been deepened and which has created and extra storage capacity of 83924 Cum. Additionally 21 Farm Pond in 7 Village were developed for extra storage capacity of 9660 Cubic meter. This has benefitted 3012 Acre of land, 924 numbers of wells, 387 numbers of bore wells as per villagers. Thus a total of 1224 farmers are benefitted whose land comes in the command area of the pond. A total of 24 villages have been covered under water conservation mission. Other infrastructure activities include construction of classrooms at the government schools, water purifying facility etc.

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 ISO 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 as per ISO 14001:2004 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, the Company encourages Clean Development Mechanism (CDM), and has registered the supercritical units - 2*660MW (Unit 5 & 6) of the Mundra Thermal Power Project under CDM Executive Board of the United Nations Framework Convention on Climate Change (UNFCCC).

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 the Mundra Thermal Power Project has led to reduction in coal consumption as well as energy requirements in the plant operations. Additionally, several water conservation initiatives, such as effluent and sewage treatment plants, coal runoff treatment plant has secondary reverse osmosis (RO) plant, have also been undertaken. Mundra Thermal Power Plant of the Company has also implemented 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 are 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.

   Nil

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 12 Indian states in more than 1470 villages & town transforming lives of more than 400,000 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 2016-17 was ₹23 Lacs.

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 2016-17?

   There are no customer complaints / consumer cases pending as on the end of financial year - 2016-17.

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 2016-17?

   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 31st March, 2017 and the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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.

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

We conducted our audit of the standalone Ind-AS financial statements in accordance with the Standards on Auditing 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 standalone Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and read with our comments in the Emphasis of Matters paragraph below, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to:

(i) Note 40 to the standalone Ind AS financial statements which describe the key sources of estimation uncertainties as at 31st March, 2017 relating to the recoverability of the carrying amount of Property Plant and Equipment of the Company.

(ii) Note 39 to the standalone Ind AS financial statements. During the financial year ended 31st March, 2017, the Company has incurred a loss (including exceptional items) of ₹6,054.34 crores, and its current liabilities exceed its current assets by ₹12,688.48 crores as at 31st March, 2017. However, for the reasons stated in the note, the standalone Ind AS financial statements are prepared on going concern basis.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

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

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the standalone Ind AS financial statements.

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   (e) The matter described in the Emphasis of Matter paragraph (i) above, in our opinion, may have an adverse effect on the functioning of the Company.

   (f) On the basis of the written representations received from the directors of the Company as on 31st March, 2017 taken on record by the Board of Directors of the Company none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   (g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (h) 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, as amended, 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;

      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

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us.

For **Deloitte Haskins & Sells**
CHARTERED ACCOUNTANTS
Firm's Registration No 117365W

Kartikeya Raval
PARTNER
Membership No. 106189

Place: Ahmedabad
Date: 27th May, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Adani Power Limited ("the Company") as of 31st March, 2017 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 controls 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 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 Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial control over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2017, 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.

For **Deloitte Haskins & Sells**
CHARTERED ACCOUNTANTS
Firm's Registration No 117365W

Kartikeya Raval
PARTNER
Membership No. 106189

Place: Ahmedabad
Date: 27th May, 2017

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

(i) In respect of fixed assets:

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

(b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and acquired buildings, are held in the name of the Company as at the balance sheet date.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Service Tax and Customs Duty which have not been deposited as on 31st March, 2017 on account of disputes are given below:

Name of the Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in crores)	Amount Unpaid (₹ in crores)
Finance Act, 1994	Service Tax	Customs, Excise Service Tax Appellate Tribunal	2008-09	5.12	5.12
Customs Act, 1962	Custom Duty	High Court of Gujarat	July, 2015 to February, 2016	54.95*	54.95
Income Tax Act, 1961	Income Tax	Commissioner Income Tax (Appeals)	Assessment Year 2012-13	2.32	2.32

* Pursuant to the Order of the Hon'ble High Court of Gujarat dated 11th February, 2016, the recovery of this amount has been stayed.

There are no dues of Excise Duty, Sales Tax or Value Added Tax that have not been deposited as at 31st March, 2017 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, as at the reporting date, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to debenture holders. The Company has not taken any loans from the government.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not paid any managerial remuneration to its directors, including managing director and whole-time director, and its manager.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has made preferential allotment of shares during the year. In respect of the above issue, we further report that:

(a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and

(b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
CHARTERED ACCOUNTANTS
Firm's Registration No 117365W

Kartikeya Raval
PARTNER
Membership No. 106189

Place: Ahmedabad
Date: 27th May, 2017

Balance Sheet as at 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-current Assets				
(a) Property, Plant and Equipment	5.1	22,711.79	23,791.19	23,672.70
(b) Capital Work-In-Progress	5.1	68.48	38.92	47.57
(c) Other Intangible Assets	5.2	5.86	5.71	7.15
(d) Financial Assets				
(i) Non-current Investments	6	7,662.08	7,662.08	5,406.00
(ii) Non-current Trade Receivables	7	-	-	276.58
(iii) Long term Loans	8	5,970.92	4,647.21	4,187.38
(iv) Other Non-current Financial Assets	9	11.80	292.60	294.29
(e) Other Non-current Assets	10	1,481.66	1,508.85	1,975.68
Total Non-current Assets		**37,912.59**	**37,946.56**	**35,867.35**
Current Assets				
(a) Inventories	11	1,084.83	830.86	982.04
(b) Financial Assets				
(i) Current Investments	12	78.31	-	221.55
(ii) Trade Receivables	13	1,918.92	5,234.53	3,464.47
(iii) Cash and Cash Equivalents	14	52.57	42.53	79.17
(iv) Bank Balances other than (iii) above	15	285.06	386.97	289.89
(v) Short term Loans	16	10.37	861.52	205.60
(vi) Other Current Financial Assets	17	126.77	17.85	10.00
(c) Other Current Assets	18	288.06	221.88	268.90
Total Current Assets		**3,844.89**	**7,596.14**	**5,521.62**
Total Assets		**41,757.48**	**45,542.70**	**41,388.97**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	19	3,856.94	3,333.94	2,871.92
(b) Other Equity	20	816.39	5,690.26	4,847.74
Total Equity		**4,673.33**	**9,024.20**	**7,719.66**
LIABILITIES				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Long term Borrowings	21	17,227.41	14,719.81	16,623.52
(ii) Other Non-current Financial Liabilities	22	64.67	51.00	109.92
(b) Long term Provisions	23	8.05	7.59	22.72
(c) Deferred Tax Liabilities (Net)	24	-	83.26	-
(d) Other Non-current Liabilities	25	3,250.65	3,621.77	3,592.89
Total Non-current Liabilities		**20,550.78**	**18,483.43**	**20,349.05**
Current Liabilities				
(a) Financial Liabilities				
(i) Short term Borrowings	26	8,046.78	9,311.65	4,234.67
(ii) Trade Payables	27	4,363.19	3,698.37	4,169.99
(iii) Other Current Financial Liabilities	28	3,179.40	3,893.65	3,798.38
(b) Other Current Liabilities	29	939.65	1,127.31	1,109.42
(c) Short term Provisions	30	4.35	4.09	7.80
Total Current Liabilities		**16,533.37**	**18,035.07**	**13,320.26**
Total Liabilities		**37,084.15**	**36,518.50**	**33,669.31**
Total Equity and Liabilities		**41,757.48**	**45,542.70**	**41,388.97**

See accompanying notes to the financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS

KARTIKEYA RAVAL
PARTNER

Place : Ahmedabad
Date : 27th May, 2017

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

VINOD BHANDAWAT
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th May, 2017

Statement of Profit and Loss for the year ended 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue from Operations	31	11,017.97	12,875.27
Other Income	32	735.22	522.73
Total Income		**11,753.19**	**13,398.00**
Expenses			
Fuel Cost		7,190.72	6,818.45
Purchases of Stock in Trade		1,266.26	1,366.45
Employee Benefits Expense	33	181.66	189.28
Finance Costs	34	3,101.56	2,951.19
Depreciation and Amortisation Expense	5.1, 5.2	1,120.72	1,137.26
Other Expenses	35	1,121.90	974.77
Total Expenses		**13,982.82**	**13,437.40**
(Loss) / Profit before exceptional items and tax		**(2,229.63)**	**(39.40)**
Exceptional Items	36	3,907.94	-
(Loss) / Profit before tax		**(6,137.57)**	**(39.40)**
Tax Expense:			
Current Tax	37	0.03	(0.30)
Deferred Tax		(83.26)	(135.64)
		(83.23)	**(135.94)**
(Loss) / Profit for the year	Total A	**(6,054.34)**	**96.54**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		1.63	20.36
(Tax - Nil (previous year - Nil))			
Other Comprehensive Income (After Tax)	Total B	**1.63**	**20.36**
Total Comprehensive (Loss) / Income for the year	Total (A+B)	**(6,052.71)**	**116.90**
Earnings Per Equity Share (EPS) **Basic and Diluted (Face Value ₹10 Per Share) - ₹**	50	(17.48)	0.32

See accompanying notes to the financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS

KARTIKEYA RAVAL
PARTNER

Place : Ahmedabad
Date : 27th May, 2017

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

VINOD BHANDAWAT
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th May, 2017

Statement of changes in equity for the year ended 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

A. Equity Share Capital

Particulars	No. Shares	Amount
Balance as at 1st April, 2015	2,871,922,110	2,871.92
Changes in equity share capital during the year :		
i) Addition on account of merger of Solar power undertaking from Adani Enterprises Limited (refer note 44)	63,916,831	63.92
ii) Shares issued on preferential allotment basis (refer note 19g)	398,100,000	398.10
Balance as at 31st March, 2016	**3,333,938,941**	**3,333.94**
Changes in equity share capital during the year :		
i) Shares issued on conversion of share warrants (refer note 19f)	523,000,000	523.00
Balance as at 31st March, 2017	**3,856,938,941**	**3,856.94**

B. Other Equity

For the year ended 31st March, 2016

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2015	**359.80**	**5,514.42**	**-**	**(1,026.48)**	**4,847.74**
Profit for the year	-	-	-	96.54	96.54
Remeasurement of defined benefit plans, net of tax	-	-	-	20.36	20.36
Total comprehensive (Loss) / income for the year	**-**	**-**	**-**	**116.90**	**116.90**
Transactions during the year					
Addition on account of issue of shares (refer note 19g)	-	716.58	-	-	716.58
Addition on account of merger of Solar power undertaking from Adani Enterprises Limited (refer note 44)	-	-	9.04	-	9.04
	-	**716.58**	**9.04**	**-**	**725.62**
Balance as at 31st March, 2016	**359.80**	**6,231.00**	**9.04**	**(909.58)**	**5,690.26**

Statement of changes in equity for the year ended 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

For the year ended 31st March, 2017

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, net of tax	-	-	-	1.63	1.63
Total comprehensive (Loss) / income for the year	**-**	**-**	**-**	**(6,052.71)**	**(6,052.71)**
Transactions during the year					
Addition on account of issue of shares (refer note 19f)	-	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)**	**816.39**

See accompanying notes to the financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS

KARTIKEYA RAVAL
PARTNER

Place : Ahmedabad
Date : 27th May, 2017

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

VINOD BHANDAWAT
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th May, 2017

Statement of Cash Flow for the year ended 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(A) Cash flow from operating activities		
Loss before tax	(6,137.57)	(39.40)
Adjustment for:		
Depreciation and Amortisation Expense	1,120.72	1,137.26
Unrealised Gain on foreign exchange fluctuation	(253.77)	(91.49)
Income from Mutual Funds	(1.84)	(13.51)
Loss on sale / Retirement of Assets (net)	7.00	14.09
Deferred income	(171.12)	(171.12)
Finance Costs	3,101.56	2,951.18
Interest income	(586.80)	(473.22)
Exceptional Items	3,907.94	-
Operating profit before working capital changes	**986.12**	**3,313.79**
Changes in working capital:		
(Increase) / Decrease in Inventories	(253.97)	154.53
(Increase) / Decrease in Trade Receivables	(303.88)	(1,762.91)
(Increase) / Decrease in Other Assets	(68.81)	298.99
Increase / (Decrease) in Trade Payables	753.36	(404.96)
(Decrease) / Increase in Other Liabilities and Provisions	(463.96)	273.33
	(337.26)	**(1,441.02)**
Cash generated from operations	**648.86**	**1,872.77**
Less : Tax Refund / (Paid)	10.57	(3.44)
Net cash generated from operating activities (A)	**659.43**	**1,869.33**
(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	(595.55)	(1,088.58)
Proceeds from sale of fixed assets	5.92	0.54
Investment in or for acquisition of subsidiaries (refer note 6(vi))	-	(1,463.08)
(Investment) in / Proceeds from sale of Current Investments (net)	(76.46)	235.06
Loans given to subsidiaries	(1,282.34)	(898.68)
Loans repaid by subsidiaries	1,788.34	597.89
Loans given to others	(546.07)	(498.82)
Advances for business acquisitions	(0.03)	(183.22)
Bank deposits / margin money withdrawn / (placed)	94.25	(95.56)
Interest received	57.15	158.26
Net cash used in investing activities (B)	**(554.79)**	**(3,236.19)**

Statement of Cash Flow for the year ended 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(C) Cash flow from financing activities		
Proceeds from Long-term borrowings	6,360.49	5,001.22
Repayment of Long-term borrowings	(4,391.68)	(7,053.44)
(Repayment) / Proceeds of / from Short-term borrowings (net)	(1,714.41)	4,867.51
Proceeds from Issue of Equity Shares (refer note 19f)	1,701.83	1,114.68
Finance Costs Paid	(2,050.83)	(2,599.85)
Net cash (used in) / generated from financing activities (C)	**(94.60)**	**1,330.12**
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	10.04	(36.74)
Cash and cash equivalents at the beginning of the year	42.53	79.17
Cash and cash equivalents received pursuant to merger of solar power undertaking (refer note 44)	-	0.10
Cash and cash equivalents at the end of the year	**52.57**	**42.53**
Notes to Cash flow Statement :		
Cash and cash equivalents as per above comprise of the following :		
Cash and cash equivalents (refer note 14)	52.57	42.53
Balances as per statement of cash flows	**52.57**	**42.53**

1. Non cash items :

   i) During the year, investment in Cumulative Compulsorily Convertible Preference Shares of UPCL amounting to ₹ 1,813.06 Crores have been converted into equivalent number of equity shares. (refer note 6(v))

   ii) During the year, the Company has refinanced long-term borrowings of ₹ 712 Crores (As at 31st March, 2016: ₹ 1,419.08 Crores).

   iii) During the year, interest of ₹ 582.89 Crores (as at 31st March, 2016: ₹ 271.42 Crores) and ₹ 432.49 crores (as at 31st March, 2016: ₹ 316.29 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.

   iv) For other non-cash transactions in the nature of investing activities, refer note 44.

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

See accompanying notes to the financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS

KARTIKEYA RAVAL
PARTNER

Place : Ahmedabad
Date : 27th May, 2017

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

VINOD BHANDAWAT
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th May, 2017

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

1 Corporate information

Adani Power Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 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 five power projects 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, 2017, S. B. Adani Family Trust ("SBAFT") together with entities controlled by it has ability to control the Company. The Company gets synergetic benefit of the integrated value chain of Adani group.

2 Significant accounting policies

2.1 Basis of preparation

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

These Financial Statements are the Company's first Ind AS Financial Statements as covered by Ind AS 101, 'First-time adoption of Indian Accounting Standards'. For all periods up to and including the year ended 31st March, 2016, the Company had prepared its Financial Statements in accordance with Indian GAAP, including Accounting Standards (AS) notified under the Companies (Accounting Standards) Rules, 2006 (as amended), which is considered as "Previous GAAP". A description of the transition to Ind-AS and its impact on Company's net profit and equity has been provided in Note 4 "First Time Adoption of Ind-AS".

2.2 Summary of significant accounting policies

a Property, plant and equipment

Land and building held for use in the production or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.

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 alongwith respective asset.

Fixtures equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

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, in whose case 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.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

use or disposal. Estimated useful life of the Computer Software is 5 years.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

c Financial Instruments

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

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

d Financial assets

Initial recognition and measurement

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

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

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

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

All other financial asset are subsequently measured at fair value.

Effective interest method

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

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

Financial assets at cost

Investments in subsidiaries, associates and joint ventures are accounted for at cost.

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

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

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

Derecognition of financial assets

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received / 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.

Foreign exchange gains and losses

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

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

e Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

Financial liabilities at FVTPL

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

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

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

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

Financial liabilities at amortised cost

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

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

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

Foreign exchange gains and losses

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

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

instruments and are recognised in 'Other income'.

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

Derecognition of financial liabilities

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

f 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 45.

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 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.

g Inventories

Inventories are stated at the lower of weighted average 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. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

h 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.

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.

i 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.

j Foreign currencies

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,

(i) 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 Company has elected to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items (refer note 4(c)) outstanding and recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

k Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, 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:

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

The principal or the most advantageous market must be accessible by the Company. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

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

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's - accounting policies.

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

l 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 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.

m 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. 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.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

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 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 discounts if any.

ii) Interest income is recognised on time proportion basis.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

iii) Delayed payment charges and interest on delayed payment for power supply are recognised on reasonable certainty to expect ultimate collection.

n Borrowing costs

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

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

o 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. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in profit or 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 Project Development Expenditure Account till the commencement of commercial production otherwise the same is charged to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue.

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:

They are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

p Leases

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.

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.

Rental expense 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 lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

q Taxation

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 substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilised. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date 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 asset 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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

r 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.

s 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.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

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

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

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

t Impairment

i) Impairment of tangible and intangible assets

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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 losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. 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. 12-month expected credit losses are portion of the life time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that will results if default occurs within the 12 months after the reporting date and this, are not cash shortfalls that are predicted over the next 12 months.

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.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

3 Significant accounting judgements, estimates and assumptions

The application of the Company's accounting policies as described in Note 2, in the preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The estimates at 1st April, 2015 and at 31st March, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April, 2015, the date of transition to Ind AS and as of 31st March, 2016.

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 w.e.f. 1st April 2015. Refer note 5.1 for details of value of power plant and its depreciation.

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 47.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

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 52.

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 40)

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 41).

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 recognised to the extent of the corresponding deferred tax liability. (refer note 24.1)

4 First-time adoption of Ind-AS

The Company has adopted Ind AS from 1st April, 2016 and the date of transition to Ind AS is 1st April, 2015. These being the first financial statements in compliance with Ind AS, the impact of transition has been accounted for in opening reserves and comparable periods have been restated in accordance with Ind AS 101 –"First-time Adoption of Indian Accounting Standards". The Company has presented a reconciliation of its equity under Previous GAAP to its equity under Ind AS as at 1st April, 2015 and 31st March, 2016 and of the total comprehensive income for the year ended 31st March, 2016 as required by Ind AS 101.

Following are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

a Deemed cost of property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all its property, plant and equipments and intangible assets recognised as of 1st April, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost on transition date.

b Deemed cost of investments

The Company has elected to continue with the carrying value of its investment in associate recognised as of 1st April, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost of transition date.

c Exchange differences on long term 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 as per the previous GAAP.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

d **Determining whether an arrangement contains a lease**

The Company has applied Appendix C of Ind AS 17 – "Determining whether an arrangement contains a Lease" to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing as at that date.

e **Derecognition of financial assets and financial liabilities**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

f **Classification and measurement of financial assets**

The Company has assessed classification and measurement of financial assets on the basis of facts and circumstances that exist as on transition date.

g **Impairment of financial assets**

The Company has applied impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

h **Assessment of embedded derivatives**

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

i **Business Combination prior to transition date**

In the financial year 2012-13, Growmore Trade and Investment Pvt. Ltd. was amalgamated with the Company pursuant to order of Hon' ble Gujarat High Court. Though the said transaction is in the nature of Business Combination, the Company has opted not to account for the said amalgamation as per Ind AS 103 "Business Combination", since the same is prior to transition date.

4.1 Reconciliation of total equity as at 31st March 2016 and 1st April 2015:

Particulars	Notes	As at 31/3/2016 (End of last period presented under previous GAAP)	As on 01/04/2015 (Date of transition)
Total equity (shareholders' fund) under previous GAAP		8,914.18	7,716.15
Property, Plant and Equipment	(c)	9.26	-
Current Investments	(b) (i)	-	0.12
Borrowings	(b) (ii)	0.41	0.05
Deferred Tax Liabilities	(d)	101.83	-
Other Current Financial Liabilities	(b) (i)	(1.48)	3.34
Total adjustment to equity		**110.02**	**3.51**
Total equity under Ind AS		**9,024.20**	**7,719.66**

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

4.2 Reconciliation of total comprehensive income for the year ended 31st March 2016:

Particulars	Notes	For the year ended 31st March, 2016 (End of last period presented under previous GAAP)
Profit as per previous GAAP		**5.62**
Adjustments increase (decrease):		
Effect of Measurement of Financial Liabilities at amortised cost	(b) (ii)	0.36
Effect of Measuring current Investment at fair value through Profit & Loss	(b) (i)	(0.12)
Effect of Measuring derivative contracts at fair value	(b) (i)	(0.05)
Reversal of Deferred tax asset recognised earlier	(d)	101.83
Employee benefits expense - Actuarial Loss reclassified under OCI	(a)	(20.36)
Capital Overhauling costs recognised as Property, Plant and Equipment (PPE) (net)	(c)	9.26
Total effect of transition to Ind AS		**90.92**
Profit / (loss) for the year as per Ind AS		**96.54**
Other comprehensive income	(a)	20.36
Total comprehensive income under Ind AS		**116.90**

Footnotes to the reconciliation of Total Equity as at 31st March 2016 and 1st April 2015 and Statement of Other Comprehensive Income for year ended 31st March, 2016 :

a) **Remeasurement cost of net defined liability** : Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on 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 a corresponding debit or credit to retained earnings through OCI.

b) **Fair valuation for Financial Assets and Financial Liabilities :**

   i) The Company has valued certain financial assets and certain Financial Liabilities, at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss Account.

   ii) Borrowings (part of Financial Liabilities) : Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised over the tenure of borrowings and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

c) Major overhaul generally performed once in 5 years and expenditure thereon was charged to Statement of Profit and Loss has now been capitalised and depreciated.

d) The company has recognised deferred tax on other adjustments.

e) **Statement of cash flows :** The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

5.1. Property, Plant and Equipment and Capital Work-In-Progress

Description of Assets	Tangible Assets									Capital Work-In-Progress
	Land - Freehold	Buildings	Plant and Equipment (Refer note (ii) below)	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	Total	
I. Deemed Cost										
Balance as at 1st April, 2015 (refer note 4a and (ii) below)	**35.76**	**466.83**	**23,654.30**	**8.01**	**4.51**	**7.55**	**4.79**	**4.90**	**24,186.65**	**47.57**
Additions	-	4.40	164.07	0.41	-	4.64	8.50	0.27	182.29	173.64
Disposals / transfers	-	-	9.22	0.02	-	-	-	0.28	9.52	182.29
Addition on account of merger (refer note 44)	-	14.86	654.31	0.41	-	0.01	0.43	0.83	670.85	-
Effect of foreign currency exchange differences	-	-	400.92	-	-	-	-	-	400.92	-
Others	-	-	8.77	-	(0.01)	-	-	-	8.76	-
Balance as at 31st March,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
Disposals / transfers	-	-	15.56	0.11	-	0.07	0.09	0.11	15.94	110.96
Addition on account of merger (refer note 44)	-	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	-	-	(51.37)	-	-	-	-	-	(51.37)	-
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**
II. Accumulated depreciation										
Balance as at 1st April, 2015 (refer note 4a and (ii) below)	**-**	**-**	**513.95**	**-**	**-**	**-**	**-**	**-**	**513.95**	**-**
Depreciation expense	-	17.16	1,109.15	1.28	0.43	2.69	2.90	1.25	1,134.86	-
Eliminated on disposal of assets	-	-	-		-	-	-	0.05	0.05	-
Balance as at 31st March, 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	-
Eliminated on disposal of assets	-	-	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**	**-**

Carrying amount of Property, Plant and Equipment and Capital Work-In-Progress (also refer note 40)

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 1st April, 2015	35.76	466.83	23,140.35	8.01	4.51	7.55	4.79	4.90	23,672.70	47.57
As at 31st March,2016	35.76	468.93	23,250.05	7.53	4.07	9.51	10.82	4.52	23,791.19	38.92
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

i. For charges created on the aforesaid assets, refer note 21.1 and 26.

ii. The Company 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 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 is after

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

5.1. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (contd.)

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 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 has recognised Government grant of ₹4,277.96 crores from the date of capitalisation of plant. As on 1st April, 2015, Plant and Equipment includes Government grant of ₹4,277.96 crores in Gross block and ₹513.95 crores in accumulated depreciation.

iii. Gross block as on 1st April, 2015 under previous GAAP

Description of Assets	Tangible Assets								Total
	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	
Gross block	35.76	530.44	23,061.19	13.95	6.39	22.29	15.01	8.45	23,693.48

Apart from above, Gross block of lease hold land was ₹261.86 Crores as on 1st April, 2015.

5.2 Other Intangible Assets

Description of Assets	Computer software	Total
I. Deemed Cost		
Balance as at 1st April, 2015 (refer note 4a)	7.15	7.15
Additions	0.52	0.52
Disposals	-	-
Addition on account of merger (refer note 44)	0.44	0.44
Balance as at 31st March,2016	8.11	8.11
Additions	2.53	2.53
Disposals	-	-
Balance as at 31st March,2017	10.64	10.64
II. Accumulated depreciation		
Balance as at 1st April, 2015 (refer note 4a)	-	-
Amortisation expense	2.40	2.40
Eliminated on disposal of assets	-	-
Balance as at 31st March,2016	2.40	2.40
Amortisation expense	2.38	2.38
Eliminated on disposal of assets	-	-
Balance as at 31st March,2017	4.78	4.78

Carrying amount of Other Intangible Assets

Description of Assets	Computer software	Total
Carrying amount :		
As at 1st April, 2015	7.15	7.15
As at 31st March,2016	5.71	5.71
As at 31st March,2017	5.86	5.86

i. For charges created on aforesaid assets, refer note 21.1 and 26.

ii. Gross block as on 1st April, 2015 under previous GAAP

Description of Assets	Computer software
Gross block	11.84

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

6 Non Current Investments

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unquoted Investments (all fully paid)			
Investments in Equity Instruments (Face value of ₹10 each)			
In subsidiary companies			
Adani Power Maharashtra Limited (Refer Note (i) below and Note 41) 2,854,731,240 Shares (2,854,731,240 shares as at 31st March, 2016 and as at 1st April, 2015)	4,205.92	4,205.92	4,205.92
Adani Power Rajasthan Limited (Refer Note (ii) below and Note 41) 1,200,000,000 Shares (1,200,000,000 shares as at 31st March, 2016 and as at 1st April, 2015)	1,200.00	1,200.00	1,200.00
Udupi Power Corporation Limited (Refer Note (iii), (v), (vi) below) 1,934,202,548 Shares (211,050,100 shares as at 31st March, 2016 and Nil shares as at 1st April, 2015)	2,256.03	442.97	-
Adani Power Resources Limited (Formerly known as Adani Transmission (Maharashtra) Limited) 25,000 Shares (25,000 shares as at 31st March, 2016 and as at1st April, 2015)	0.03	0.03	0.03
Adani Power (Mundra) Limited (Previously known as Adani Power (Karnataka) Limited) 49,500 Shares (50,000 shares as at 31st March, 2016 and as at 1st April, 2015)	0.05	0.05	0.05
Adani Power (Jharkhand) Limited 50,000 Shares (50,000 shares as at 31st March, 2016 and Nil shares as at 1st April, 2015)	0.05	0.05	-
Investments in Cumulative Compulsorily Convertible Preference Shares			
In subsidiary companies			
Udupi Power Corporation Limited (Refer Note (iv), (v), (vi) below) Nil Shares (1,723,152,448 Shares as at 31st March, 2016 and Nil Shares as at 1st April, 2015) (Face value of ₹10)	-	1,813.06	-
Investment in government securities			
* 1 National savings certificate (lying with government authority) ₹42,699 (₹42,699 as at 31st March,2016 and As at 1st April,2015)	*	*	*
Total	**7,662.08**	**7,662.08**	**5,406.00**

* Figures below ₹50,000

Notes:

i) Of the above shares 1,655,744,119 Equity shares (1,455,912,932 shares as at 31st March, 2016 and 1,423,341,900 shares as at 1st April, 2015) 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 shares as at 31st March, 2016 and 612,000,000 shares as at 1st April, 2015) 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 (162,508,577 shares as at 31st March, 2016 and Nil shares as at 1st April, 2015) have been pledged by the Company as additional security for secured term loans availed by Udupi Power Corporation Limited.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

6 Non Current Investments (contd.)

iv) Of the above preference shares Nil Preference shares (as at 31st March, 2016 1,084,277,384 preference shares and as at 1st April, 2015 - Nil) were pledged by the Company as additional security for secured term loans availed by Udupi Power Corporation Limited.

v) During the year, 1,723,152,448 Cumulative Compulsorily Convertible Preference Shares have been converted into equivalent number of equity shares of Udupi Power Corporation Limited ("UPCL") ranking pari passu in all respects with the existing equity shares of UPCL.

vi) During the previous year, the Company has completed the acquisition of Udupi Power Corporation Limited ("UPCL") at an aggregate cost of ₹2,256.03 Crores and consequently UPCL has become the wholly owned subsidiary of Adani Power Limited w.e.f. 20th April, 2015.

7 Non-current Trade Receivables

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, considered good	-	-	276.58
Total	-	-	276.58

Notes:

i. As at 1st April, 2015, trade receivables includes unbilled receivables of ₹276.58 Crores.

ii. The fair value of Trade receivables is not materially different from the carrying value presented.

8 Long term Loans

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Loans to related parties (refer note 41 and 55)	4,721.42	4,647.21	4,187.38
Loans to others	1,249.50	-	-
Total	5,970.92	4,647.21	4,187.38

Note:

The fair value of Loans is not materially different from the carrying value presented.

9 Other Non-current Financial Assets

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances held as Margin Money or security against borrowings (refer note 21 and 26)	7.66	-	1.54
Advance recoverable in Cash (refer note 36(ii))	-	288.45	288.45
Security Deposits	4.14	4.15	4.30
Total	11.80	292.60	294.29

Note:

The fair value of Other Non-current Financial Assets is not materially different from the carrying value presented.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

10 Other Non-current Assets

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital advances	105.17	108.35	12.03
Advances for business acquisitions (refer note 42)	1,198.26	1,198.22	1,757.00
Advance income tax (Net of provision of ₹4.55 Crores (As at 31st March,2016 ₹4.69 Crores and As at 1st April, 2015 ₹5.05 Crores))	9.42	20.03	16.29
Advances for goods and services	4.31	6.95	5.67
Prepayments under operating lease arrangements	164.50	175.30	184.69
Total	**1,481.66**	**1,508.85**	**1,975.68**

11 Inventories (At lower of weighted average cost or net realisable value)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Fuel	797.03	547.52	729.48
(Includes in transit ₹455.04 Crores) (As at 31st March,2016 ₹376.57 Crores and As at 1st April, 2015 ₹384.61 Crores)			
Stores & spares	287.80	283.34	252.56
(Includes in transit ₹ Nil (As at 31st March,2016 ₹1.66 Crores and As at 1st April, 2015 ₹ Nil))			
Total	**1,084.83**	**830.86**	**982.04**

Note:

i. For charge created on inventories, refer note 21.1 and 26.

ii. For fuel consumption refer statement of profit and loss account and for stores spares consumption refer Other Expense note no 35.

12 Current Investments

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unquoted Investments (fully paid)			
Investment in Mutual Funds (refer note below)	78.31	-	221.55
Total	**78.31**	**-**	**221.55**

Note:

There is a lien on all mutual funds against the margin on bank guarantees as at 31st March, 2017.

13 Trade Receivables

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, considered good	1,918.92	5,234.53	3,464.47
Doubtful	-	13.82	13.82
	1,918.92	5,248.35	3,478.29
Less : Provision for doubtful receivables (refer note (v) below)	-	(13.82)	(13.82)
Total	**1,918.92**	**5,234.53**	**3,464.47**

Notes:

i) Trade receivables are interest bearing and are generally on terms of 1 to 60 days.

ii) For securities, refer note 21.1 and 26.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

13 Trade Receivables (contd.)

iii) Trade receivables includes unbilled receivables of ₹215.98 Crores (as at 31st March, 2016 - ₹1,003.41 Crores and as at 1st April, 2015 - ₹2,015.76 Crores)

iv) **Credit concentration**

As at 31st March 2017, of the total trade receivables 53% pertains to dues from State Distribution Companies under Long Term Power Purchase Agreements ("PPAs"), 34% from related parties and remaining from others.

v) **Expected Credit Loss (ECL)**

The Company is having majority of receivables from State Electricity Distribution Companies which are Government undertakings. The Company is regularly receiving its normal power sale dues from its customers including 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 agreements. Hence they are secured from credit losses in the future.

vi) The fair value of Trade receivables is not materially different from the carrying value presented.

14 Cash and Cash equivalents

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with banks			
In current accounts (refer note (i) below)	52.57	42.53	79.17
Total	52.57	42.53	79.17

Note:

i. For securities, refer note 21 and 26.

ii. Below are the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 :

Particulars	SBNs (Amount)	Other denomination (Amount)	Total Amount
Closing cash in hand as on 08.11.2016	0.01	*	0.01
(+) Permitted receipts	-	0.04	0.04
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	0.01	0.04	0.05
Closing cash in hand as on 30.12.2016	-	-	-

Figures below ₹50,000 are denominated by

15 Bank balances (other than Cash and Cash equivalents)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unclaimed Share application money in escrow account	-	0.76	0.77
Balances held as Margin Money (refer note (i) below)	285.06	386.21	288.95
Fixed Deposits (with original maturity for more than three months) (refer note (i) below)	-	-	0.17
Total	285.06	386.97	289.89

Note:

i. For securities, refer note 21.1 and 26.

ii. The fair value of Bank balances is not materially different from the carrying value presented.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

16 Short term Loans

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Loans and advances to related parties (refer note 55)	9.46	157.23	-
Loans to others	-	703.43	204.61
Loans to employees	0.91	0.86	0.99
Total	**10.37**	**861.52**	**205.60**

Note:

The fair value of Short term Loans is not materially different from the carrying value presented.

17 Other Current Financial Assets

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Interest receivable	100.05	2.89	4.22
Derivatives not designated as hedges (refer note (ii) below)	-	2.78	4.79
Security deposit	16.70	0.40	0.35
Forward Cover Receivables	-	1.54	-
Other receivables	10.02	10.24	0.64
Total	**126.77**	**17.85**	**10.00**

Note:

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 47).

ii. Includes options amounting to ₹2.78 Crores as at 31st March, 2016 and ₹4.79 Crores as at 1st April, 2015.

18 Other Current Assets

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advances for goods and services	163.62	94.25	125.29
Balances with Government authorities	98.73	102.85	115.98
Prepayments under operating lease arrangements	10.79	10.79	10.75
Prepaid expenses	13.67	12.62	15.38
Advance to Employees	1.25	1.37	1.50
Total	**288.06**	**221.88**	**268.90**

19 Equity Share Capital

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised Share Capital			
4,500,000,000 (As at 31st March 2016 - 3,500,000,000 and As at 1st April 2015 - 3,500,000,000) equity shares of ₹10 each	4,500.00	3,500.00	3,500.00
500,000,000 (As at 31st March 2016 - 500,000,000 and As at 1st April 2015 - 500,000,000) Cumulative Compulsorily Convertible Participatory Preference shares of ₹10 each	500.00	500.00	500.00
Total	**5,000.00**	**4,000.00**	**4,000.00**
Issued, Subscribed and Fully paid-up equity shares			
3,856,938,941 (As at 31st March 2016 - 3,333,938,941 and As at 1st April 2015 - 2,871,922,110) fully paid up equity shares of ₹10 each	3,856.94	3,333.94	2,871.92
Total	**3,856.94**	**3,333.94**	**2,871.92**

Notes to Financial Statements for the year ended on 31st March, 2017
All amounts are in ₹ Crores, unless otherwise stated

19 Equity Share Capital (contd.)

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

Equity Shares	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. Shares	Amount	No. Shares	Amount	No. Shares	Amount
At the beginning of the year	3,333,938,941	3,333.94	2,871,922,110	2,871.92	2,871,922,110	2,871.92
Issued during the year :						
Pursuant to merger of solar power undertaking (refer note 44)	-	-	63,916,831	63.92	-	-
On preferential allotment basis (refer note 19g)	-	-	398,100,000	398.10	-	-
On conversion of share warrants (refer note 19f)	523,000,000	523.00	-	-	-	-
Outstanding at the end of the year	**3,856,938,941**	**3,856.94**	**3,333,938,941**	**3,333.94**	**2,871,922,110**	**2,871.92**

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. **Shares held by parent company**

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

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Adani Enterprises Limited (parent company upto 7th June, 2015) Nil (As at 31st March, 2016 - Nil and as at 1st April, 2015 - 1,981,290,000) equity shares of ₹10 each fully paid	-	-	1,981.29

d. **Aggregate number of shares issued other than cash, during the period of five years immediately preceding the reporting date**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
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. (refer note 44)	63,916,831	63,916,831	-

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

19 Equity Share Capital (contd.)

e. Details of shareholders holding more than 5% shares in the Company

Equity Shares	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. Shares	% holding in the class	No. Shares	% holding in the class	No. 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	42.15%	-	-
Adani Properties Private Limited	-	-	377,180,885	11.31%	44,066,085	1.53%
Parsa Kente Rail Infra LLP	377,180,885	9.78%	-	-	-	-
Mr. Vinod S. Adani	-	-	226,457,026	6.79%	57,700,000	2.01%
Adani Enterprises Limited	-	-	-	-	1,981,290,000	68.99%
OPAL Investment Private Limited	213,236,910	5.53%	213,236,910	6.40%	213,236,910	7.42%
Worldwide Emerging Market Holding Limited	265,485,675	6.88%	-	-	-	-
Afro Asia Trade And Investments Limited	265,485,675	6.88%	-	-	-	-
Universal Trade And Investments Limited	218,485,676	5.66%	-	-	-	-
	2,745,054,454	**71.16%**	**2,222,054,454**	**66.65%**	**2,296,292,995**	**79.95%**

f. During the year, the Company has issued and allotted 52.30 Crores warrants at a price of ₹32.54 per Warrant to promoter group entities which have been converted into equivalent number of equity shares of ₹10 each at a premium of ₹22.54 per share on preferential basis under section 42 of the Companies Act, 2013 and other relevant SEBI Regulations. The proceeds received from above has been utilised for repayment of trade payables, loans and other general corporate purposes.

g. During the previous year, the Company had allotted 250,000,000 Equity Shares of ₹10 each with premium of ₹18 per share to Mr. Gautam S. Adani and Mr. Rajesh S. Adani (On behalf of S. B. Adani Family Trust) and 148,100,000 Equity Shares of ₹10 each with premium of ₹18 per share to Adani Properties Private Limited on preferential basis under section 42 of the Companies Act, 2013.

20 Other Equity

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital Reserve (refer note (i) below)	359.80	359.80	359.80
Securities Premium Account (refer note (ii) below)	7,409.83	6,231.00	5,514.42
General Reserve (refer note (iii) below)	9.04	9.04	-
Retained earnings (refer note (iv) below)	(6,962.29)	(909.58)	(1,026.48)
Share warrants (refer note 19f)	-	-	-
Total	**816.39**	**5,690.26**	**4,847.74**

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

20 Other Equity (contd.)

		As at 31st March, 2017	As at 31st March, 2016
20.1 Capital Reserve (refer note (i) below)			
Balance at the end of year		359.80	359.80
20.2 Securities Premium Account (refer note (ii) below)			
Opening Balance		6,231.00	5,514.42
Add: Addition on account of issue of shares during the year (refere note 19(f) and 19(g))		1,178.83	716.58
Closing Balance		**7,409.83**	**6,231.00**
20.3 General Reserve (refer note (iii) below)			
Opening Balance		9.04	-
Add: Addition on account of merger of Solar power undertaking from Adani Enterprises Limited		-	9.04
Closing Balance		**9.04**	**9.04**
20.4 Retained earnings (refer note (iv) below)			
Opening Balance		(909.58)	(1,026.48)
Add : (Loss) / Profit for the year		(6,054.34)	96.54
Add : Other Comprehensive Income for the year		1.63	20.36
Closing Balance		**(6,962.29)**	**(909.58)**
20.5 Share warrants (refer note 19f)			
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	816.39	5,690.26

Notes :

i) Capital Reserve of ₹359.80 Crores were 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) During the previous year, General reserve of ₹9.04 Crores was created due to merger of solar power undertaking from Adani Enterprise Limited. As per the scheme of arrangement approved by order of the Hon'ble High Court of Gujarat (refer note 44), the difference between the value of assets acquired and the value of liabilities of the power undertaking transferred by Adani Enterprise 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.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

21 Long term Borrowings

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured borrowings - at amortised cost			
Term Loans			
From Banks	11,023.69	9,949.32	9,615.98
From Financial Institutions	1,338.88	379.27	382.24
	12,362.57	**10,328.59**	**9,998.22**
Unsecured borrowings - at amortised cost			
9.00% Non Convertible Debentures	300.00	-	-
9.07% Non Convertible Debentures	275.00	-	-
10.50% Non Convertible Debentures	1,529.00	1,198.40	-
10.70% Non Convertible Debentures	449.33	498.07	-
10.30% Non Convertible Debentures	749.20	748.93	-
10.48% Non Convertible Debentures	748.23	-	-
10.95% Non Convertible Debentures	-	498.20	497.51
10.85% Non Convertible Debentures	-	498.22	497.53
Term Loans			
From Banks	133.72	185.28	462.47
From Related Parties (refer note 55)	680.36	764.12	4,339.07
From Financial Institutions	-	-	497.22
From Others	-	-	331.50
	4,864.84	**4,391.22**	**6,625.30**
Total	**17,227.41**	**14,719.81**	**16,623.52**

Notes:

1. **The security details for the balances as at 31st March, 2017** :
   a. Rupee Term Loans from Banks aggregating to ₹9,498.58 Crores (as at 31st March, 2016 ₹7,696.88 Crores and as at 1st April, 2015 ₹6,398.61 Crores), Rupee Term Loans from Financial Institutions aggregating to ₹1,412.34 Crores (as at 31st March, 2016 ₹384.60 Crores and as at 1st April, 2015 ₹502.50 Crores) and Foreign Currency Loans from Banks aggregating to ₹2,938.88 Crores (Previous Year ₹3,976.29 Crores and as at 1st April, 2015 ₹5,618.43 Crores) are secured / to be secured by first charge on all immovable, movable assets and leasehold land (refer note 10 and 18) of the Company on paripassu basis. (also refer note 5.1 and 5.2).
   b. Foreign Currency Loans from Banks aggregating to Nil (as at 31st March, 2016 ₹457.16 Crores and as at 1st April, 2015 ₹431.25 Crores) are secured / to be secured by first charge on receivables of the Company and second charge on all immovable and movable assets of the Company on paripassu basis. (also refer note refer note 5.1 and 5.2).
   c. Rupee Term Loans from Banks and Trade credits aggregating to ₹9,762.18 Crores (as at 31st March, 2016 ₹7,263.75 Crores and as at 1st April, 2015 ₹7,172.05 Crores) are further secured / to be secured by pledge of 794,749,709 Equity Shares held by S.B. Adani Family Trust (as at 31st March, 2016 - 693,444,326 Equity Shares held by S.B. Adani Family Trust and as at 1st April, 2015 - 250,790,465 Equity Shares held by erstwhile parent company Adani Enterprises Limited) as First charge.
2. **Repayment schedule for the balances as at 31st March, 2017 :**
   a. The secured term loans from banks aggregating to ₹7,432.23 Crores (as at 31st March, 2016 ₹6,018.85 Crores) are repayable over a period of next 9.5 years in 438 instalments structured on quarterly to yearly basis.
   b. The secured term loan from banks aggregating to ₹5,005.23 Crores (as at 31st March, 2016 ₹6,111.44 Crores) and from Financial Institutions aggregating to ₹1,412.34 Crores (as at 31st March, 2016 ₹384.64 Crores) respectively are repayable over a period of next 16 years in 1,472 instalments structured on quarterly basis.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

21 Long term Borrowings (contd.)

c. Unsecured term loan from banks and Financial Institutions of ₹690.91 Crores (as at 31st March, 2016 ₹787.96 Crores) is repayable over a period of next 3.5 years in 15 instalments structured on quarterly to yearly basis.

d. Unsecured loan from related party of ₹680.36 Crores (as at 31st March, 2016 ₹764.12 Crores) are repayable on mutually agreed dates after a period of 17 months from the balance sheet date.

e. Unsecured loan from others ₹49.70 Crores (as at 31st March, 2016 ₹291.50 Crores) are repayable on mutually agreed dates after a period of 5 months from the balance sheet date.

f. 9.00% Non Convertible debentures of ₹300 Crores (as at 31st March, 2016 Nil) are redeemable on due date after 13 months.

g. 9.07% Non Convertible debentures of ₹275 Crores (as at 31st March, 2016 Nil) are redeemable on due date after 13 months.

h. 10.30% Non Convertible debentures of ₹750 Crores (as at 31st March, 2016 ₹750 Crores) are redeemable on due date after 25 months.

i. 10.50% Non Convertible debentures of ₹1,200 Crores (as at 31st March, 2016 ₹1,200 Crores). ₹400 Crores are redeemable on due date after 19 months, ₹400 Crores are redeemable on due date after 22 months and ₹400 Crores are redeemable on due date after 25 months.

j. 10.50% Non Convertible debentures of ₹330 Crores (as at 31st March, 2016 Nil) are redeemable on due date after 33 months.

k. 10.70% Non Convertible debentures of ₹451 Crores (as at 31st March, 2016 ₹500 Crores) are redeemable on due date after 24 months.

l. 10.48% Non Convertible debentures of ₹750 Crores (as at 31st March, 2016 Nil). ₹400 Crores are redeemable on due date after 37 months, ₹350 Crores are redeemable on due date after 25 months.

3. For current maturities of long term borrowing refer note no. 28.

22 Other Non-current Financial Liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Derivatives not designated as hedges (refer note (ii) below)	13.67	-	49.39
Retention money payable	51.00	51.00	60.53
Total	64.67	51.00	109.92

Note:

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 47).

ii. Includes options amounting to ₹13.67 Crores as at 31st March, 2017 and Principal only swaps of ₹49.39 Crores as at 1st April, 2015.

23 Long term Provisions

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Employee Benefits (refer note 52)	8.05	7.59	22.72
Total	8.05	7.59	22.72

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

24 Deferred Tax Liabilities (Net)

(a) Deferred Tax Liabilities (Net)

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deferred Tax Liabilities				
Property, Plant and Equipment		3,118.17	2,886.89	2,304.13
Gross Deferred Tax Liabilities	Total (A)	**3,118.17**	**2,886.89**	**2,304.13**
Deferred Tax Assets				
Provision for Employee benefits		4.30	-	-
Other provision		11.98	-	-
On unabsorbed depreciation		3,101.89	2,803.63	2,304.13
Gross Deferred Tax Assets	Total (B)	**3,118.17**	**2,803.63**	**2,304.13**
Net Deferred Tax Liabilities	Total (A-B)	**-**	**83.26**	**-**

(b) 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	Acquisitions	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 :					
Unabsorbed depreciation	2,803.63	298.26	-	-	3,101.89
Other provision	-	11.98	-	-	11.98
Provision for Employee benefits	-	4.30	-	-	4.30
	2,803.63	**314.54**	**-**	**-**	**3,118.17**
Net Deferred Tax Liabilities	**83.26**	**(83.26)**	**-**	**-**	**-**

(c) Movement in deferred tax liabilities (net) for the year ended 31st March, 2016.

	Opening Balance as at 1st April, 2015	Recognised in profit and Loss	Recognised in other comprehensive income	Acquisitions	Closing balance as at 31st March, 2016
Tax effect of items constituting deferred tax liabilities :					
Property, Plant and Equipment	2,304.13	363.86	-	218.90	2,886.89
	2,304.13	**363.86**	**-**	**218.90**	**2,886.89**
Tax effect of items constituting deferred tax assets :					
Unabsorbed depreciation	2,304.13	499.50	-	-	2,803.63
	2,304.13	**499.50**	**-**	**-**	**2,803.63**
Net Deferred Tax Liabilities	**-**	**(135.64)**	**-**	**218.90**	**83.26**

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

24.1 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, 2017	As at 31st March, 2016	As at 1st April, 2015
Unused tax losses (revenue in nature) and unabsorbed depreciation*	6,337.32	248.32	663.47
Total	**6,337.32**	**248.32**	**663.47**

* Out of which unused tax losses will expire from AY 2021-22 to AY 2025-26.

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.

25 Other Non-current Liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Security Deposit	-	200.00	-
Deferred Government Grant (refer note 5.1 (ii))	3,250.65	3,421.77	3,592.89
Total	**3,250.65**	**3,621.77**	**3,592.89**

26 Short term Borrowings

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured Borrowings - at amortised cost			
Loan From Financial Institutions	250.00	-	-
Trade Credits			
From Banks	2,728.48	2,836.00	2,467.32
Cash Credit From Banks	-	-	60.00
	2,978.48	**2,836.00**	**2,527.32**
Unsecured Borrowings - at amortised cost			
8.50% Non Convertible Debentures	270.00	-	-
Trade Credits			
From Banks	-	137.72	106.54
Loans From Banks	-	-	300.00
Loans From Financial Institutions	343.68	61.18	75.00
Loans From Related Parties (refer note 55)	2,829.64	5,229.14	852.91
Loans From Others	1,624.98	1,047.61	372.90
	5,068.30	**6,475.65**	**1,707.35**
Total	**8,046.78**	**9,311.65**	**4,234.67**

Notes:

1. Trade Credit for working capital from banks of ₹2,728.48 Crores (as at 31st March, 2016 - ₹2,836.00 Crores and as at 1st April, 2015 - ₹2,467.32 Crores) are secured / to be secured by first mortgage and charge on respective immovable and movable assets of the Company.
2. Short Term Loans from Financial Institutions aggregating to ₹250 Crores (as at 31st March, 2016 and as at 1st April, 2015 - Nil) 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.
3. Cash Credit from banks Nil (as at 31st March, 2016 - Nil and as at 1st April, 2015 - ₹60.00 Crores) were secured / to be secured by first mortgage and charge on respective immovable and movable project assets of the Company.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

27 Trade Payables

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Acceptances	1,557.22	1,678.10	2,533.70
Other than acceptances	2,805.97	2,020.27	1,636.29
Total	**4,363.19**	**3,698.37**	**4,169.99**

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 payable mainly includes 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.

28 Other Current Financial Liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current maturities of long-term borrowings (Secured) (refer note 21)	1,399.12	2,095.67	2,864.32
Current maturities of long-term borrowings (Unsecured)	600.66	885.27	80.61
Interest accrued but not due on borrowings	490.86	268.15	67.82
Equity share application money refundable (refer note (i) below)	-	0.76	0.77
Payable on purchase of fixed assets (including retention money)	263.70	226.64	342.12
Book Overdraft	-	148.49	97.63
Derivatives not designated as hedges (refer note (iii) below)	275.11	143.68	248.10
Derivative Payables	4.44	-	-
Others	145.51	124.99	97.01
Total	**3,179.40**	**3,893.65**	**3,798.38**

Notes:

i. These do not include any amounts due and outstanding to be credited to "Investors' Education and Protection Fund".

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 (also refer note 47).

iii. Includes options amounting to ₹152.04 Crores (as at 31st March, 2016 - ₹63.57 Crores and as at 1st April, 2015 - ₹22.69 Crores), forward covers amounting to ₹123.07 Crores (as at 31st March, 2016 - ₹15.67 Crores and as at 1st April, 2015 - ₹14.81 Crores) and principal only swaps of Nil (as at 31st March, 2016 - ₹64.44 Crores and as at 1st April, 2015 - ₹210.60 Crores).

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

29 Other Current Liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Statutory liabilities (net of ₹487.75 Crores (as at 31st March, 2016 ₹487.75 Crores and as at 1st April, 2015 ₹456.85 Crores) deposited under protest)	59.06	297.85	197.02
Advance from Customers	707.93	657.65	739.81
Deferred Government Grant (refer note 5.1 (ii))	171.12	171.12	171.12
Others*	1.54	0.69	1.47
(* Includes security deposits)			
Total	939.65	1,127.31	1,109.42

30 Short term Provisions

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for Employee Benefits (refer note 52)	4.35	4.09	7.80
Total	4.35	4.09	7.80

31 Revenue from Operations

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue from Power Supply (refer note 36(i))	9,118.16	10,673.54
Revenue from Coal Sale	1,704.12	2,012.05
Other Operating Revenue		
Sale of Fly Ash	24.57	18.56
Deferred income (refer note 5.1(ii))	171.12	171.12
Total	11,017.97	12,875.27

32 Other Income

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest Income (refer note (i) below)	586.80	473.22
Income from mutual funds	1.84	13.51
Sale of Scrap	5.70	2.84
Foreign Exchange Fluctuation Gain (net)	41.13	12.52
Miscellaneous Income (refer note (ii) below)	99.75	20.64
Total	735.22	522.73

Note:

i) Interest income comprises of :

a) Interest income of ₹586.45 Crores (previous year ₹471.35 Crores) on financial assets carried at amortised cost, which includes interest from fixed deposits with banks ₹16.41 Crores (Previous year ₹23.97 Crores), interest from loans and advances ₹568.35 Crores (Previous year ₹447.38 Crores) and interest on others ₹1.69 Crores (Previous year ₹ Nil); and

b) Interest income of ₹0.35 Crores (Previous year ₹1.87 Crores) on tax refunds.

ii) Miscellaneous income includes ₹76.23 Crores towards provision no longer required written back.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

33 Employee Benefits Expenses

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Salaries, Wages and Allowances	162.62	166.99
Contribution to Provident and Other Funds (Refer note 52)	10.78	16.11
Employee Welfare Expenses	8.26	6.18
Total	**181.66**	**189.28**

34 Finance costs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Interest Expenses on :		
Interest on Loans and Debentures	2,587.96	2,432.16
Interest on Trade Credits	149.32	169.06
	2,737.28	**2,601.22**
(b) Other borrowing costs :		
Loss / (Gain) on Derivatives Contracts	290.25	(0.66)
Bank Charges and Other Borrowing Costs	74.03	86.56
	364.28	**85.90**
(c) Net loss on foreign currency transactions and translation (considered as finance costs)	-	264.07
	-	**264.07**
Total	**3,101.56**	**2,951.19**

35 Other Expenses

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Transmission Expenses	549.27	379.18
Stores and Spares	85.42	84.76
Repairs and Maintenance		
Plant and Equipment	78.98	75.11
Others	9.37	14.48
Operating lease rent	16.34	17.50
Rates and Taxes	64.66	69.70
Custom Duty on Electrical Energy	-	27.38
Legal & Professional Expenses	84.18	67.51
Discount on Prompt Payment of Bills	149.86	145.43
Directors' Sitting Fees	0.07	0.09
Payment to Auditors (refer note 49)	1.13	0.66
Communication Expenses	4.72	2.32
Travelling and Conveyance Expenses	20.05	22.17
Insurance Expenses	21.31	25.42
Office expenses	2.05	3.80
Bad Debt Written Off	0.03	-
Loss on sale / Retirement of Assets (net)	7.00	14.09
Donations	0.49	0.35
Corporate Social Responsibility expenses (refer note 53)	0.23	0.01
Electricity Expenses	2.55	2.45
Miscellaneous Expenses	24.19	22.36
Total	**1,121.90**	**974.77**

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

36 Exceptional Items

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Reversal of Compensatory Tariff (refer note (i) below)	3,619.49	-
Write off Advance (refer note (ii) below)	288.45	-
Total	**3,907.94**	**-**

Note:

i) 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 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, the Company 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 the Appellate Tribunal for Electricity ("APTEL"). The APTEL vide its order dated 7th April, 2016, had set aside the aforementioned CERC order and had held that the promulgation of Indonesian regulation constitute 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 said event is neither Force Majeure nor Change in Law as per the terms of PPA and hence, does not entitle Company to CT. Consequently, the Company has 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) is shown as an exceptional item and ₹745.35 crores (recognised from 1st April, 2016 to 31st December, 2016) has been adjusted from the revenue from operations.

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, constitute Change in Law as per the terms of PPA. The 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) The Company had given advances to Brakel Kinnaur Power Private Limited ("Brakel") of ₹288.45 Crores which were, in turn, deposited by Brakel to Government of Himachal Pradesh ("the GoHP") in relation to 960 MW hydro power plant project ("the project"). The said advances has been written off due to delay in initiation of underlying project.

37 Income Tax

The major components of income tax expense for the years ended 31st March, 2017 and 31st March, 2016 are:

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Income Tax Expense :		
Current Tax:		
Current Income Tax Charge	-	-
Adjustments in respect of prior years	0.03	(0.30)
Total (a)	**0.03**	**(0.30)**
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(83.26)	(135.64)
Total (b)	**(83.26)**	**(135.64)**
Total (a+b)	**(83.23)**	**(135.94)**

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

37 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, 2017	For the year ended 31st March, 2016
(Loss) / Profit before tax as per Statement of Profit and loss		**(6,137.57)**	**(39.40)**
Income tax using the company's domestic tax rate @ 34.608%		**(2,124.09)**	**(13.63)**
Tax Effect of :			
i) Incremental depreciation / allowance allowable on assets		(320.85)	(429.61)
ii) Provisions disallowed		(67.50)	34.46
iii) Current year losses for which no Deferred Tax Asset is created		2,427.26	273.52
iv) Non-deductible expenses		1.92	(0.38)
v) Income-taxes related to prior years		0.03	(0.30)
Income tax recognised in Statement of Profit and Loss at effective rate	**Total**	**(83.23)**	**(135.94)**

38 Contingent liabilities and commitments

(i) Contingent liabilities :

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
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.	135.20	135.20	135.20
2. Claims against the Company not acknowledged as debts in respect of:			
a. Income Tax (refer note (i) below)	49.74	46.96	12.90
b. Service Tax (refer note (ii) below)	5.12	5.11	5.11
c. Custom Duty	-	-	133.43
d. Central Sales Tax (refer note (iii) below)	0.02	-	-
Total	**190.08**	**187.27**	**286.64**

Notes:

i) Matters relating to Income Tax from AY 2008-09 to 2012-13 is 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 Central Sales Tax for FY 2010-11 and FY 2014-15 is being contested at various level of Indirect Tax authorities.

iv) Management is not expecting any future cash outflow with respect to above litigations.

(ii) Commitments :

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for	19.94	25.78	32.74
Estimated amount payable towards coal block allocated to the Company (Refer Note 43)			
Upfront Fees	13.60	13.60	27.20
Deposit	-	-	22.45
Total	**33.54**	**39.38**	**82.39**

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

39 For the financial year ended 31st March, 2017, the Company has incurred a loss of ₹6,054.34 crores and as at the year end, current liabilities (including ₹7,234.06 Crores to related parties) exceed current assets by ₹12,688.48 Crores. The Company expects to meet its financial obligations based on continued support from lenders, trade creditors as well as subsidiaries as may be required to sustain its operations on a going concern basis.

40 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, 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 the Company has concluded that the Recoverable Amounts of the Power Plants are higher than their carrying amounts as at 31st March, 2017.

41 The carrying amounts of long-term investments in equity shares of wholly owned subsidiary companies viz. Adani Power Maharashtra Limited ("APML"), Adani Power Rajasthan Limited ("APRL") are ₹4,205.92 Crores (as at 31st March, 2016 - ₹4,205.92 Crores and as at 1st April, 2015 - ₹4,205.92 Crores) and ₹1,200 Crores (as at 31st March, 2016 - ₹1,200 Crores and as at 1st April, 2015 - ₹1,200 Crores) respectively, and Long term loans (Refer Note 8) include loans given to APML and APRL of ₹2,999.00 Crores (as at 31st March, 2016 - ₹2,964.26 Crores and as at 1st April, 2015 - ₹2,560.94 Crores) and ₹1,722.42 Crores (as at 31st March, 2016 - ₹1,682.95 Crores and as at 1st April, 2015 - ₹1,626.44 Crores) respectively.

APML and APRL own and operate 3300 MW and 1320 MW coal based power plants respectively with 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 were not made available due to various reasons not attributable to the respective subsidiary companies. In response to pleas for compensating the losses due to above, the respective state electricity regulators have granted part relief on account of Change in Law / Force Majeure. The Company's management believes that it is eligible and will get for the required coal linkages as it supplies power under the Long Term PPA and until then will be eligible for relief on account of Change in Law / Force Majeure to compensate the operating losses. Whilst 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 respective subsidiaries (₹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 the Company has a good arguable case on merits, based on the principles set forth by the Hon. Supreme Court in order dated 11th April, 2017, in the similar matter in case of the Company (refer note 36 (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.

42 During the previous year, the Company has executed a Share Purchase Agreement for acquisition of 100% stake in Korba West Power Company Limited ("KWPCL") which owns a 600 MW Coal based thermal power plant in state of Chhattisgarh, with Avantha Power and Infrastructure Limited which is pending for necessary approvals and consents. As at 31st March, 2017, the Company has paid advance consideration of ₹775 Crores (as at 31st March, 2016 ₹775 Crores).

43 The Company 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 2014-15. The company has already initiated the process for development of the said mine.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

44 During the financial year 2014-15, the Board of Directors had approved a composite Scheme of Arrangement ("the Scheme") under section 391 and 394 of the Companies Act 1956, between Adani Enterprises Limited (the erstwhile holding Company) ("AEL"), Adani Ports and Special Economic Zone Limited ("APSEZ"), Adani Transmission Limited ("ATL") and Adani Mining Private Limited ("AMPL") and the Company, for the demerger of various businesses of AEL with an appointed date of 1st April, 2015. During the financial year 2015-16, on receipt of approval by the Hon'ble High Court of Gujarat and on adherence to the other necessary compliances, the said scheme became effective.

As per the Scheme, Solar Power Undertaking of AEL has been merged into the Company alongwith its assets and liabilities from the appointed date of 1st April, 2015. Pursuant to the merger of the Solar Power Undertaking of AEL into Company and based on fair valuation done, the Company has issued and allotted 63,916,831 new equity shares of ₹10 each to the equity shareholders of AEL in the ratio of 18,596 equity shares in Company for every 10,000 equity shares held by the equity shareholder in AEL. The equity shares held by AEL in the Company has been cancelled on approval of the said scheme by the Hon'ble High Court of Gujarat vide its order dated 7th May, 2015.

Assets acquired and liabilities recognised as at 1st April, 2015 (acquisition date) :

Particulars	As at 1st April, 2015
ASSETS	
Non-current Assets	
(a) Property, Plant and Equipment	670.85
(b) Other Intangible Assets	0.44
(c) Other Non-current Assets	1.39
Total Non-current Assets	**672.68**
Current Assets	
(a) Inventories	3.35
(b) Trade receivables	7.16
(c) Cash and Cash Equivalents	0.10
(d) Other Current Assets	8.49
Total Current Assets	**19.10**
Total Assets	**691.78**
LIABILITIES	
Non-current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	352.78
(b) Deferred Tax Liabilities (Net)	218.90
Total Non-current Liabilities	**571.68**
Current Liabilities	
(a) Financial Liabilities	
(i) Borrowings	9.29
(ii) Trade Payables	1.06
(iii) Other Current Financial liabilities	33.60
(b) Other Current Liabilities	0.10
Total Current Liabilities	**44.05**
Total Liabilities	**615.73**

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

45 The Company has taken various derivatives to hedge its foreign currency exposures. The outstanding position of derivative instruments are as under:

Nature	Purpose	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
		Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
Principal only swaps	Hedging of borrowings	-	-	345.92	USD 62.26	1,370.69	USD 252.01
Cross currency swaps	Hedging of borrowings	-	-	-	-	161.71	USD 35.01
Forward covers	Hedging of LC, Acceptances, Creditors and future coal contracts	2,344.12	USD 361.47	1,062.31	USD 160.34	936.19	USD 149.79
	Hedging of ECB	192.60	USD 29.70	-	-	-	-
Options	Hedging of ECB	1,010.44	USD 155.81	695.74	USD 105.01	780.00	USD 124.80
	Hedging of LC, Acceptances, Creditors and interest accrued	3,092.74	USD 476.91	3,514.27	USD 530.42	3,584.75	USD 573.56
		6,639.90		**5,618.24**		**6,833.34**	

The details of foreign currency exposures not hedged by derivative instruments are as under :

Nature	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
1. Import Creditors and Acceptances	364.59	USD 56.22**	811.58	USD 122.49	782.94	USD 125.27
	0.04	EUR 0.01	0.37	EUR 0.05	0.07	EUR 0.01
	-	-	0.05	CNY 0.05	0.05	CNY 0.05
	-	-	*	GBP *	0.09	GBP 0.01
	0.59	SEK 0.81	0.66	SEK 0.81	0.69	SEK 0.81
2. Loans under letters of credit	-	-	*	USD *	110.67	USD 17.70
3. Foreign currency borrowings and interest	1,751.38	USD 270.07	3,609.38	USD 544.77	5,269.69	USD 843.15
4. Interest accrued but not due	2.59	USD 0.40	30.28	USD 4.57	43.02	USD 6.88
	2,119.19		**4,452.32**		**6,207.22**	

(Figures below ₹50,000, USD 5000, GBP 5000 are denominated by *)

** The Company has 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 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 Statement of Profit and Loss due to movement in foreign exchange rates will be effectively offset by such financial hedges.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

46 (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 that 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.

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 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 of ₹14,540.71 Crores as on 31st March, 2017 and ₹13,594.38 Crores as on 31st March, 2016 and all other variables were held constant, the Company's profit for the year would increase or decrease as follows:

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Impact on Profit or Loss for the year	72.70	67.97

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.

Every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar on the exposure of $ 22.29 million as on 31st March, 2017 and $ 96.2 million as on 31st March, 2016, would have affected the Company's profit for the year as follows :

	Impact of change in USD to INR rate	
	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Impact on Profit or Loss for the year	1.45	6.37

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

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.

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 on continued support from lenders, trade creditors as well as subsidiaries.

During the year, the Company has made repayment of principal and interest on borrowings on or before due dates, except on few occasions mainly due to certain reasons like completion of lender consented LC rollover, formalities which is beyond its control. The Company did not have any defaults of principal and interest as on the reporting date.

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, 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, non-convertible debt securities, 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 on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

47 Fair Value Measurement

a) 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
Investments in mutual funds	-	78.31	-	78.31
Trade Receivables	-	-	1,918.92	1,918.92
Loans	-	-	5,981.29	5,981.29
Derivative instruments	-	-	-	-
Other Financial assets	-	-	138.57	138.57
Total	**-**	**78.31**	**8,376.41**	**8,454.72**
Financial Liabilities				
Borrowings	-	-	27,273.97	27,273.97
Trade Payables	-	-	4,363.19	4,363.19
Derivative instruments	-	288.78	-	288.78
Other Financial Liabilities	-	-	955.51	955.51
Total	**-**	**288.78**	**32,592.67**	**32,881.45**

b) The carrying value of financial instruments by categories as of 31st March, 2016 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	-	-	42.53	42.53
Bank balances other than cash and cash equivalents	-	-	386.97	386.97
Investments in mutual funds	-	-	-	-
Trade Receivables	-	-	5,234.53	5,234.53
Loans	-	-	5,508.74	5,508.74
Derivative instruments	-	2.78	-	2.78
Other financial assets	-	-	307.67	307.67
Total	**-**	**2.78**	**11,480.44**	**11,483.22**
Financial Liabilities				
Borrowings	-	-	27,012.41	27,012.41
Trade Payables	-	-	3,698.37	3,698.37
Derivative instruments	-	143.68	-	143.68
Other Financial Liabilities	-	-	820.03	820.03
Total	**-**	**143.68**	**31,530.81**	**31,674.49**

Notes to Financial Statements for the year ended on 31st March, 2017
All amounts are in ₹ Crores, unless otherwise stated

47 Fair Value Measurement (contd.)

c) The carrying value of financial instruments by categories as of 1st April, 2015 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	-	-	79.17	79.17
Bank balances other than cash and cash equivalents	-	-	289.89	289.89
Investments in mutual funds	-	221.55	-	221.55
Trade Receivables	-	-	3,741.05	3,741.05
Loans	-	-	4,392.98	4,392.98
Derivative instruments	-	4.79	-	4.79
Other Financial assets	-	-	299.50	299.50
Total	**-**	**226.34**	**8,802.59**	**9,028.93**
Financial Liabilities				
Borrowings	-	-	23,803.12	23,803.12
Trade Payables	-	-	4,169.99	4,169.99
Derivative instruments	-	297.49	-	297.49
Other Financial Liabilities	-	-	665.89	665.89
Total	**-**	**297.49**	**28,639.00**	**28,936.49**

48 Fair Value hierarchy

Particulars	As at 31st March, 2017			
	Level 1	Level 2	Level 3	Total
Assets				
Investments in mutual funds	-	78.31	-	78.31
Derivative instruments	-	-	-	-
Total	**-**	**78.31**	**-**	**78.31**
Liabilities				
Derivative instruments	-	288.78	-	288.78
Total	**-**	**288.78**	**-**	**288.78**

Particulars	As at 31st March, 2016			
	Level 1	Level 2	Level 3	Total
Assets				
Investments in mutual funds	-	-	-	-
Derivative instruments	-	2.78	-	2.78
Total	**-**	**2.78**	**-**	**2.78**
Liabilities				
Derivative instruments	-	143.68	-	143.68
Total	**-**	**143.68**	**-**	**143.68**

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

48 Fair Value hierarchy (contd.)

Particulars	As at 1st April, 2015			
	Level 1	Level 2	Level 3	Total
Assets				
Investments in mutual funds	-	221.55	-	221.55
Derivative instruments	-	4.79	-	4.79
Total	**-**	**226.34**	**-**	**226.34**
Liabilities				
Derivative instruments	-	297.49	-	297.49
Total	**-**	**297.49**	**-**	**297.49**

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.

49 Payment to auditors

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Audit fees	0.87	0.50
Fees for certificates and other services	0.26	0.12
Out of Pocket Expenses	-	0.04
Total	**1.13**	**0.66**

50 Earnings per share

		For the year ended 31st March, 2017	For the year ended 31st March, 2016
Basic and Diluted EPS			
(Loss) / Profit attributable to equity shareholders	Amount	(6,054.34)	96.54
Weighted average number of equity shares outstanding during the year	No.	3,464,159,997	2,991,185,662
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	(17.48)	0.32

51 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 on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

52 As per Ind AS - 19 "Employee Benefits", the disclosure 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, 2017	As at 31st March, 2016
i.	**Reconciliation of Opening and Closing Balances of defined benefit obligation**		
	Present Value of Defined Benefit Obligations at the beginning of the Year	14.95	26.81
	Current Service Cost	2.87	6.75
	Interest Cost	1.18	2.13
	Acquisition adjustment	(1.31)	-
	Benefits paid	(0.31)	(0.47)
	Re-measurement (or Actuarial) (gain) / loss arising from:		
	change in demographic assumptions	0.35	(2.91)
	change in financial assumptions	(1.78)	(16.61)
	experience variance (i.e. Actual experience vs assumptions)	(0.20)	(0.75)
	Present Value of Defined Benefit Obligations at the end of the Year	15.74	14.95
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	16.70	15.82
	Expected return on plan assets	1.32	1.26
	Employer's Contributions	-	-
	Employee's Contributions	-	-
	Benefits paid	(0.31)	(0.47)
	Actuarial gain/(loss) on plan assets	-	0.09
	Fair Value of Plan assets at the end of the Year	17.71	16.70
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	15.74	14.95
	Fair Value of Plan assets at the end of the Year	17.71	16.70
	Net Asset / (Liability) recognised in balance sheet as at the end of the year	1.97	1.75
iv.	**Composition of Plan Assets**		
	100% of Plan Assets are administered by LIC		
v.	**Gratuity Cost for the Year**		
	Current service cost	2.87	6.75
	Interest cost	1.18	2.13
	Expected return on plan assets	(1.32)	(1.26)
	Net Gratuity cost recognised in the statement of Profit and Loss	2.73	7.62
vi.	**Other Comprehensive Income**		
	Actuarial (gains) / losses		
	change in demographic assumptions	0.35	(2.91)
	change in financial assumptions	(1.78)	(16.61)
	experience variance (i.e. Actual experience vs assumptions)	(0.20)	(0.75)
	others	-	-
	Return on plan assets, excluding amount recognised in net interest expense	-	(0.09)
	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	(1.63)	(20.36)

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

52 As per Ind AS - 19 "Employee Benefits", the disclosure are given below. (contd.)

vii. Actuarial Assumptions

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Discount Rate (per annum)	7.60%	7.90%	7.94%
Expected annual Increase in Salary Cost	8.00%	10.00%	14.00%

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, 2017	As at 31st March, 2016
Defined Benefit Obligation (Base)	15.74	14.95

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	17.36	14.37	16.05	13.99
(% change compared to base due to sensitivity)	10.2%	(8.70)%	7.3%	(6.50)%
Salary Growth Rate (- / + 1%)	14.37	17.34	14.00	16.02
(% change compared to base due to sensitivity)	(8.80)%	10.1%	(6.40)%	7.1%
Attrition Rate (- / + 50%)	15.99	15.56	16.16	14.30
(% change compared to base due to sensitivity)	1.5%	(1.20)%	8.1%	(4.40)%
Mortality Rate (- / + 10%)	15.75	15.75	14.96	14.95
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

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 off 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 ₹2.11 Crores.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

52 As per Ind AS - 19 "Employee Benefits", the disclosure are given below. (contd.)

c) **Maturity Profile of Defined Benefit Obligation**

Weighted average duration (based on discounted cashflows) - 7 years

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	1.83
2 to 5 years	5.14
6 to 10 years	6.28
More than 10 years	26.64

xi. The Company 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'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 2016-17.

The actuarial liability for compensated absences as at the year ended 31st March, 2017 is ₹12.40 Crores (Previous Year ₹11.68 Crores).

(b) **Defined Contribution Plan**

Contribution to Defined Contribution Plans, recognised in Statement of Profit and Loss, for the year is as under :

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Employer's Contribution to Provident Fund	7.49	8.01
Employer's Contribution to Superannuation Fund	0.13	0.16

53 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 requirement of Section 135 of Companies Act, 2013. However for a noble cause, it has incurred expenses of ₹0.23 Crores (previous year ₹0.01 Crores) on the activities which are specified in Schedule VII of the Companies Act, 2013.

(a) Gross amount as per the limits of Section 135 of the Companies Act, 2013 : Nil

(b) Amount spent during the year on : ₹0.23 Crores (Previous year : ₹0.01 Crores)

Particulars	Amount Contributed	Amount yet to contribute	Total
a) Construction/acquisition of any assets	-	-	-
b) On purpose other than (a) above	0.23	-	0.23

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

54 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, 2017	As at 31st March, 2016	As at 1st April, 2015	2016 - 17	2015 - 16	2014 - 15
Adani Power Maharashtra Limited (Subsidiary)	2,999.00	2,964.26	2,560.94	3,044.09	2,964.26	2,560.93
Adani Power Rajasthan Limited (Subsidiary)	1,722.42	1,682.95	1,626.44	1,722.42	1,682.95	1,775.76
Adani Power (Jharkhand) Limited (Subsidiary)	9.46	-	-	9.46	-	-
Adani Power (Mundra) Limited (formerly known as Adani Power (Karnataka) Limited (Subsidiary)	-	157.23	-	281.39	290.68	-
	4,730.88	4,804.44	4,187.38	5,057.36	4,937.89	4,336.69

55 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")

b. Transactions with related parties

Sr No.	Particulars	For the year ended 31st March, 2017			For the year ended 31st March, 2016		
		With Direct Subsidiaries	With SBAFT (Controlling Entity) and its subsidiaries	Key Managerial Personnel and their Relatives	With Direct Subsidiaries	With SBAFT (Controlling Entity) and its subsidiaries	Key Managerial Personnel and their Relatives
1	Equity Shares Issued	-	-	-	-	1,114.68	-
2	Investment in Subsidiary	-	-	-	0.05	-	-
3	Loan Taken	173.67	2,559.35	-	1,021.48	8,115.39	-
4	Loan Repaid Back	257.44	4,958.85	-	257.36	8,078.24	-
5	Interest Expense on Loan	71.30	480.78	-	36.87	490.06	-
6	Interest expenses	-	64.50	-	-	47.02	-
7	Loan Given	1,714.77	10.00	-	1,214.97	-	-
8	Loan Received Back	1,788.34	10.00	-	597.89	-	-
9	Interest Income	472.33	0.02	-	447.39	-	-
10	Sale of Goods	1,685.96	1,135.06	-	2,012.39	2,108.68	-
11	Purchase of Goods	62.94	6,192.05	-	165.13	3,767.42	-
12	Other Balances Transfer from Related Party	3.42	2.64	-	-	0.03	-
13	Other Balances Transfer to Related Party	0.34	0.97	-	0.11	6.50	-
14	Purchase of Fixed Asset	-	-	-	-	0.09	-
15	Rendering of Service	*	17.77	-	-	1.76	-
16	Receiving of Services	*	566.39	-	-	546.10	-
17	Advance Received against sale of Goods	-	705.83	-	-	650.86	-

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

55 Related Party Disclosures (contd.)

b. Transactions with related parties

Sr No.	Particulars	For the year ended 31st March, 2017			For the year ended 31st March, 2016		
		With Direct Subsidiaries	With SBAFT (Controlling Entity) and its subsidiaries	Key Managerial Personnel and their Relatives	With Direct Subsidiaries	With SBAFT (Controlling Entity) and its subsidiaries	Key Managerial Personnel and their Relatives
18	Deposit Taken	-	-	-	-	200.00	-
19	Deposit Repaid	-	200.00	-	-	-	-
20	Sale of Assets	-	-	-	0.01	0.22	-
21	Solar Assets acquired (refer note 44)	-	-	-	-	691.77	-
22	Solar Liabilities acquired (refer note 44)	-	-	-	-	396.84	-
23	Issue of share warrants (subsequently converted into equity shares during the year) (refer note 19(f))	-	1,701.83	-	-	-	-
24	Sale of Investment	*	-	-	-	-	-
25	Compensation of Key Management Personnel						
a	Short-term benefits	-	-	2.51	-	-	2.80
b	Post-employment benefits	-	-	0.23	-	-	0.11
c	Director sitting fees	-	-	0.07	-	-	0.09

The above transactions do not include reimbursement of expenses.

(Figures below ₹50,000 are denominated by *)

C. Balances With Related Parties :

Sr No.	Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
		With Direct Subsidiaries	With SBAFT (Controlling Entity) and its subsidiaries	With Direct Subsidiaries	With SBAFT (Controlling Entity) and its subsidiaries	With Direct Subsidiaries	With SBAFT (Controlling Entity) and its subsidiaries
1	Borrowings	680.36	2,829.64	764.12	5,229.14	-	5,191.98
2	Loans and Advances	4,730.88	-	4,804.45	-	4,187.37	-
3	Balances Payable (Including Provisions)	6.45	4,397.97	-	2,661.07	204.68	2,740.25
4	Balances Receivable	665.07	3.48	535.35	22.36	4.81	20.04

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.

Notes to Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

56 Recent accounting pronouncements

Standards issued but not yet effective : In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017. The management believes that the implication on financial statement of the above mentioned standard will not material.

57 Approval of financial statements

The financial statements were approved for issue by the board of directors on 27th May, 2017.

See accompanying notes to the financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS

KARTIKEYA RAVAL
PARTNER

Place : Ahmedabad
Date : 27th May, 2017

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

VINOD BHANDAWAT
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th May, 2017

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 Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2017, 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 the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors are responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "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 changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Parent, as aforesaid.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent'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 the accounting policies used and the reasonableness of the accounting estimates made by the Parent'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 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:

1. Note 32(i) 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 ₹2,583.23 crores on account of relief under Force Majeure events / change in law events and additional relief up to 31st March, 2017 (₹242.67 crores and ₹1,103.53 crores recognized during current year and previous year respectively) which is pending adjudication by the relevant regulators, as more fully described in the said Note.

   Since the matters relating to relief under Force Majeure Events / Change in Law events and additional relief are sub judice, the appropriateness or otherwise, of the continued recognition of such revenue for and up to the period ended 31st March, 2017 and other consequential effects on the financial statements can only be determined on final outcome of the litigations.

2. Note 32(ii) to the consolidated Ind AS financial statements regarding the basis on which a subsidiary, Adani Power Rajasthan Limited ("APRL"), has recognized total revenue of ₹1,980.92 crores on account of Change in Law events up to 31st March, 2017 (₹726.48 crores and ₹948.52 crores recognized during current year and previous year respectively) which is pending adjudication by the relevant regulators, as more fully described in the said note.

   Since the matter relating to relief under Change in Law events is sub judice, the appropriateness or otherwise, of the continued recognition of such revenue for and up to the period ended 31st March, 2017 and other consequential effects on the financial statements can only be determined on final outcome of the litigations.

3. Note 42 to the consolidated Ind AS financial statements regarding ongoing balance reconciliation exercise with customers of a subsidiary, Udupi Power Corporation Limited, with respect to trade receivables amounting to ₹ 137.11 crores (₹ 456.03 as at 31st March, 2016). Based on assessment by the management, the said amount will be fully recovered upon conclusion of the ongoing reconciliation exercise.

   Since the balances are under reconciliation / approval process, and in absence of balance confirmation, adjustments, if any, to the carrying amounts of trade receivables can be determined only upon conclusion of the aforementioned exercise / approval by the customers.

Qualified Opinion

Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, 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 the other auditors on separate financial statements of the subsidiaries referred to below in the Other Matters paragraph, and read with our comments in the Emphasis of Matters paragraph below, 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 as at 31st March, 2017, and their consolidated loss, consolidated total comprehensive loss, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to:

(i) Note 44(a) to the consolidated Ind AS financial statements which describes the key sources of estimation uncertainties as at 31st March, 2017 relating to the recoverability of the carrying amount of Property Plant and Equipment of the Parent.

(ii) Note 45 to the consolidated Ind AS financial statements. During the financial year ended 31st March, 2017, the Parent has incurred a loss (including exceptional items) of ₹6,054.34 crores, and its current liabilities exceed its current assets by ₹12,688.48 crores as at 31st March, 2017. However, for the reasons stated in the note, the standalone Ind AS financial statements of the Parent are prepared on going concern basis.

Our opinion is not modified in respect of these matters.

Other Matters

(a) We did not audit the Ind AS financial statements of four subsidiaries, whose financial statements reflect total assets of ₹11,395.41 crores as at 31st March, 2017, total revenues of ₹4,016.92 crores and net cash inflows amounting to ₹5.38 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and 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 our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

(b) The comparative financial information for the year ended 31st March 2016 in respect of four subsidiaries and the transition date opening balance sheet as at 1st April 2015 in respect of three subsidiaries included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.

   Our opinion on the consolidated Ind AS financial statements above, 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.

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 the report of the other auditors on separate financial statements and other financial information of subsidiaries referred to in the Other Matters paragraph above, we report, to the extent applicable, that:

   (a) We have sought and except for the matters described in sub-paragraph 3 of the Basis for Qualified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including 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 relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) The matters described in paragraph 1 and 2 in the Basis of Qualified Opinion paragraph and in paragraph (i) in the Emphasis of Matter 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 Parent as on 31st March, 2017 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group's companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) The qualifications 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 of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditor's reports of the Parent and subsidiary companies, incorporated in India. Our report expresses a qualified opinion on the adequacy and operating effectiveness of certain subsidiary companies' internal financial controls over financial reporting.

(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, as amended, 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 the consolidated financial position of the Group.

   ii. Except for the possible effects of the matters described in sub-paragraphs 1 and 2 of the Basis for Qualified Opinion paragraph above, provisions have 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiaries incorporated in India.

   iv. The Parent has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us by the Management of the respective Group entities.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firms Registration No 117365W)

Kartikeya Raval
Partner
Membership No. 106189

Place: Ahmedabad
Date: 27th May, 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of **Adani Power Limited** (hereinafter referred to as "the Parent") 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 Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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 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 Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 of the subsidiary companies, which are companies incorporated in India, 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 of the Group.

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.

Basis for Qualified opinion

According to the information and explanations given to us and based on our audit, material weaknesses have been identified as at 31st March, 2017 in two subsidiaries viz. Adani Power Maharashtra Limited and Adani Power Rajasthan Limited, relating to inadequate internal financial controls over financial reporting in respect of revenue recognized on account of relief under Force Majeure Events / Change in Law events and additional relief pending determination by regulators and final outcome of the litigations / notwithstanding pending litigations, and in a subsidiary viz. Udupi Power Corporation Limited relating to inadequate internal financial controls over financial reporting in respect of assessment of recoverability of carrying amount of certain trade receivables under reconciliation.

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.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Parent and subsidiary companies, which are companies incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2017, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated Ind AS financial statements of the Parent for the year ended 31st March, 2017, and these material weaknesses affect our opinion on the said consolidated Ind AS financial statements of the Company.

Other Matters

Our aforesaid 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 four subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firms Registration No 117365W)

Kartikeya Raval
Partner
Membership No. 106189

Place: Ahmedabad
Date: 27th May, 2017

Consolidated Balance Sheet as at 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

	Notes	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
ASSETS				
Non-current Assets				
(a) Property, Plant and Equipment	5.1	54,193.15	56,744.04	51,646.71
(b) Capital Work-In-Progress	5.1	124.61	87.92	191.34
(c) Goodwill		190.61	190.61	6.95
(d) Other Intangible Assets	5.2	7.17	6.57	8.19
(e) Financial Assets				
(i) Non-current Investments	6	0.01	0.01	0.01
(ii) Non-current Trade Receivables	7	–	–	276.58
(iii) Long term Loans	8	1,249.50	–	–
(iv) Other Non-current Financial Assets	9	88.72	358.58	331.14
(f) Other Non-current Assets	10	2,126.35	2,181.30	2,230.59
Total Non-current Assets		**57,980.12**	**59,569.03**	**54,691.51**
Current Assets				
(a) Inventories	11	1,760.41	1,619.20	1,629.06
(b) Financial Assets				
(i) Current Investments	12	164.32	0.05	357.49
(ii) Trade Receivables	13	9,972.71	12,476.60	6,673.33
(iii) Cash and Cash Equivalents	14	81.01	106.78	254.63
(iv) Bank Balances other than (iii) above	15	523.16	761.92	601.62
(v) Short term Loans	16	2.00	704.99	206.09
(vi) Other Current Financial Assets	17	159.20	35.42	21.20
(c) Other Current Assets	18	868.12	520.22	616.22
Total Current Assets		**13,530.93**	**16,225.18**	**10,359.64**
Total Assets		**71,511.05**	**75,794.21**	**65,051.15**
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	19	3,856.94	3,333.94	2,871.92
(b) Other Equity	20	(857.38)	4,133.92	2,826.53
Total Equity		**2,999.56**	**7,467.86**	**5,698.45**
LIABILITIES				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Long term Borrowings	21	36,650.61	35,417.55	34,921.43
(ii) Other Non-current Financial Liabilities	22	67.07	134.93	202.76
(b) Long term Provisions	23	32.38	29.59	49.28
(c) Deferred Tax Liabilities (Net)	24	224.85	323.42	–
(d) Other Non-current Liabilities	25	5,875.08	6,374.92	6,474.76
Total Non-current Liabilities		**42,849.99**	**42,280.41**	**41,648.23**
Current Liabilities				
(a) Financial Liabilities				
(i) Short term Borrowings	26	12,580.00	13,435.69	6,294.85
(ii) Trade Payables	27	7,254.24	6,232.21	5,678.50
(iii) Other Current Financial Liabilities	28	4,700.64	5,056.97	4,627.76
(b) Other Current Liabilities	29	1,108.10	1,312.67	1,091.89
(c) Short term Provisions	30	9.71	8.40	11.47
(d) Current tax liabilities (net)	31	8.81	–	–
Total Current Liabilities		**25,661.50**	**26,045.94**	**17,704.47**
Total Liabilities		**68,511.49**	**68,326.35**	**59,352.70**
Total Equity and Liabilities		**71,511.05**	**75,794.21**	**65,051.15**

See accompanying notes to the consolidated financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

KARTIKEYA RAVAL
PARTNER

Place : Ahmedabad
Date : 27th May, 2017

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

VINOD BHANDAWAT
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th May, 2017

Consolidated Statement of Profit and Loss for the year ended 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue from Operations	32	22,783.82	25,532.17
Other Income	33	418.96	201.58
Total Income		**23,202.78**	**25,733.75**
Expenses			
Fuel Cost		14,623.61	14,726.31
Purchases of Stock in Trade		215.68	189.55
Employee Benefits Expense	34	401.69	358.75
Finance Costs	35	5,901.73	5,963.17
Depreciation and Amortisation Expense	5.1, 5.2	2,672.36	2,665.82
Other Expenses	36	1,571.19	1,455.43
Total Expenses		**25,386.26**	**25,359.03**
(Loss) / Profit before exceptional items and tax		**(2,183.48)**	**374.72**
(Add) / Less : Exceptional Items	37	4,076.69	–
(Loss) / Profit before tax		**(6,260.17)**	**374.72**
Tax Expense / (Benefit):			
Current Tax	38	12.50	(0.30)
Deferred Tax	38	(98.57)	(175.78)
		(86.07)	**(176.08)**
(Loss) / Profit for the year	**Total A**	**(6,174.10)**	**550.80**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans, net of tax (Tax - Nil (previous year - Nil))		3.97	30.97
Total Comprehensive Income (After tax)	**Total B**	**3.97**	**30.97**
Total Comprehensive (Loss) / income for the year	**Total (A+B)**	**(6,170.13)**	**581.77**
Earnings Per Share (EPS)	52		
Basic and Diluted EPS (Face Value ₹ 10 Per Share) (₹)		(17.82)	1.84

See accompanying notes to the consolidated financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

KARTIKEYA RAVAL
PARTNER

Place : Ahmedabad
Date : 27th May, 2017

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

VINOD BHANDAWAT
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th May, 2017

Consolidated Statement of changes in equity for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

A. Equity Share Capital

Particulars	No. Shares	Amount
Balance as at 1st April, 2015	**2,871,922,110**	**2,871.92**
Changes in equity share capital during the year :		
i) Addition on account of merger of Solar power undertaking from Adani Enterprises Limited (refer note 41(a))	63,916,831	63.92
ii) Shares issued on preferential allotment basis (refer note 19g)	398,100,000	398.10
Balance as at 31st March, 2016	**3,333,938,941**	**3,333.94**
Changes in equity share capital during the year :		
i) Shares issued on conversion of share warrants (refer note 19f)	523,000,000	523.00
Balance as at 31st March, 2017	**3,856,938,941**	**3,856.94**

B. Other Equity

For the year ended 31st March, 2016

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2015	**359.80**	**5,514.42**	**–**	**(3,047.69)**	**2826.53**
Profit for the year	–	–	–	550.80	550.80
Remeasurement of defined benefit plans, net of tax	–	–	–	30.97	30.97
Total comprehensive (Loss) / income for the year	**–**	**–**	**–**	**581.77**	**581.77**
Transactions during the year					
Addition on account of issue of shares (refer note 19g)	–	716.58	–	–	716.58
Addition on account of merger of Solar power undertaking from Adani Enterprises Limited (refer note 41(a))	–	–	9.04	–	9.04
	–	**716.58**	**9.04**	**–**	**725.62**
Balance as at 31st March, 2016	**359.80**	**6,231.00**	**9.04**	**(2,465.92)**	**4,133.92**

For the year ended 31st March, 2017

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) / income for the year	**–**	**–**	**–**	**(6,170.13)**	**(6,170.13)**
Transactions during the year					
Addition on account of issue of shares (refer note 19f)	–	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)**

See accompanying notes to the consolidated financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

KARTIKEYA RAVAL
PARTNER

Place : Ahmedabad
Date : 27th May, 2017

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

VINOD BHANDAWAT
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th May, 2017

Statement of Consolidated Cash Flow for the year ended 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(A) Cash flow from operating activities		
(Loss) / Profit before tax	**(6,260.17)**	**374.72**
Adjustment for:		
Depreciation and Amortisation Expense	2,672.36	2,665.82
Unrealised Gain on foreign exchange fluctuation	(398.42)	(101.10)
Income from Mutual Funds	(2.19)	(24.65)
Loss on sale / retirement of fixed assets (net)	8.39	20.00
Deferred income	(299.84)	(299.84)
Finance Costs	5,901.73	5,963.17
Interest income	(235.48)	(138.08)
(Add) / Less : Exceptional Items	4,076.69	–
Operating profit before working capital changes	**5,463.07**	**8,460.04**
Changes in working capital:		
(Increase) / Decrease in Inventories	(141.21)	157.67
Increase in Trade Receivables	(1,284.36)	(4,283.46)
(Increase) / Decrease in Other Assets	(352.95)	325.32
Increase in Trade Payables	1,240.78	284.62
(Decrease) / Increase in Other Liabilities and Provisions	(196.59)	316.70
	(734.33)	**(3,199.15)**
Cash generated from operations	**4,728.74**	**5,260.89**
Less : Tax paid (net)	(3.54)	(3.68)
Net cash generated from operating activities (A)	**4,725.20**	**5,257.21**
(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	(854.29)	(1,978.15)
Proceeds from Sale of Fixed assets	10.17	9.75
Advances given for business acquisitions	–	(182.50)
Amount paid for business acquisition (Refer note 41(b)(ii))	–	(1,445.60)
Net (purchase) / proceeds in / from current investments	(162.09)	382.65
Bank Deposits / Margin Money withdrawn / (placed)	202.13	(114.53)
Loan given to others	(546.51)	(498.82)
Interest received	138.55	138.90
Net cash used in investing activites (B)	**(1,212.04)**	**(3,688.30)**

Statement of Consolidated Cash Flow for the year ended 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(C) Cash flow from financing activities		
Proceeds from Long-term borrowings	6,379.57	21,867.65
Repayment of Long-term borrowings	(5,146.03)	(24,792.44)
(Repayment) / Proceeds of / from Short-term borrowings	(1,299.88)	4,967.45
Finance Costs Paid	(5,174.42)	(5,870.29)
Proceeds from issue of Equity Shares (refer note 19f and 19g)	1,701.83	1,114.68
Net cash used in financing activities (C)	**(3,538.93)**	**(2,712.95)**
Net decrease in cash and cash equivalents (A)+(B)+(C)	(25.77)	(1,144.04)
Cash and cash equivalents at the beginning of the year	106.78	254.63
Cash and cash equivalents pursuant to merger / acquisition operations (refer note 41(a) to 41(c))	–	996.19
Cash and cash equivalents at the end of the year	81.01	106.78
Notes to Cash flow Statement :		
Cash and cash equivalents as per above comprise of the following :		
Cash and cash equivalents (refer note 14)	81.01	106.78
Balances as per statement of cash flows	**81.01**	**106.78**

1. **Non cash items :**

   i) During the year the Group has refinanced loan of ₹ 829.39 Crores (As at 31st March, 2016: ₹ 1,419.36 Crores).

   ii) During the year, interest of ₹ 515.34 Crores (as at 31st March, 2016: ₹ 271.42 Crores) on Inter Corporate Deposit taken from related parties, has been added to the ICD balances as on reporting date.

   iii) For other non-cash transactions in the nature of investing activities, refer note 41(a).

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

See accompanying notes to the consolidated financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

KARTIKEYA RAVAL
PARTNER

Place : Ahmedabad
Date : 27th May, 2017

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

VINOD BHANDAWAT
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th May, 2017

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

1 Corporate information

Adani Power Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 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 five power projects 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, 2017, S. B. Adani Family Trust ("SBAFT") together with entities controlled by it has ability to control the Group. The Group gets synergetic benefit of the integrated value chain of Adani group.

2 Significant accounting policies

2.1 Basis of preparation

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

These consolidated financial statements are the Company's first Ind AS Financial Statements as covered by Ind AS 101, 'First-time adoption of Indian Accounting Standards' for all periods up to and including the year ended 31st March, 2016, the Company had prepared its consolidated financial statements in accordance with Indian GAAP, including Accounting Standards (AS) notified under the Companies (Accounting Standards) Rules, 2006 (as amended), which is considered as "Previous GAAP". A description of the transition to Ind AS and its impact on Company's net profit and equity has been provided in Note 4 "First Time Adoption of Ind AS".

2.2 Basis of consolidation

The consolidated financial statements incorporate the consolidated financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. 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.

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.

2.3 Summary of significant accounting policies

a Property, plant and equipment

Land and building held for use in the production or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.

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 alongwith respective asset.

Fixtures equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

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, in whose case 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 on property, plant and equipment 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.

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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 use or disposal. Estimated useful life of the Computer Software is 5 years.

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

c Financial Instruments

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

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

d Financial assets

Initial recognition and measurement

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

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

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

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

All other financial asset are subsequently measured at fair value.

Effective interest method

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

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

Financial assets at 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 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.

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.

Foreign exchange gains and losses

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

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

e **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 measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

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

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

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

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

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

Financial liabilities at amortised cost

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

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

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

Foreign exchange gains and losses

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

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

Derecognition of financial liabilities

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

f 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 47.

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 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.

g **Inventories**

Inventories are stated at the lower of weighted average 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. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

h **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.

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 of consideration transferred and the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed is accounted as Goodwill.

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.

i **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.

j **Foreign currencies**

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, (i) 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 (refer note 4(c))outstanding and recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

k Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, 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

The principal or the most advantageous market must be accessible by the Group. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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 the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

l 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 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.

m 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. 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 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 discounts if any.

ii) 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.

iii) Interest income is recognised on time proportion basis. Dividend income from investments is recognised when the shareholder's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

iv) Delayed payment charges and interest on delayed payment for power supply are recognised on reasonable certainty to expect ultimate collection.

n Borrowing costs

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

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

o Employee benefits

i) Defined benefit plans:

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees 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 recognised in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in profit or 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 Project Development Expenditure Account till the commencement of commercial production otherwise the same is charged to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue.

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:

They are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

p Leases

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.

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 Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Rental expense 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 lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

q Taxation

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 substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilised. Deferred tax relating to items recognised 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 asset 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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

r **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.

s **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 are not recognised but are disclosed in the notes.

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

t **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.

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 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.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. 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 months expected credit losses. 12 months expected credit losses are portion of the life time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that will results if default occurs within the 12 months after the reporting date and this, are not cash shortfalls that are predicted over the next 12 months.

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.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

3 Significant accounting judgements, estimates and assumptions

The application of the Group's accounting policies as described in Note 2, in 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. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical judgments in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Financial statements.

i) Adani Power Maharashtra Limited ("APML")., a wholly owned subsidiary has continued to recognise revenue on account of Relief on account of Change in Law / Force Majeure and Additional relief, realisation of which is dependent upon outcome of ongoing matter under litigation. The said recognition is based on the assessment by the Management supported by the legal advice received in the above matter that it has a strong case on merits for grant of relief under Change in Law / Force Majeure and Additional relief, and that it would not be unreasonable to expect ultimate collection of revenue in the nature of Relief on account of Change in Law / Force Majeure and Additional relief. (refer note 32(i))

ii) Adani Power Rajasthan Limited ("APRL")., a wholly owned subsidiary has continued to recognize revenue on account of relief, realization of which is dependent upon outcome of ongoing matter under litigation. The said recognition is based on the assessment by the Management supported by the legal advice received in the above matter that it has a strong case on merits for grant of relief, and that it would not be unreasonable to expect ultimate collection of revenue in the nature of relief. (refer note 32(ii))

iii) The Group has assessed the applicability of Appendix C "Determining whether an Arrangement contains a Lease" to Ind-AS 17 – "Leases" in connection with various Power Purchase Agreements. In determining whether an arrangement contains a lease, the Group considers that the right to use an asset is conveyed if the purchaser has the ability or right to operate the asset or to control physical access to the underlying assets while obtaining or controlling more than an insignificant amount of the output of the asset, or that it is remote that parties other than the purchaser will take more than an insignificant amount of the output and the price paid is neither contractually fixed per unit of output nor equal to the current market price per unit of output as of the time of delivery. To determine the appropriate classification of leases – i.e. finance lease or operating lease, assumptions in the lease models have been made, such as the determination of minimum lease payments, implicit interest rates and residual values of the power plants at the end of contract periods.

Estimates and assumptions

The estimates at 1st April, 2015 and at 31st March, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies)

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at 1st April, 2015, the date of transition to Ind AS and as of 31st March, 2016.

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 technical assessment, if materially different from that of the main asset w.e.f. 1st April 2015. Refer note 5.1 for details of value of power plant and its depreciation.

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 49.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

iii) **Business Combination**

During the previous year, the Group had acquired 100% stake in Udupi Power Corporation Limited ("UPCL"). As the said transaction is in the nature of business combination as defined under Ind AS-103 "Business Combination", the same has been accounted for as per recognition and measurement principals specified under the said standard.

As of the acquisition date, the Group has recognized the identifiable assets acquired and the liabilities assumed based on the acquisition method and also identified resultant as Goodwill.

Goodwill is measured as the excess of the sum of the consideration transferred over the acquisition date net fair value of the identifiable assets acquired and the liabilities assumed. (refer note 41(b))

iv) **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 53.

v) **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 44)

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 recognised to the extent of the corresponding deferred tax liability. (refer note 24.1)

4 First-time adoption of Ind-AS

The Group has adopted Ind AS from 1st April, 2016 and the date of transition to Ind AS is 1st April, 2015. These being the first financial statements in compliance with Ind AS, the impact of transition has been accounted for in opening reserves and comparable periods have been restated in accordance with Ind AS 101 –"First-time Adoption of Indian Accounting Standards". The Group has presented a reconciliation of its equity under Previous GAAP to its equity under Ind AS as at 1st April, 2015 and 31st March, 2016 and of the total comprehensive income for the year ended 31st March, 2016 as required by Ind AS 101.

Following are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

a **Deemed cost of property, plant and equipment and intangible assets**

The Group has elected to continue with the carrying value of all its plant and equipment and intangible assets recognised as of 1st April, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost on transition date.

b **Deemed cost of investments**

The Group has elected to continue with the carrying value of its investment in associate recognised as of 1st April, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost of transition date.

c **Exchange differences on long term 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 consolidated financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP.

d **Determining whether an arrangement contains a lease**

The Group has applied Appendix C of Ind AS 17 – "Determining whether an arrangement contains a Lease" to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing as at that date.

e **Past business combinations**

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of 1st April, 2015. Consequently,

- The Group has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- The Group has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the consolidated balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree;
- The Group has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The Group has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;

f **Derecognition of financial assets and financial liabilities**

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

g **Classification and measurement of financial assets**

The Group has assessed classification and measurement of financial assets on the basis of facts and circumstances that exist as on transition date.

h **Impairment of financial assets**

The Group has applied impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

i **Assessment of embedded derivatives**

The Group has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

j **Business Combination prior to transition date**

In the financial year 2012-13, Growmore Trade and Investment Pvt. Ltd. was amalgamated with the Company pursuant to order of Hon' ble Gujarat High Court. Though the said transaction is in the nature of Business Combination, the Group has opted not to account for the said amalgamation as per Ind AS 103 "Business Combination", since the same is prior to transition date.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

4.1 Reconciliation of total equity as at 31st March 2016 and 1st April 2015:

Particulars	Notes	As at 31st March 2016 (End of last period presented under previous GAAP)	As at 1st April, 2015 (Date of transition)
Total equity (shareholders' fund) under previous GAAP		**7,376.53**	**5,724.62**
Property, plant and equipment	(d)	9.26	–
Property, plant and equipment	(e)	(40.60)	–
Acquisition cost	(c)	(17.42)	–
Other Non Current Assets	(c)	(0.72)	–
Current Investments	(b) (i)	–	0.20
Other Current Financial Assets	(b) (i)	–	0.58
Borrowings	(b) (ii)	0.41	0.05
Other Non Current Financial Liabilities	(b) (i)	(0.87)	(29.95)
Deferred Tax Liabilities	(e)	14.05	–
Deferred Tax Liabilities	(f)	127.92	–
Other Current Financial Liabilities	(b) (i)	(0.70)	2.95
Total adjustment to equity		**91.33**	**(26.17)**
Total equity under Ind AS		**7,467.86**	**5,698.45**

4.2 Reconciliation of total comprehensive income for the year ended 31st March 2016:

Particulars	Notes	For the year ended 31st March 2016 (End of last period presented under previous GAAP)
Profit as per previous GAAP		**488.48**
Adjustments increase (decrease):		
Effect of Measurement of Financial Liabilities at amortised cost	(b) (ii)	0.36
Effect of Measuring current Investment at fair value through Profit & Loss	(b) (i)	(0.20)
Effect of Measuring derivative contracts at fair value	(b) (i)	0.64
Effect of change in Acquisition cost	(e)	(18.14)
Employee benefits expense - Actuarial Loss reclassified under OCI	(a)	(30.97)
Effect of Depreciation (net of Deferred tax) due to change in Fair valuation as per Business combination	(e)	(26.55)
Deferred tax on stock reserve	(f)	26.09
Reversal of deferred tax recognised earlier	(f)	101.83
Capital Overhauling costs recognised as Property, Plant and Equipment (PPE) (net)	(d)	9.26
Total effect of transition to Ind AS		**62.32**
Profit / (loss) for the year as per Ind AS		**550.80**
Other comprehensive income	(a)	30.97
Total comprehensive income under Ind AS		**581.77**

Footnotes to the reconciliation of Total Equity as at 31st March 2016 and 1st April 2015 and Statement of Other Comprehensive Income for year ended 31st March, 2016 :

a) **Remeasurement cost of net defined liability :** Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on 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 a corresponding debit or credit to retained earnings through OCI.

b) **Fair valuation for Financial Assets and Financial Liabilities :**

i) The Group has valued certain financial assets and certain Financial Liabilities, at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss Account.

ii) **Borrowings (part of Financial Liabilities) :** Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised over the tenure of borrowings and charged to profit or loss for the year. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

c) **Acquisition cost :** Under previous GAAP, acquisition-related costs that acquirer incurred to effect a business combination were considered to be part of Investment cost and consequently reflected in Goodwill / Capital reserve in consolidated financial statements. Under Ind AS, such costs were recognised as expenses in the periods in which the costs are incurred and the services are received in the consolidated financial statements.

d) Major overhaul generally performed once in 5 years and expenditure thereon was charged to Statement of Profit and Loss has now been capitalised and depreciated.

e) **Fair Valuation of Business Combination :** During the previous year, Company had acquired 100% stake in Udupi Power Corporation Limited ("UPCL") and had fair valued the assets, liabilities and contingent liabilities of UPCL as at the acquisition date in accordance with Ind AS 103 "Business Combinations". Accordingly depreciation (net of deferred tax) on such fair valued assets has been recognised.

f) **Deferred tax on stock reserve and other adjustments:** The Group has recognised deferred tax on stock reserve and other adjustments.

g) **Statement of cash flows :** The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

5.1. 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. Deemed Cost											
Balance as at 1st April, 2015 (refer note 4a and (ii) below)	**62.37**	**84.39**	**1,088.33**	**50,794.69**	**18.20**	**231.27**	**10.33**	**24.74**	**8.79**	**52,323.11**	**191.34**
Additions	–	1.86	110.77	251.07	2.67	23.81	7.35	13.77	0.56	411.86	308.44
disposals / transfers	–	–	0.09	24.27	0.02	–	–	–	0.28	24.66	(411.86)
Addition on account of merger (refer note 41(a))	–	–	14.86	654.31	0.41	–	0.01	0.43	0.83	670.85	–
Addition on account of acquisition (refer note 41(b))	65.02	1.28	132.51	5,778.72	0.25	–	0.38	1.08	0.13	5,979.37	–
Effect of foreign currency exchange differences	–	–	–	714.07	–	–	–	–	–	714.07	–
Others	–	–	–	8.77	–	(0.01)	–	–	–	8.76	–
Balance as at 31st March, 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
disposals / transfers	–	–	–	17.82	0.11	–	0.09	0.18	0.36	18.56	(255.40)
Effect of foreign currency exchange differences	–	–	–	(125.13)	–	–	–	–	–	(125.13)	–
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**
II. Accumulated depreciation and impairment											
Balance as at 1st April, 2015 (refer note 4a and (ii) below)	**–**	**–**	**–**	**676.40**	**–**	**–**	**–**	**–**	**–**	**676.40**	
Depreciation expense	1.02	–	34.41	2,593.74	2.68	16.79	3.80	8.64	2.05	2,663.13	
Eliminated on disposal of assets	–	–	-	0.16	–	–	–	–	0.05	0.21	
Effect of foreign currency exchange differences	–	–	–	–	–	–	–	–	–	–	
Balance as at 31st March, 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	
Eliminated on disposal of assets	–	–	–	3.04	0.02	–	0.02	0.01	0.18	3.27	
Others	–	–	–	–	–	–	–	–	-	–	
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**	

Carrying amount of Property, Plant and Equipment and Capital Work-In-Progress

Description of Assets	Tangible Assets										Capital Work-In-Progress
	Land - Leasehold	Land - Freehold	Buildings Freehold	Plant and Equipment	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	Total	
Carrying amount :											
As at 1st April, 2015	62.37	84.39	1,088.33	50,118.29	18.20	231.27	10.33	24.74	8.79	51,646.71	191.34
As at 31st March, 2016	126.37	87.53	1,311.97	54,907.38	18.83	238.28	14.27	31.38	8.03	56,744.04	87.92
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

i. For charge created on aforesaid assets, refer note 21.1 and 26.

ii. The Company 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 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.

Adani Power Maharashtra Limited ("APML") and Adani Power Rajasthan Limited ("APRL") has availed tax and duty benefit in the nature of exemptions from Custom Duty and Excise Duty on its project procurements with respect to its power plant located at Tiroda, Maharashtra and kawai, Rajasthan respectively. The said benefits were availed by virtue of power plant 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 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 Group has grossed up the value of its PPE by the amount of tax and duty benefit availed by the Group is 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 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 of ₹ 7,451 Crores from the date of capitalisation of the respective plant. As on 1st April, 2015, Plant and Equipment includes Government grant of ₹ 7,451 Crores in Gross block and ₹ 676.40 Crores in accumulated depreciation.

iii. Gross block as on 1st April, 2015 under previous GAAP

Description of Assets	Tangible Assets									
	Land - Leasehold	Land - Freehold	Buildings Freehold	Plant and Equipment	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	Total
Gross block	328.69	84.39	1,196.94	48,763.04	27.87	252.80	30.52	40.53	14.23	50,739.01

5.2 Other Intangible Assets

Description of Assets	Computer software	Total
I. Deemed Cost		
Balance as at 1st April, 2015 (refer note 4a)	**8.19**	**8.19**
Additions	0.57	0.57
disposals	–	–
Addition on account of merger (refer note 41(a))	0.44	0.44
Addition on account of acquisition (refer note 41(b))	0.06	0.06
Balance as at 31st March,2016	**9.26**	**9.26**
Additions	3.34	3.34
disposals	–	–
Balance as at 31st March,2017	**12.60**	**12.60**
II. Accumulated amortisation and impairment		
Balance as at 1st April, 2015 (refer note 4a)		
Amortisation expense	2.69	2.69
Eliminated on disposal of assets	–	–
Balance as at 31st March,2016	**2.69**	**2.69**
Amortisation expense	2.74	2.74
Eliminated on disposal of assets	–	–
Balance as at 31st March,2017	**5.43**	**5.43**

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

Description of Assets	Computer software	Total
Carrying amount :		
As at 1st April, 2015	8.19	8.19
As at 31st March, 2016	6.57	6.57
As at 31st March, 2017	7.17	7.17

i. For charge created on aforesaid assets, refer note 21.1 and 26.

ii. Gross block as on 1st April, 2015 under previous GAAP

Description of Assets	Computer software
Gross block	13.02

6 Non Current Investments

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Investment in government securities (unquoted)	0.01	0.01	0.01
1 bond (1 bond as at 31st March, 2016 and as at 1st April, 2015)			
Total	0.01	0.01	0.01

7 Non-current Trade Receivables

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, considered good	-	-	276.58
Total	-	-	276.58

Notes:

i. As at 1st April, 2015, trade receivables includes unbilled receivables of ₹ 276.58 Crores.

ii. The fair value of Trade receivables is not materially different from the carrying value presented.

8 Long term Loans

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Loans to others	1,249.50	–	–
Total	1,249.50	–	–

Note:

The fair value of Long term Loan is not materially different from the carrying value presented.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

9 Other Non-current Financial Assets

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances held as Margin money (security against borrowings) (refer note 21.1 and 26)	61.76	25.13	35.39
Derivatives not designated as hedges (refer note (i) below)	19.80	37.74	–
Interest receivable	–	–	1.09
Advance recoverable in Cash (refer note 37(ii))	–	288.45	288.45
Security Deposits	7.16	7.26	6.21
Total	**88.72**	**358.58**	**331.14**

Note:

i. Includes options of ₹ 19.80 Crores as at 31st March, 2017 and ₹ 37.74 Crores as at 31st March, 2016.

ii. The fair value of Other Non-current Financial Assets is not materially different from the carrying value presented (also refer note 49).

10 Other Non-current Assets

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital advances	562.45	589.61	55.46
Advances for business acquisitions (refer note 46)	1,197.50	1,197.50	1,757.00
Advances for goods and services	145.68	148.93	160.23
Advance income tax (Net of provision of ₹ 4.55 Crores (₹ 4.69 Crores as at 31st March, 2016 and ₹ 5.05 Crores as at 1st April, 2015))	41.76	41.91	25.68
Balances with government authorities	14.46	28.05	47.53
Prepayments under operating lease arrangements	164.50	175.30	184.69
Total	**2,126.35**	**2,181.30**	**2,230.59**

11 Inventories (At lower of weighted average cost or net realisable value)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Fuel (includes in transit ₹ 455.04 Crores (As at 31st March, 2016 - ₹ 376.57 Crores and as at 1st April, 2015 - ₹ 384.61 Crores)	1,164.59	1,039.73	1,219.85
Stores and spares (includes in transit ₹ Nil (As at 31st March, 2016 - ₹ 1.66 Crores and as at 1st April, 2015 - ₹ Nil)	595.82	579.47	409.21
Total	**1,760.41**	**1,619.20**	**1,629.06**

Note:

i. For charges created on inventories, refer note 21.1 and 26.

ii. For fuel consumption refer statement of profit and loss account and for stores spares consumption refer Other Expense note no 36.

12 Current Investments

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Investment in Mutual Funds (Unquoted) (refer note (i) below)	164.32	0.05	357.49
Total	**164.32**	**0.05**	**357.49**

Note:

i. There is a lien on all mutual funds against the margin on bank guarantees as at 31st March, 2017.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

13 Trade Receivables

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured, considered good	9,972.71	12,476.60	6,673.33
Doubtful	–	13.82	13.82
	9,972.71	12,490.42	6,687.15
Less : Provision for doubtful receivables (refer note (v) below)	–	(13.82)	(13.82)
Total	**9,972.71**	**12,476.60**	**6,673.33**

Notes:

i) Trade receivables are interest bearing and are generally on terms of 1 to 60 days.

ii) For charges created on trade receivables, refer note 21.1 and 26.

iii) Trade receivables includes unbilled receivables of ₹ 2,525.18 Crores (as at 31st March, 2016 - ₹ 3,033.38 Crores and as at 1st April, 2015 - ₹ 3,339.75 Crores).

iv) **Credit concentration**

As at 31st March 2017, of the total trade receivables 98.49% pertains to dues from State Distribution Companies under Long Term Power Purchase Agreements ("PPAs") and remaining from others.

v) **Expected Credit Loss (ECL)**

The Company along with its subsidiaries are 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. (refer note 42)

vi) The fair value of Trade receivables is not materially different from the carrying value presented.

14 Cash and Cash equivalents

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Balances with banks (refer note (i) below)			
In current accounts	81.01	97.73	249.63
Fixed deposits (with original maturity for three months or less)	–	9.05	5.00
Total	**81.01**	**106.78**	**254.63**

Note:

i. For charges created on cash and cash equivalents, refer note 21.1 and 26.

ii. Below are the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 :

Particulars	SBNs (Amount)	Other denomination (Amount)	Total Amount
Closing cash in hand as on 08.11.2016	**0.01**	*	**0.01**
(+) Permitted receipts	–	0.04	0.04
(-) Permitted payments	–	–	–
(-) Amount deposited in Banks	0.01	0.04	0.05
Closing cash in hand as on 30.12.2016	–	–	–

Figures below ₹ 50,000 are denominated by

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

15 Bank balances (other than Cash and Cash equivalents)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unclaimed Share application money in escrow account	–	0.76	0.77
Balances held as Margin Money (refer note (i) below)	523.16	760.44	427.45
Fixed Deposits (with original maturity for more than three months) (refer note (i) below)	-	0.72	173.40
Total	**523.16**	**761.92**	**601.62**

Note:

i. For charges created on bank balance, refer note 21.1 and 26.

ii. The fair value of Bank balances is not materially different from the carrying value presented.

16 Short term Loans

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(Unsecured, considered good)			
Loans to others	–	703.43	204.61
Loans to employees	2.00	1.56	1.48
Total	**2.00**	**704.99**	**206.09**

Note:

The fair value of Short term Loans is not materially different from the carrying value presented.

17 Other Current Financial Assets

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Interest receivable	109.20	12.27	11.52
Security deposits	26.61	6.33	2.96
Derivatives not designated as hedges (refer note (ii) below)	–	2.78	5.37
Forward cover receivable	–	3.16	–
Other receivables	23.39	10.88	1.35
Total	**159.20**	**35.42**	**21.20**

Note:

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 49).

ii. Includes options of ₹ 2.78 Crores as at 31st March, 2016 and ₹ 5.37 Crores as at 1st April, 2015.

18 Other Current Assets

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advances for goods and services	710.20	357.06	441.74
Balances with Government authorities	98.77	102.95	119.03
Prepayments under operating lease arrangements	10.79	10.79	10.75
Prepaid expenses	45.92	46.89	42.16
Advance to Employees	2.44	2.53	2.54
Total	**868.12**	**520.22**	**616.22**

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

19 Equity Share Capital

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised Share Capital			
4,500,000,000 (As at 31st March 2016 - 3,500,000,000 and As at 1st April 2015 - 3,500,000,000) equity shares of ₹ 10 each	4,500.00	3,500.00	3,500.00
500,000,000 (As at 31st March 2016 - 500,000,000 and As at 1st April 2015 - 500,000,000) Cumulative Compulsorily Convertible Participatory Preference shares of ₹ 10 each	500.00	500.00	500.00
Total	5,000.00	4,000.00	4,000.00
Issued, Subscribed and Fully paid-up equity shares			
3,856,938,941 (As at 31st March 2016 - 3,333,938,941 and As at 1st April 2015 - 2,871,922,110) fully paid up equity shares of ₹ 10 each	3,856.94	3,333.94	2,871.92
Total	3,856.94	3,333.94	2,871.92

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

Equity Shares	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. Shares	Amount	No. Shares	Amount	No. Shares	Amount
At the beginning of the year	3,333,938,941	3,333.94	2,871,922,110	2,871.92	2,871,922,110	2,871.92
Issued during the year :						
Pursuant to merger of solar power undertaking (refer note 41(a))	-	-	63,916,831	63.92	-	-
On preferential allotment basis (refer note 19g)	-	-	398,100,000	398.10	-	-
On conversion of share warrants (refer note 19f)	523,000,000	523.00	-	-	-	-
Outstanding at the end of the year	**3,856,938,941**	**3,856.94**	**3,333,938,941**	**3,333.94**	**2,871,922,110**	**2,871.92**

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. **Shares held by parent company**

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

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Adani Enterprises Limited (parent company upto 7th June, 2015) Nil (As at 31st March, 2016 - Nil and as at 1st April, 2015 - 1,981,290,000) equity shares of ₹ 10 each fully paid	-	-	1,981.29

d. **Aggregate number of shares issued other than cash, during the period of five years immediately preceding the reporting date**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
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. (refer note 41(a))	63,916,831	63,916,831	–

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

19 Equity Share Capital (contd.)

e. Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No. Shares	% holding in the class	No. Shares	% holding in the class	No. 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	42.15%	–	–
Adani Properties Private Limited	–	–	377,180,885	11.31%	44,066,085	1.53%
Parsa Kente Rail Infra LLP	377,180,885	9.78%	–	–	–	–
Mr. Vinod S. Adani	–	–	226,457,026	6.79%	57,700,000	2.01%
Adani Enterprises Limited	–	–	–	–	1,981,290,000	68.99%
OPAL Investment Private Limited	213,236,910	5.53%	213,236,910	6.40%	213,236,910	7.42%
Worldwide Emerging Market Holding Limited	265,485,675	6.88%	–	–	–	–
Afro Asia Trade And Investments Limited	265,485,675	6.88%	–	–	–	–
Universal Trade And Investments Limited	218,485,676	5.66%	–	–	–	–
	2,745,054,454	**71.16%**	**2,222,054,454**	**66.65%**	**2,296,292,995**	**79.95%**

f. During the year, the Company has issued and allotted 52.30 Crores warrants at a price of ₹ 32.54 per Warrant to promoter group entities which have been converted into equivalent number of equity shares of ₹ 10 each at a premium of ₹ 22.54 per share on preferential basis under section 42 of the Companies Act, 2013 and other relevant SEBI Regulations. The proceeds received from above has been utilised for repayment of trade payables, loans and other general corporate purposes.

g. During the previous year, the Company had allotted 250,000,000 Equity Shares of ₹ 10 each with premium of ₹ 18 per share to Mr. Gautam S. Adani and Mr. Rajesh S. Adani (On behalf of S. B. Adani Family Trust) and 148,100,000 Equity Shares of ₹ 10 each with premium of ₹ 18 per share to Adani Properties Private Limited on preferential basis under section 42 of the Companies Act, 2013.

20 Other Equity

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital Reserve (refer note (i) below)	359.80	359.80	359.80
Securities Premium Account (refer note (ii) below)	7,409.83	6,231.00	5,514.42
General Reserve (refer note (iii) below)	9.04	9.04	–
Retained earnings (refer note (iv) below)	(8,636.05)	(2,465.92)	(3,047.69)
Share warrants (refer note 19f)	–	–	–
Total	**(857.38)**	**4,133.92**	**2,826.53**

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

20 Other Equity (contd.)

	As at 31st March, 2017	As at 31st March, 2016
a. Capital Reserve (refer note (i) below)		
Balance at the end of the year	359.80	359.80
b. Securities Premium Account (refer note (ii) below)		
Opening Balance	6,231.00	5,514.42
Add: Addition on account of issue of shares during the year (refer note 19(f) and 19(g))	1,178.83	716.58
Closing Balance	**7,409.83**	**6,231.00**
c. General Reserve (refer note (iii) below)		
Opening Balance	9.04	–
Add: Addition on account of merger of Solar power undertaking from Adani Enterprises Limited	–	9.04
Closing Balance	**9.04**	**9.04**
d. Retained earnings (refer note (iv) below)		
Opening Balance	(2,465.92)	(3,047.69)
Add : (Loss) / Profit for the year	(6,174.10)	550.80
Add : Other Comprehensive Income for the year	3.97	30.97
Closing Balance	**(8,636.05)**	**(2,465.92)**
e. Share warrants (refer note 19f)		
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	**(857.38)**	**4,133.92**

Notes :

i) Capital Reserve of ₹ 359.80 Crores were 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) During the previous year, General reserve of ₹ 9.04 Crores was created due to merger of solar power undertaking from Adani Enterprises Limited. As per the scheme of arrangement approved by order of the Hon'ble High Court of Gujarat (refer note 41(a)), the difference between the value of assets acquired and the value of liabilities of the 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.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

21 Long term Borrowings

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured borrowings - at amortised cost			
Term Loans			
From Banks	27,110.62	27,176.46	23,164.29
From Financial Institutions	5,355.51	4,613.99	4,921.25
Trade Credits			
From Banks	-	-	195.32
	32,466.13	**31,790.45**	**28,280.86**
Unsecured borrowings - at amortised cost			
9.00% Non Convertible Debentures	300.00	–	–
9.07% Non Convertible Debentures	275.00	–	–
10.50% Non Convertible Debentures	1,529.00	1,198.40	–
10.70% Non-Convertible Debentures	449.33	498.07	–
10.30% Non-Convertible Debentures	749.19	748.93	–
10.48% Non Convertible Debentures	748.23	–	–
10.95% Non Convertible Debentures	–	498.22	497.53
10.85% Non Convertible Debentures	–	498.20	497.51
Term Loans			
From Banks	133.73	185.28	462.47
From Related Party (Refer Note 55)	–	–	4,339.07
From Financial Institutions	–	–	497.22
From Others	–	–	331.50
Deferred Payment Liabilities			
- From Related Party (Refer Note 55)	-	-	15.27
	4,184.48	**3,627.10**	**6,640.57**
Total	**36,650.61**	**35,417.55**	**34,921.43**

Notes:

1. **The security details for the balances as at 31st March, 2017 :**
   a. Rupee Term Loans from Banks aggregating to ₹ 23,964.26 Crores (as at 31st March, 2016 ₹ 22,509.60 Crores and as at 1st April, 2015 ₹ 17,201.60 Crores), Rupee Term Loans from Financial Institutions aggregating to ₹ 3,863.60 Crores (as at 31st March, 2016 ₹ 2,944.78 Crores and as at 1st April, 2015 ₹ 3,205.66 Crores), Trade Credit from Banks aggregating to NIL (as at 31st March, 2016 NIL and as at 1st April, 2015 ₹ 195.32 Crores), Foreign Currency Loans from Banks aggregating to ₹ 5,789.62 Crores (as at 31st March, 2016 ₹ 7,329.94 Crores and as at 1st April, 2015 ₹ 9,035.33 Crores) and Foreign Currency Loans from Financial Institutions aggregating to ₹1,732.70 Crores (as at 31st March, 2016 ₹1,828.56 Crores and as at 1st April, 2015 ₹1,625.00 Crores) are secured / to be secured by first charge on all present and future immovable, movable assets and leasehold land (refer note 10 and 18) of the respective entity on paripassu basis. (also refer note refer note 5.1 and 5.2).

   b. Foreign Currency Loans from Banks aggregating to Nil (as at 31st March, 2016 ₹ 457.16 Crores and as at 1st April, 2015 ₹ 431.25 Crores) are secured /to be secured by first charge on receivables of the Company and second charge on all immovable and movable assets of the Company on paripassu basis. (also refer note refer note 5.1 and 5.2).

   c. Borrowings of ₹ 38.57 Crores (as at 31st March, 2016 Nil and as at 1st April, 2015 Nil) from Power Finance Corporation is secured by deposits with banks of ₹ 41.98 Crores (as at 31st March, 2016 Nil and as at 1st April, 2015 Nil).

   d. For the Company, rupee Term Loans from Banks , Financial Institutions and Trade credits aggregating to ₹ 9,762.18 Crores (as at 31st March, 2016 ₹ 7,263.75 Crores and as at 1st April, 2015 ₹ 7,172.05 Crores) are further secured / to be secured by pledge of 794,749,709 Equity Shares held by S.B. Adani Family Trust (as at 31st March, 2016 - 693,444,326 Equity Shares held by S.B. Adani Family Trust and as at 1st April, 2015 - 250,790,465 Equity Shares held by erstwhile parent company Adani Enterprises Limited) as First charge.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

e. For APML, rupee Term Loan from Banks & Financial Institutions, Foreign Currency Loans and Trade Credit aggregating to ₹ 12744.97 crore (as at 31st March 2016 ₹ 12724.96 crore and As at 1st April 2015 - ₹ 13,011.77 crore) are further secured by pledge of 165,57,44,119 Equity shares (As at 31st March 2016 - 145,59,12,932 and As at 1st April 2015 - 142,33,41,900 Equity Shares) of the Company held by the Parent Company, Adani Power Limited as first charge.

f. For APRL, secured facility is also ecured by pledge of 51% shares, 612,000,000 shares, as at 31st March, 2017 (51% shares, 612,000,000 shares as at 31st March, 2016 and as at 1st April, 2015), of the company, held by Adani Power Ltd., a Parent Company, on paripassu basis.

g. For 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 5.1 and 5.2). 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, 2017 :

a. The secured term loans from banks aggregating to ₹ 10,282.97 Crores (as at 31st March, 2016 ₹ 9,372.50 Crores) and from Financial Institutions aggregating to ₹ 1732.70 Crores (as at 31st March, 2016 ₹ 1,828.56 Crores) are repayable over a period of next 11 years in 612 instalments structured on quarterly to yearly basis.

b. The secured term loan from banks aggregating to ₹ 19,470.90 Crores (as at 31st March, 2016 ₹ 20,924.19 Crores) and from Financial Institutions aggregating to ₹ 3,902.17 Crores (as at 31st March, 2016 ₹ 2,944.77 Crores) respectively are repayable over a period of next 17 years in 4,602 instalments structured on quarterly basis.

c. Unsecured term loan from banks and Financial Institutions of ₹ 690.91 Crores (as at 31st March, 2016 ₹ 787.96 Crores) is repayable over a period of next 3.5 years in 15 instalments structured on quarterly to yearly basis.

d. Unsecured loan from others ₹ 49.70 Crores (as at 31st March, 2016 ₹ 291.50 Crores) are repayable on mutually agreed dates after a period of 5 months from the balance sheet date.

e. 9.00% Non Convertible debentures of ₹ 300 Crores (as at 31st March, 2016 Nil) are redeemable on due date after 13 months.

f. 9.07% Non Convertible debentures of ₹ 275 Crores (as at 31st March, 2016 Nil) are redeemable on due date after 13 months.

g. 10.30% Non Convertible debentures of ₹ 750 Crores (as at 31st March, 2016 ₹ 750 Crores) are redeemable on due date after 25 months.

h 10.50% Non Convertible debentures of ₹ 1,200 Crores (as at 31st March, 2016 ₹ 1,200 Crores). ₹ 400 Crores are redeemable on due date after 19 months, ₹ 400 Crores are redeemable on due date after 22 months and ₹ 400 Crores are redeemable on due date after 25 months.

i. 10.50% Non Convertible debentures of ₹ 330 Crores (as at 31st March, 2016 Nil) are redeemable on due date after 33 months.

j. 10.70% Non Convertible debentures of ₹ 451 Crores (as at 31st March, 2016 ₹ 500 Crores) are redeemable on due date after 24 months.

k. 10.48% Non Convertible debentures of ₹ 750 Crores (as at 31st March, 2016 Nil). ₹ 400 Crores are redeemable on due date after 37 months, ₹ 350 Crores are redeemable on due date after 25 months.

l. Deferred payment liabilities from related party agreegating to ₹ 14.06 crores (as at 31st March, 2016 ₹ 16.47 Crores) are repayable in structured in monthly instalments commencing from 1st April, 2014.

3. For current maturities of long term borrowing refer note no. 28.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

22 Other Non-current Financial Liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Retention money payables	51.04	51.00	60.53
Derivatives not designated as hedges (refer note (ii) below)	16.03	83.93	142.23
Total	**67.07**	**134.93**	**202.76**

Notes:

i. The fair value of Other Non-current Financial Liabilities is not materially different from the carrying value presented except for Derivaties not designated as hedges (also refer note 49).

ii. Includes options of ₹ 13.67 Crores (₹ Nil as at 31st March, 2016 and ₹ 29.95 Crores as at 1st April, 2015), Interest rate swaps of ₹ 2.36 Crores (₹ 83.06 Crores as at 31st March, 2016 and ₹ 60.01 Crores as at 1st April, 2015), forwards of ₹ Nil (₹ 0.88 Crores as at 31st March, 2016 and ₹ 2.88 Crores as at 1st April, 2015) and principal only swaps of ₹ Nil (₹ Nil as at 31st March, 2016 and ₹ 49.39 Crores as at 1st April, 2015).

23 Long term Provisions

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for employee benefits (Refer note 53)	32.38	29.59	49.28
Total	**32.38**	**29.59**	**49.28**

24 Deferred Tax Liabilities (Net)

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
(a) Deferred Tax Liabilities (Net)				
Deferred tax liabilities				
Property, Plant and Equipment		7,788.99	7,208.01	5,107.92
Gross deferred tax liabilities	Total (A)	**7,788.99**	**7,208.01**	**5,107.92**
Deferred tax assets				
Provision for Employee benefits		14.48	–	–
Other items		14.77	26.09	–
On unabsorbed depreciation		7,534.89	6,858.50	5,107.92
Gross deferred tax assets	Total (B)	**7,564.14**	**6,884.59**	**5,107.92**
Net deferred tax liabilities	Total (A-B)	**224.85**	**323.42**	**–**

(b) 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	Acquisitions	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**

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

(c) Movement in deferred tax liabilities (net) for the year ended 31st March, 2016.

	Opening Balance as at 1st April, 2015	Recognised in profit and Loss	Recognised in other comprehensive income	Acquisitions	Closing balance as at 31st March, 2016
Tax effect of items constituting deferred tax liabilities :					
Property, Plant and Equipment	5,107.92	1,203.45	-	896.64	7,208.01
	5,107.92	**1,203.45**	**–**	**896.64**	**7,208.01**
Tax effect of items constituting deferred tax assets :					
Other Items	6.97	19.12	–	–	26.09
Unabsorbed depreciation	5,100.95	1,360.11	-	397.44	6,858.50
	5,107.92	**1,379.23**	**–**	**397.44**	**6,884.59**
Deferred Tax Liabilities (Net)	**–**	**(175.78)**	**–**	**499.20**	**323.42**

24.1 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, 2017	As at 31st March, 2016	As at 1st April, 2015
Unused tax losses (revenue in nature) and unabsorbed depreciation*	8,694.28	6,957.79	1,981.57
Provision for employee benefits	–	22.41	18.24
Total	**8,694.28**	**6,980.20**	**1,999.81**

* Out of which unused tax losses of ₹ 6,286.69 Crore will expire from AY 2021-22 to AY 2025-26.

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.

25 Other Non-current Liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Security deposit (interest bearing)	–	200.00	–
Deferred Government Grant (refer note 5.1 (ii))	5,875.08	6,174.92	6,474.76
Total	**5,875.08**	**6,374.92**	**6,474.76**

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

26 Short term Borrowings

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured Borrowings - at amortised cost			
Term Loan			
From Financial institutions	250.00	–	–
Trade Credits			
From Banks	3,919.09	4,410.20	3,140.48
Cash Credit From Banks	2,941.34	2,410.81	1,397.02
	7,110.43	**6,821.01**	**4,537.50**
Unsecured Borrowings - at amortised cost			
8.50% Non Convertible Debentures	270.00	–	–
Trade Credits			
From Banks	–	137.72	106.54
Loans From Banks	–	–	300.00
Loans From Financial Institutions	632.50	102.36	125.00
Loans From Related Parties (refer note 55)	2,829.64	5,229.14	852.91
Loans From Others	1,737.43	1,145.46	372.90
	5,469.57	**6,614.68**	**1,757.35**
Total	**12,580.00**	**13,435.69**	**6,294.85**

Notes:

i) Trade Credit for working capital from banks of ₹ 3,919.09 Crores (as at 31st March, 2016 ₹ 4,410.20 Crores and as at 1st April. 2015 ₹ 3,140.48 Crores) are secured / to be secured by first mortgage and charge on respectlve Immovable and movable assets of the respective entities.

Ii) Short Term Loans from Financial Institutions aggregating to ₹ 250 Crores (as at 31st March, 2016 and as at 1st April, 2015 - Nil) are secured / to be secur.ed by second charge on all Immovable and movable assets of the Company on pari passu basis and First Charge by way of pledge of 49% paid up equity shares of Udupl Power Corporation Limited, Adanl Power Rajasthan Limited and Adanl Power Maharashtra Limited.

Ili) Cash Credit from banks ₹ 2.941.34 Crores (as at 31st March, 2016 ₹ 2,410.81 Crores and as at 1st April, 2015 ₹ 1.397.02 Crores) were secured / to be secured by first mortgage and charge on respective Immovable and movable project assets of the respective entities,

27 Trade Payables

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Acceptances	3,061.99	3,253.38	3,239.28
Other than acceptances	4,192.25	2,978.83	2,439.22
Total	**7,254.24**	**6,232.21**	**5,678.50**

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 payable mainly includes 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 Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

28 Other Current Financial Liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current maturities of long-term borrowings (Secured) (refer note 21)	2,639.04	2,974.34	3,225.01
Current maturities of long-term borrowings (Unsecured) (refer note 21)	614.72	901.74	94.30
Interest accrued but not due on borrowings	542.77	337.50	157.37
Equity share application money refundable (Refer Note (i) below)	–	0.76	0.77
Payable on purchase of fixed assets (including retention money)	333.88	329.14	694.44
Book Overdraft	–	148.49	97.63
Derivatives not designated as hedges (refer note (ii) below)	420.29	209.69	261.23
Derivative Payables	4.43	30.32	–
Others	145.51	124.99	97.01
Total	**4,700.64**	**5,056.97**	**4,627.76**

Notes:

i. These do not include any amounts due and outstanding to be credited to "Investors' Education and Protection Fund".

ii. Includes options of ₹ 227.00 Crores (₹ 104.46 Crores as at 31st March, 2016 and ₹ 24.33 Crores as at 1st April, 2015), forwards of ₹ 193.28 Crores (₹ 40.79 Crores as at 31st March, 2016 and ₹ 26.30 Crores as at 1st April, 2015) and principal only swaps of ₹ Nil (₹ 64.44 Crores as at 31st March, 2016 and ₹ 210.60 Crores as at 1st April, 2015).

iii. 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 49).

29 Other Current Liabilities

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Statutory liabilities (net of ₹ 487.75 Crores (₹ 487.75 Crores as at 31st March, 2016 and ₹ 465.85 Crores as at 1st April, 2015) deposited under protest)	94.37	344.08	248.33
Advance from Customers	709.27	660.35	533.47
Deferred Government Grant (refer note 5.1 (ii))	299.84	299.84	299.84
Others*	4.62	8.40	10.25
Total	**1,108.10**	**1,312.67**	**1,091.89**

(* Includes security deposits)

30 Short term Provisions

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Provision for employee benefits (refer note 53)	9.71	8.40	11.47
Total	**9.71**	**8.40**	**11.47**

31 Current tax Liabilities (net)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Income-tax payable (net of current advance tax of ₹ 4.01 Crore (As at 31st March 2016 and at 1st April 2015 - Nil)	8.81	–	–
Total	**8.81**	**–**	**–**

32 Revenue from Operations

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Revenue from Power Supply (refer note (i),(ii) below and 37(i) and 58)	22,421.24	25,129.86
Revenue from Coal Sale	18.49	68.46
Other Operating Revenue		
Sale of Fly Ash and others	44.25	34.01
Deferred income (refer note 5.1(ii))	299.84	299.84
Total	**22,783.82**	**25,532.17**

i. 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 the 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 was 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, the 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 :

(a) Relief on account of Change in Law / Force Majeure of ₹ 110.30 crores for the year ended 31st March, 2017 (₹ 409.33 crores for the year ended 31st March, 2016 and ₹ 1,282.37 crores recorded upto 31st March, 2017) recognised based on the order dated 5th May, 2014 of Maharashtra Electricity Regulatory Commission ("MERC") to compensate the APML for losses suffered due to non-allotment of Lohara coal block / non-availability of coal linkages.

In response to appeals filed by customers against the aforesaid order, the 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 deallocation of the Lohara coal block constitute a Force Majeure event or not will be decided by the regular bench of APTEL.

(b) Additional relief of ₹ 132.37 crores for the year ended 31st March, 2017 (₹ 694.20 crores for the year ended 31st March, 2016 and ₹ 1,300.86 crores recorded upto 31st March, 2017) recognised pursuant to an order by MERC based on the decision taken by the Cabinet Committee on Economic Affairs and the subsequent amendment to the New Coal Distribution Policy, 2007 ("NCDP") to compensate the losses suffered due to non-availability of coal linkages / coal under Fuel Supply Agreements.

In light of the decision of the Hon. Supreme Court order dated 11th April, 2017, in the case of Adani Power Limited, that the change in NCDP and Tariff Policy constitute Change in Law, APTEL has remanded the matter to MERC for fresh adjudication and to determine the relief that should be granted due to non-availability / shortage of domestic coal, as a Change in Law.

ii. Adani Power Rajasthan Limited ("APRL"), under long term Power Purchase Agreement ("the PPA"), 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 ("the 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.

The RERC vide its order dated 30th May 2014 rejected the consideration of "Force Majeure" and "Change in Law" under the PPA and constituted a committee to recommend Compensatory Tariff ("CT") in line with the CERC order dated 21st February, 2014 in a similar matter. APTEL vide its order dated 7th April, 2016 set aside the CERC order dated 21 February,

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

2014 in a similar matter involving its holding parent company, 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 PPA. The 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 customers against the said order, the APTEL vide its order dated 11th May, 2016 had set aside the order of the 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 the RERC. In light of the Hon'ble Supreme Court order dated 11th April, 2017 in the case of Adani Power Limited, Parent Company, that the change in NCDP and Tariff Policy constitute Change in Law, the APRL has filed an affidavit with RERC to grant relief due to non-availability/shortage of domestic coal, as a Change in Law.

Revenue from Power Supply includes relief of ₹ 726.48 crores for the year ended 31st March, 2017 (₹ 948.52 crores for the year ended 31st March, 2016 and ₹ 1,980.92 crores recorded upto 31st March, 2017) recognised by APRL based on an order by Rajasthan Electricity Regulatory Commission (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 on account of Change in Law / Force Majeure and Additiional relief as referred in (a), (b) and (ii) above, which is predicated on the legal advice that in case of matters referred in (a) above, the APML has a good arguable case on merits and in case of matters referred in (b) and (ii) above, based on the principles set forth by the Hon. Supreme Court in the similar matter in case of Adani Power Limited in its order dated 11th April, 2017.

33 Other Income

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Interest income (refer note (i) below)	235.48	138.08
Income from mutual funds	2.19	24.65
Sale of scrap	13.14	16.92
Foreign exchange fluctuation gain (Net)	56.52	2.50
Miscellaneous income (refer note (ii) below)	111.63	19.43
Total	**418.96**	**201.58**

Notes:

i) Interest income comprises of :

a) interest income of ₹ 233.85 Crores (previous year ₹ 134.30 Crores) on financial assets carried at amortised cost, which includes interest from fixed deposits with banks ₹ 36.66 Crores (Previous Year ₹ 48.89 Crores) and interest on others ₹ 197.19 Crores (Previous Year ₹ 85.41 Crores); and

b) Interest income of ₹ 1.63 Crores (Previous Year ₹ 3.78 Crores) on tax refunds.

ii) Miscellaneous income includes ₹ 76.23 Crores towards provision no longer required written back.

34 Employee Benefits Expense

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Salaries, wages and allowances	361.47	314.93
Contribution to provident and other funds (refer note 53)	24.27	31.69
Employee welfare expenses	15.95	12.13
Total	**401.69**	**358.75**

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

35 Finance costs

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(a) Interest costs :		
Loans and Debentures	4,728.51	4,711.29
Trade credits and others	516.60	460.90
	5,245.11	**5,172.19**
(b) Other borrowing costs :		
Loss on Derivative Contracts	501.40	122.68
Bank charges and other borrowing costs	155.22	265.35
	656.62	**388.03**
(c) Net loss on foreign currency transactions and translation (considered as borrowing costs)	–	402.95
	–	**402.95**
Total	**5,901.73**	**5,963.17**

36 Other Expenses

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Transmission expenses	553.98	379.18
Stores and spares	189.83	206.27
Repairs and maintenance		
Plant and equipment	221.79	220.66
Others	19.69	29.59
Operating lease rent	18.25	20.76
Rates and taxes	67.51	74.17
Custom duty on electrical energy	–	27.38
Legal and professional expenses	139.75	115.82
Discount on prompt payment of bills	168.31	154.84
Directors' sitting fees	0.12	0.14
Payment to Auditors (Refer Note 51)	1.60	1.11
Communication expenses	7.23	3.13
Travelling and conveyance expenses	35.45	40.11
Insurance expenses	51.90	62.81
Office expenses	3.81	5.83
Bad debt written off	0.07	–
Electricity expenses	6.88	10.58
Miscellaneous expenses	61.57	70.39
Loss on sale / retirement of fixed assets (Net)	8.39	20.00
Donations	0.65	1.33
Corporate social responsibility expenses (refer note 54)	14.41	3.08
Water charges	–	8.25
Total	**1,571.19**	**1,455.43**

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

37 Exceptional Items

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
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) 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 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, the Company 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 the Appellate Tribunal for Electricity ("APTEL"). The APTEL vide its order dated 7th April, 2016, had set aside the aforementioned CERC order and had held that the promulgation of Indonesian regulation constitute 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 said event is neither Force Majeure nor Change in Law as per the terms of PPA and hence, does not entitle Company to CT. Consequently, the Company has 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) is shown as an exceptional item and ₹ 745.35 crores (recognised from 1st April, 2016 to 31st December, 2016) has been adjusted from the revenue from operations.

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, constitute Change in Law as per the terms of PPA. The 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) The Company had given advances to Brakel Kinnaur Power Private Limited ("Brakel") of ₹ 288.45 Crores which were, in turn, deposited by Brakel to Government of Himachal Pradesh ("the GoHP") in relation to 960 MW hydro power plant project ("the project"). The said advances has been written off due to delay in initiation of underlying project.

iii) Udupi Power Corporation Limited ("UPCL") has 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.

38 Income Tax

The major components of income tax expense for the years ended 31st March, 2017 and 31st March, 2016 are:

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Income Tax Expense :		
Current Tax:		
Current Income Tax Charge	12.41	–
Adjustments in respect of prior years	0.09	(0.30)
Total (A)	**12.50**	**(0.30)**
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(98.57)	(175.78)
Total (B)	**(98.57)**	**(175.78)**
Total (A+B)	**(86.07)**	**(176.08)**

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

38 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, 2017	For the year ended 31st March, 2016
(Loss) / Profit before tax as per Statement of Profit and Loss		**(6,260.17)**	**374.72**
Income tax using the company's domestic tax rate @ 34.608%		**(2,166.52)**	**129.68**
Tax Effect of :			
i) Incremental depreciation / allowances allowable on assets		(739.41)	(974.80)
ii) Provisions disallowed		(65.51)	36.46
iii) Current year Losses for which no Deferred Tax Asset is created		2,850.44	661.03
iv) Non-deductible expenses		(0.87)	(2.06)
v) Others		23.30	(26.09)
vi) Minimum Alternate Tax (MAT)		12.41	–
vii) Income-taxes related to prior years		0.09	(0.30)
Income tax recognised in Statement of Profit and Loss at effective rate	Total	**(86.07)**	**(176.08)**

39 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, 2017	31st March, 2016	1st April, 2015
Adani Power Maharashtra Limited	India	100%	100%	100%
Adani Power Rajasthan Limited	India	100%	100%	100%
Udupi Power Corporation Limited (w.e.f. 20th April, 2015)	India	100%	100%	-
Adani Power Resources Limited	India	100%	100%	100%
Adani Power (Mundra) Limited (formerly known as Adani Power (Karnataka) Limited	India	100%	100%	100%
Adani Power (Jharkhand) Limited (w.e.f. 18th December, 2015)	India	100%	100%	-

40 Contingent liabilities and commitments

(i) Contingent liabilities :

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
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.	135.20	135.20	135.20
2. Claims against the Company not acknowledged as debts in respect of:			
a. Income Tax (refer note (i) below)	54.70	51.92	17.50
b. Service Tax (refer note (ii) below)	5.12	5.11	5.11
c. Custom Duty (refer note (iii) below)	264.70	254.13	133.43
d. Others (refer note (iv) below)	169.02	156.00	0.47
Total	**628.74**	**602.36**	**291.71**

i) Matters relating to Income Tax from AY 2008-09 to 2012-13 is 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 related to custom duty claims being contested at various levels of Indirect Tax authorities.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

40 Contingent liabilities and commitments (contd...)

iv) a) Matters relating to Central Sales Tax for FY 2010-11 and FY 2014-15 is being contested at various level of Indirect Tax authorities.

b) Matter related to Arbitration for which UPCL has filed arbitration suit under Arbitration Act 1996.

v) Management is not expecting any future cash outflow with respect to above litigations.

(ii) Commitments :

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for	682.85	605.90	180.76
Estimated amount payable towards coal block allocated to the Group (Refer Note 43)			
Upfront Fees	13.60	13.60	27.20
Deposit	–	–	22.45
Other commitments	–	1.95	9.85
Total	**696.45**	**621.45**	**240.26**

41 (a) During the previous year, the Board of Directors had approved a composite Scheme of Arrangement (“the Scheme”) under section 391 and 394 of the Companies Act 1956, between Adani Enterprises Limited (the erstwhile Parent Company) (“AEL”), Adani Ports and Special Economic Zone Limited (“APSEZ”), Adani Transmission Limited (“ATL”) and Adani Mining Private Limited (“AMPL”) and the Group, for the demerger of various businesses of AEL with an appointed date of 1st April, 2015. During the previous year, on receipt of approval by the Hon’ble High Court of Gujarat and on adherence to the other necessary compliances, the said scheme became effective.

As per the Scheme, Solar Power Undertaking of AEL had been merged into the Group along with its assets and liabilities from the appointed date of 1st April, 2015. Pursuant to the merger of the Solar Power Undertaking of AEL into Group and based on fair valuation done, the Group had issued and allotted 63,916,831 new equity shares of ₹ 10 each to the equity shareholders of AEL in the ratio of 18,596 equity shares in Group for every 10,000 equity shares held by the equity shareholder in AEL. The equity shares held by AEL in Group had been cancelled on approval of the said scheme by the Hon’ble High Court of Gujarat vide its order dated 7th May, 2015.

(b) The Company had acquired the 100% Equity share in Udupi Power Corporation Limited “(UPCL)” which has an installed and fully commissioned capacity of 1200 MW at village Yellure, Udupi, Karnataka, consequently UPCL had become wholly owned subsidiary of the Company w.e.f. 20th April, 2015.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

(C) Assets acquired and liabilities recognised at the date of acquisition / merger :

Name of the subsidiaries	Solar Power Undertaking (a)	UPCL (b)
	As at 1st April, 2015	As at 20th April, 2015
ASSETS		
Non-current Assets		
(a) Property, Plant and Equipment	670.85	5,979.37
(b) Capital Work-In-Progress	–	1.16
(c) Other Intangible Assets	0.44	0.06
(d) Financial Assets		
(i) Investments	–	0.54
(e) Other Non-current Assets	1.39	21.23
Total Non-current Assets	**672.68**	**6,002.36**
Current Assets		
(a) Inventories	3.35	144.48
(b) Financial Assets		
(i) Trade Receivables	7.16	1,236.10
(ii) Cash and Cash Equivalents	0.10	996.09
(iii) Bank balances other than (iii) above	–	35.52
(iv) Other Current Financial Assets	–	196.55
(c) Other Current Assets	8.49	32.54
Total Current Assets	**19.10**	**2,641.28**
Total Assets (A)	**691.78**	**8,643.64**
LIABILITIES		
Non-current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	352.78	3,167.17
(b) Deferred Tax Liabilities (Net)	218.90	280.31
(c) Provisions	–	1.95
Total Non-current Liabilities	**571.68**	**3,449.43**
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	9.29	1,993.15
(ii)Trade Payables	1.06	346.90
(iii) Other Current Financial Liabilities	33.60	631.11
(b) Other Current Liabilities	0.10	167.03
(c) Provisions	–	1.08
Total Current Liabilities	**44.05**	**3,139.27**
Total Liabilities (B)	**615.73**	**6,588.70**

b(i) Goodwill arising from acquisition of UPCL :

Particulars	Amount
Consideration paid	2,238.60
Less : Fair value of net assets (A-B)	(2,054.94)
Goodwill arising of acquisition of UPCL :	**183.66**

Goodwill arose from acquisition of UPCL because the cost of the acquisition includes control premium paid in relation to the benefit of expected synergies and revenue growth. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Goodwill arising from this acquisition is not expected to be deductible for tax purposes.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

b(ii) Net cash outflow on acquisition of UPCL :

Particulars	Amount
Total Consideration paid	2,238.60
Less : Consideration paid during FY 2014-15	(742.00)
Less : Retention money payable	(51.00)
Consideration paid during the year	**1,445.60**

b(iii) Impact of acquisition on the results of the Group :

Included in the Statement of profit and loss for the year ended 31st March, 2016 was ₹ 130.19 Crore attributable to the acquisition of the UPCL.

42 Trade receivables of UPCL includes ₹ 137.11 Crore includes 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 receivable. (refer note 13)

43 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.

44 (a) 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, 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 the Company has concluded that the Recoverable Amounts of the Power Plants are higher than their carrying amounts as at 31st March, 2017.

(b) APML and APRL has 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 life 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 variations, 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 has concluded that the Recoverable Amounts of the Power Plants are higher than their carrying amounts as at 31st March, 2017. 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 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 life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to 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.

On a careful evaluation of the aforesaid factors, the Management of UPCL has concluded that the Recoverable Amounts of the Power Plants are higher than their carrying amounts as at 31st March, 2017. However, if these estimates and assumptions change in future, there could be corresponding impact on the recoverable amounts of the Plants.

45 For the financial year ended 31st March, 2017, the Company has incurred a loss of ₹ 6,054.34 Crores and as at the year end, current liabilities (including ₹ 7,234.06 Crores to related parties) exceed current assets by ₹ 12,688.48 Crores. The Company expects to meet its financial obligations based on continued support from lenders, trade creditors as well as subsidiaries as may be required to sustain its operations on a going concern basis.

46 The Group has executed a Share Purchase Agreement for acquisition of 100% stake in Korba West Power Group Limited ("KWPCL") which owns a 600 MW Coal based thermal power plant in state of Chhattisgarh, with Avantha Power and Infrastructure Limited which is pending for necessary approvals and consents. As at 31st March, 2017, the Group has paid advance consideration of ₹ 775 Crores (Previous Year ₹ 775 Crores).

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

47 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, 2017		As at 31st March, 2016		As at 1st April, 2015	
		Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
Principal only swaps	Hedging of borrowings	–	–	345.92	USD 62.26	1,370.69	USD 252.01
Cross currency swaps	Hedging of borrowings	–	–	–	–	161.71	USD 35.01
Forward covers	Hedging of LC, Acceptances, Creditors and future coal contracts	3,442.15	USD 530.79	1,954.63	USD 295.02	1,642.53	USD 262.80
	Hedging of ECB loans	262.20	USD 40.43	81.56	USD 12.31	74.88	USD 11.98
Options	Hedging of ECB and interest	4,590.70	USD 707.89	5,110.11	USD 771.28	4,420.13	USD 707.22
	Hedging of LC, Acceptances, Creditors and future coal contracts	4,696.83	USD 724.26	5,477.89	USD 826.80	4,241.29	USD 678.81
		12,991.88		**12,970.11**		**11,911.23**	

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, 2017		As at 31st March, 2016		As at 1st April, 2015	
		Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
Interest rate swaps	Hedging of interest rate on ECB	2,280.58	USD 351.67	3,345.47	USD 504.94	2,733.52	USD 437.36
		2,280.58		**3,345.47**		**2,733.52**	

The details of foreign currency exposures not hedged by derivative instruments are as under :

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
1. Import Creditors and Acceptances	1,626.38	USD 250.79**	1,433.09	USD 216.29	1,493.48	USD 238.96
	0.04	EUR 0.01	0.47	EUR 0.06	0.07	EUR 0.01
	–	–	0.05	CNY 0.05	0.05	CNY 0.05
	–	–	*	GBP *	0.09	GBP 0.01
	0.59	SEK 0.81	0.66	SEK 0.81	0.69	SEK 0.81
2. Loans under letters of credit	56.41	USD 8.70	30.75	USD 4.64	237.14	USD 37.94
3. Foreign currency borrowings and interest	3,684.84	USD 568.21	5,599.47	USD 845.14	7,109.71	USD 1,137.55
4. Interest accrued but not due	4.01	USD 0.62	86.53	USD 13.06	93.55	USD 14.96
	5,372.27		**7,151.02**		**8,934.78**	

(Figures below ₹ 50,000, USD 5000, GBP 5000 are denominated by *)

** The Company has 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 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.

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

48 (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 that 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 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 of ₹ 36,079.67 Crores as on 31st March, 2017 and ₹ 36,149.49 Crores as on 31st March, 2016 and all other variables were held constant, the Company's profit for the year would increase or decrease as follows:

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Impact on Profit or Loss for the year	169.00	166.50

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.

Every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar on the exposure of $ 222.62 million as on 31st March, 2017 and $ 195.13 million as on 31st March, 2016, would have affected the Company's profit for the year as follows :

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Impact on Profit or Loss for the year	14.44	12.93

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 favor of the Group.

All amounts are in ₹ Crores, unless otherwise stated

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.

During the year, the Group has made repayment of principal and interest on borrowings on or before due dates, except on few occasions mainly due to certain reasons like completion of lender consented LC rollover formalities, which is beyond its control. The Company did not have any defaults of principal and interest as on the reporting date.

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, 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, non-convertible debt securities, 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.

49 Fair Value Measurement

a) 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	–	–	9,972.71	9,972.71
Loans	–	–	1,251.50	1,251.50
Derivative Instruments	–	19.80	–	19.80
Other Financial assets	–	–	228.12	228.12
Total	**–**	**184.12**	**12,056.51**	**12,240.63**
Financial Liabilities				
Borrowings	–	–	52,484.38	52,484.38
Trade Payables	–	–	7,254.24	7,254.24
Derivative Instruments	–	436.32	–	436.32
Other Financial Liabilities	–	–	1,077.62	1,077.62
Total	**–**	**436.32**	**60,816.24**	**61,252.56**

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

49 Fair Value Measurement

b) The carrying value of financial instruments by categories as of 31st March, 2016 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	–	–	106.78	106.78
Bank balances other than cash and cash equivalents	–	–	761.92	761.92
Investments	–	0.05	0.01	0.06
Trade Receivables	–	–	12,476.60	12,476.60
Loans	–	–	704.99	704.99
Derivative Instruments	–	40.52	–	40.52
Other Financial assets	–	–	353.49	353.49
Total	**–**	**40.57**	**14,403.79**	**14,444.36**
Financial Liabilities				
Borrowings	–	–	52,729.32	52,729.32
Trade Payables	–	–	6,232.21	6,232.21
Derivative Instruments	–	293.62	–	293.62
Other Financial Liabilities	–	–	1,022.20	1,022.20
Total	**–**	**293.62**	**59,983.73**	**60,277.35**

c) The carrying value of financial instruments by categories as of 1st April, 2015 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	–	–	254.63	254.63
Bank balances other than cash and cash equivalents	–	–	601.62	601.62
Investments	–	357.49	0.01	357.50
Trade Receivables	–	–	6,949.91	6,949.91
Loans	–	–	206.09	206.09
Derivative Instruments	–	5.37	–	5.37
Other Financial assets	–	–	346.97	346.97
Total	**–**	**362.86**	**8,359.23**	**8,722.09**
Financial Liabilities				
Borrowings	–	–	44,535.59	44,535.59
Trade Payables	–	–	5,678.50	5,678.50
Derivative Instruments	–	403.46	–	403.46
Other Financial Liabilities	–	–	1,107.75	1,107.75
Total	**–**	**403.46**	**51,321.84**	**51,725.30**

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

50 Fair Value hierarchy

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**

Particulars	As at 31st March, 2016			
	Level 1	Level 2	Level 3	Total
Assets				
Investment	–	0.05	–	0.05
Derivative instruments	–	40.52	–	40.52
Total	**–**	**40.57**	**–**	**40.57**
Liabilities				
Derivative instruments	–	293.62	–	293.62
Total	**–**	**293.62**	**–**	**293.62**

Particulars	As at 31st March, 2015			
	Level 1	Level 2	Level 3	Total
Assets				
Investment	–	357.49	–	357.49
Derivative instruments	–	5.37	–	5.37
Total	**–**	**362.86**	**–**	**362.86**
Liabilities				
Derivative instruments	–	403.46	–	403.46
Total	**–**	**403.46**	**–**	**403.46**

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.

51 Payment to auditors

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Audit fees	1.28	0.91
Fees for certificates and other services	0.31	0.15
Out of Pocket Expenses	0.01	0.05
Total	**1.60**	**1.11**

52 Earnings per share

		For the year ended 31st March, 2017	For the year ended 31st March, 2016
Basic and Diluted EPS			
(Loss) / Profit attributable to equity shareholders	(₹ in Crores)	(6,174.10)	550.80
Weighted average number of equity shares outstanding during the year	No	3,464,159,997	2,991,185,662
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	(17.82)	1.84

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

53 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 disclosure are given below :

	Particulars	As at 31st March, 2017	As at 31st March, 2016
i.	**Reconciliation of Opening and Closing Balances of defined benefit obligation**		
	Liability at the beginning of the Year	30.95	44.10
	Acquisition liability		
	Current Service Cost	6.57	13.15
	Interest Cost	2.44	3.66
	Acquisition adjustment	(1.20)	1.87
	Benefits paid	(0.83)	(1.07)
	Re-measurement (or Actuarial) (gain) / loss arising from:		
	change in demographic assumptions	0.50	(4.27)
	change in financial assumptions	(4.80)	(30.01)
	experience variance (i.e. Actual experience vs assumptions)	0.33	3.52
	Present Value of Defined Benefits Obligation at the end of the Year	33.96	30.95
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	18.27	15.82
	Fair Value of Plan assets of acquired Group	–	1.62
	Expected return on plan assets	1.44	1.39
	Employer's Contributions	0.53	0.23
	Employee's Contributions	–	
	Benefits paid	(0.48)	(1.00)
	Actuarial gain / (loss) on plan assets	–	0.21
	Fair Value of Plan assets at the end of the Year	19.76	18.27
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	33.96	30.95
	Fair Value of Plan assets at the end of the Year	19.76	18.27
	Net Asset / (Liability) recognized in balance sheet as at the end of the year	(14.20)	(12.68)
iv.	**Composition of Plan Assets**		
	Except APML, all Plan Assets are administered by LIC		
	In case of APML, Plan Assets are unfunded.		
v.	**Gratuity Cost for the Year**		
	Current service cost	6.57	13.15
	Interest cost	2.44	3.66
	Expected return on plan assets	(1.32)	(1.39)
	Net Gratuity cost recognised in the statement of Profit and Loss	7.69	15.42
vi.	**Other Comprehensive Income**		
	Actuarial (gains) / losses		
	change in demographic assumptions	0.50	(4.27)
	change in financial assumptions	(4.80)	(30.01)
	experience variance (i.e. Actual experience vs assumptions)	0.33	3.52
	Return on plan assets, excluding amount recognised in net interest expense	–	(0.21)
	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	(3.97)	(30.97)

vi. Actuarial Assumptions

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Discount Rate (per annum)	7.60%	7.90%	7.90%
Expected annual Increase in Salary Cost	8.00%	10.00%	10.00%

Mortality Rates as given under Indian Assured Lives Mortality (2006-08) Ultimate Retirement Age 58 Years.

54 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 Group has utilised the funds for activities which are specified in Schedule VII of the Companies Act, 2013.

(a) Gross amount as per the limits of Section 135 of the Companies Act, 2013 : ₹ 0.97 Crores

(b) Amount spent during the year on : ₹ 14.41 Crores (Previous year : ₹ 3.08 Crores)

Particulars	Amount Contributed	Amount yet to contribute	Total
a) Construction/acquisition of any assets	–	–	–
b) On purpose other than (a) above	14.41	–	14.41

55 Related party transactions

a. List of related parties and relationship

Description of relationship	Description of relationship
Controlling Entity	S.B. Adani Family Trust (SBAFT)

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

b. Transactions with related parties

Sr No.	Particulars	For the year ended 31st March, 2017 With SBAFT and its subsidiaries	For the year ended 31st March, 2017 Key Managerial Personnel & Its Relatives	For the year ended 31st March, 2016 With SBAFT and its subsidiaries	For the year ended 31st March, 2016 Key Managerial Personnel & Its Relatives
1	Equity Shares Issued	–	–	1,114.68	–
2	Loan Taken	2,559.35	–	8,415.39	–
3	Loan Repaid Back	4,958.85	–	8,378.24	–
4	Interest Expense on Loan	480.78	–	490.06	–
5	Interest expenses	74.39	–	62.63	–
6	Loan Given	110.30	–	–	–
7	Loan Received Back	10.00	–	–	–
8	Interest Income	0.34	–	–	–
9	Sale of Goods	1,167.79	–	2,164.00	–
10	Purchase of Goods	9,069.47	–	7,358.55	–
11	Other Balances Transfer from Related Party	4.47	–	0.17	–
12	Other Balances Transfer to Related Party	1.66	–	6.57	–
13	Purchase of Fixed Asset	0.06	–	0.09	–
14	Rendering of Service	17.77	–	1.91	–
15	Receiving of Services	690.27	–	816.70	–
16	Advance Received against sale of Goods	705.83	–	650.86	–
17	Capital Advance Given	–	–	250.00	–
18	Advance Given Against Purchase of Goods	–	–	96.44	–
19	Advance refund against Purchase of Goods	51.00	–	–	–
20	Deposit Taken	–	–	200.00	–
21	Deposit Repaid	200.00	–	–	–
22	Donation given	–	–	0.70	–
23	Sale of Assets	–	–	6.25	–
24	Solar Assets acquired (Refer Note 41(a))	–	–	691.77	–
25	Solar Liabilities acquired (Refer Note 41(a))	–	–	396.84	–
26	Issue of share warrants (subsequently converted into equity shares during the year)	1,701.83	–	–	–
27	Compensation of Key Management Personnel				
a	Short-term benefits	–	5.10	–	5.46
b	Post-employment benefits	–	0.39	–	0.16
c	Director sitting fees	–	0.12	–	0.12

C. Balances With Related Parties :

Sr No.	Particulars	As at 31st March, 2017 With SBAFT and its subsidiaries	As at 31st March, 2016 With SBAFT and its subsidiaries	As at 1st April, 2015 With SBAFT and its subsidiaries
1	Borrowings	2,829.64	5,245.61	5,220.93
2	Balance Payable (Including Provisions)	6,756.99	4,699.70	4,037.51
3	Balance Receivable	399.49	378.43	18.83

Notes to Consolidated Financial Statements for the year ended on 31st March, 2017

All amounts are in ₹ Crores, unless otherwise stated

56 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	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Adani Power Limited	154%	4,619.65	97%	(6,012.91)
Subsidiaries (Indian) :				
Adani Power Maharashtra Limited	-42%	(1,270.35)	4%	(217.24)
Adani Power Rajasthan Limited	-18%	(550.62)	0%	14.83
Udupi Power Corporation Limited	7%	201.02	-1%	45.26
Adani Power Resources Limited	0%	(0.02)	0%	(0.00)
Adani Power (Mundra) Limited (earlier known as Adani Power (Karnataka) Limited	0%	(0.11)	0%	(0.07)
Adani Power (Jharkhand) Limited	0%	(0.01)	0%	(0.00)

57 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.

58 The Group has entered into long term power purchase agreements ("The PPAs") with its customer for a term of 25 years which is subject to renewal at mutual consent of both the parties thereafter. The PPAs can be terminated by either party in case of specific event of default by the other party, after giving due notice. The PPAs does not give the counterparty the option to purchase the relevant assets at the expiry of the contract term.

59 Recent accounting pronouncements

Standards issued but not yet effective : In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Group from April 1, 2017. The management believes that the implication on financial statement of the above mentioned standard will not be material.

60 Approval of consolidated financial statements

The consolidated financial statements were approved for issue by the board of directors on 27th May, 2017.

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

KARTIKEYA RAVAL
PARTNER

Place : Ahmedabad
Date : 27th May, 2017

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

VINOD BHANDAWAT
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th May, 2017

Form No. AOC-1

Salient features of the financial statement of subsidiaries/associates/joint ventures as per Companies Act, 2013

PART "A" : Subsidiaries

₹ in Crores

Sr. No.	Name of the Subsidiary	Reporting Peiod	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before taxation	Tax Expense:	OCI	TOCI	Proposed Dividend	% of Shareholding
1	Adani Power Maharashtra Ltd.	2016-17	INR	2,854.73	77.39	23,618.39	20,686.27	0.02	6,478.19	(219.06)	0.06	1.88	(217.24)	–	100%
2	Adani Power Rajasthan Ltd.	2016-17	INR	1,200.00	(550.62)	11,382.61	10,733.25	85.95	3,885.65	14.45	–	0.38	14.83	–	100%
3	Udupi Power Corporation Ltd.	2016-17	INR	1,934.20	(206.91)	7,660.79	5,933.50	–	3,211.24	57.59	12.41	0.08	45.26	–	100%
4	Adani Power Resources Ltd.	2016-17	INR	0.05	(0.02)	0.04	*	–	–	*	–	–	*	–	100%
5	Adani Power (Mundra) Ltd.**	2016-17	INR	0.05	(0.11)	0.58	0.64	–	–	(0.07)	–	–	(0.07)	–	100%
6	Adani Power (Jharkhand) Ltd.	2016-17	INR	0.05	(0.01)	12.18	12.14	0.08	–	*	–	–	*	–	100%

Name of subsidiary which has been liquidated or sold during the year:

1 Not Applicable

* Figures being nullified on conversion to ₹ in Crores.

Names of subsidiaries which are yet to commence operations-

Sl. No.	Name of the Subsidiary
1	Adani Power Resources Ltd.
2	Adani Power (Mundra) Ltd.**
3	Adani Power (Jharkhand) Ltd.

** Earlier known as Adani Power (Karnataka) Ltd.

Note: The Company has no Associate Companies and Joint Ventures, therefore Part B relating to Associate and Joint Ventures is not applicable.

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the Members of Adani Power Limited will be held on 10th day, of August, 2017 at 09:30 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, 2017 and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a director in place of Mr. Gautam S. Adani (DIN: 00006273), 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 Section 139(2) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, as amended from time to time, and pursuant to recommendation of the Audit Committee and the Board of Directors, Company hereby appoints. M/s. S R B C & CO LLP, Chartered Accountants, Ahmedabad (ICAI Reg. No. (FRN 324982E/E300003)) as Statutory Auditors of the Company in place of M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Reg. No. 117365W) whose tenure expires at the ensuing Annual General Meeting, to hold the office as such from the conclusion of the 21st Annual General Meeting (AGM) till the conclusion of the 26th AGM of the Company to be held in the year 2022 and subject to ratification of their appointment by Shareholders of the Company at every AGM in terms of provisions of Section 139 of the Companies Act, 2013 read with Rules made thereunder, at such remuneration plus reimbursement of out-of pocket, travelling and living expenses etc., as may be mutually agreed between the Board of Directors of the Company and the said Auditors."

   "RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised 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 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, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or restated (the "LODR Regulations") 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 to 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/ Committee be and is hereby authorized 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."

5. 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, 2018, 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."

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 Section 188 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 in terms of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded for ratification / approval of material related party transactions entered into by the Company with related parties as set out in the explanatory statement annexed to the notice convening this meeting.

   RESOLVED FURTHER THAT the Board of Directors and/ or a Committee thereof, be and is hereby, authorized 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: 27th May, 2017

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 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 Thursday, 3rd, August, 2017 to Thursday, 10th, August, 2017 (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. to 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 first 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. 3rd August, 2017, 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. 3rd August, 2017, 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 Sunday, 6th August, 2017 at 9.00 a.m. and will end on Wednesday, 9th August, 2017 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. 3rd August, 2017, 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. 3rd August, 2017.

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 PAN issued by Income Tax Department.

Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.

In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB# Enter the Date of Birth as recorded in dd/mm/yyyy format.

Dividend Bank Details# Enter the Dividend Bank Details as recorded in your demat Bank account or the Company records for the said folio.

If the details are not recorded with the Depository or Company, please enter the number of Shares held by you in the bank account column.

Please enter the DOB or dividend bank details in order to login.

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, a compliance user should be created using the admin login and password. The compliance 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 21st 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, Navarangpura, Ahmedabad - 380009, Gujarat, India CIN: L40100JG1996PLC030533 E-mail 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 : 022-22723333/8588
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

As per the provisions of Section 42 and 71 of the Companies Act, 2013 ("Act") read with rules framed 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 NCDs 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 an 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. Accordingly, the approval of the members is being sought by way of a Special Resolution under Section 42, 71 and other applicable provisions, if any of the Act and its rules 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. 5

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 2017-18, 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 2017-18.

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. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

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.

For Item No. 6

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has come into effect from 1st October, 2015 has also prescribed seeking of shareholders' approval for material related party transactions.

The Company has entered into following material related party transactions with the related party during the year under review:

(₹ in crores)

Name of Related Party	Relationship	Nature of transaction	Transaction value for the year ended 31st March, 2017
Adani Global PTE Ltd, Singapore	Entity on which one or more KMP have a significant influence / control	Coal Purchase	4,409.32
Adani Enterprises Limited	Entity on which one or more KMP have a significant influence / control	Loan Repaid	3,422.09

As per Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, related parties of the Company shall abstain from voting on said resolution.

The Board of Directors recommends the above resolution for your approval.

Except Mr. Gautam S. Adani, Mr. Rajesh S. Adani and their relatives, none of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

By order of the Board

Place: Ahmedabad
Date: 27th May, 2017

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	Date of Birth (No. of Shares held)	Qualification	Nature of Expertise in specific functional areas	Name of the Companies in which he holds Directorship	Name of Committees in which he holds Membership/ Chairmanship
Mr. Gautam S. Adani (DIN: 00006273)	24th June, 1962 (Nil)#	S.Y. B.Com.	Mr. Gautam S. Adani is the Chairman and Founder of the Adani Group. Under his leadership, Adani Group has emerged as a global integrated infrastructure player with interest across Resources, Logistics and Energy verticals. His journey has been marked by his ambitious and entrepreneurial vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve numerous milestones with speed and scale but also resulted in the creation of a robust business model which is contributing towards building sound infrastructure in India.	Adani Enterprises Limited@ Adani Power Limited@ Adani Ports and Special Economic Zone Limited@ Adani Transmission Limited@ Adani Green Energy Limited	Adani Power Limited@ - Nomination and Remunaration Committee (Member)

@ Listed Company

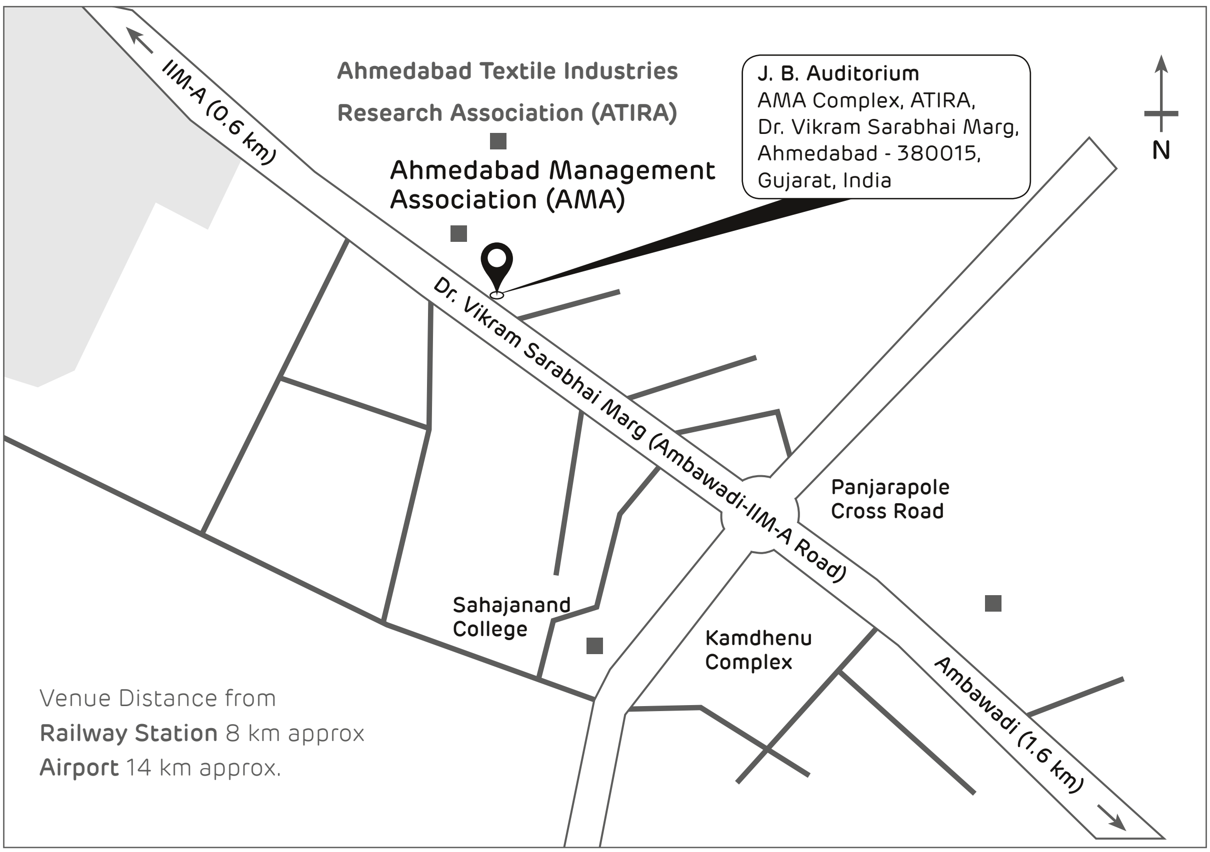
#Individual Capacity

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and Key Managerial Personnel in respect of above director, 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 21st Annual General Meeting of the Company, to be held on Thursday, 10th August, 2017 at 09:30 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, 2017 (Ordinary Resolution)
2. Re-appointment of Mr. Gautam S. Adani (DIN: 00006273), 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 period of 5 years subject to ratification at every AGM (Ordinary Resolution)

Special Business:

4. Approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement basis (Special Resolution)
5. Ratification of the Remuneration of the Cost Auditors (Ordinary Resolution)
6. Approval/ratification of material related party transactions entered into by the Company during the financial year ended 31st March, 2017 (Ordinary Resolution)

Signed this .... day of .... 2017.

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 21st Annual General Meeting held at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 on Thursday, 10th August, 2017 at 09:30 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

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Adani Power Limited

Shikhar, Nr. Adani House,
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